

# Uniform Residential Appraisal Report

File # SAMPLE-101a

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

SUBJECT

|                                                                                                                                                        |                                                                                                                                        |                        |                      |                                         |          |          |                                                                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------|-----------------------------------------|----------|----------|----------------------------------------------------------------------|
| Property Address                                                                                                                                       | 3705 W Memorial Rd                                                                                                                     | City                   | Oklahoma City        | State                                   | OK       | Zip Code | 73134-1512                                                           |
| Borrower                                                                                                                                               | Smith, Bob & Emma                                                                                                                      | Owner of Public Record | Jones, Frank & Sally | County                                  | OKLAHOMA |          |                                                                      |
| Legal Description                                                                                                                                      | Lot 15, Block 2 - ORANGE GROVE ESTATES                                                                                                 |                        |                      |                                         |          |          |                                                                      |
| Assessor's Parcel #                                                                                                                                    | 407-1534FVC                                                                                                                            | Tax Year               | 2004                 | R.E. Taxes \$                           | 1,082.16 |          |                                                                      |
| Neighborhood Name                                                                                                                                      | Hillcrest Estates                                                                                                                      | Map Reference          | 36420                | Census Tract                            | 1085.11  |          |                                                                      |
| Occupant                                                                                                                                               | <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant                              | Special Assessments \$ | None                 | <input checked="" type="checkbox"/> PUD | HOA \$   | 12.50    | <input type="checkbox"/> per year <input type="checkbox"/> per month |
| Property Rights Appraised                                                                                                                              | <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)            |                        |                      |                                         |          |          |                                                                      |
| Assignment Type                                                                                                                                        | <input type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe) |                        |                      |                                         |          |          |                                                                      |
| Lender/Client                                                                                                                                          | Baytown Mortgage Company                                                                                                               |                        |                      |                                         |          |          |                                                                      |
| Address                                                                                                                                                | 3705 W Memorial Road, BUILDING 402                                                                                                     |                        |                      |                                         |          |          |                                                                      |
| Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? | <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                               |                        |                      |                                         |          |          |                                                                      |
| Report data source(s) used, offering price(s), and date(s).                                                                                            |                                                                                                                                        |                        |                      |                                         |          |          |                                                                      |

CONTRACT

I  did  did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

Contract Price \$ N/A Date of Contract N/A Is the property seller the owner of public record?  Yes  No Data Source(s)

Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower?  Yes  No

If Yes, report the total dollar amount and describe the items to be paid.

**Note: Race and the racial composition of the neighborhood are not appraisal factors.**

NEIGHBORHOOD

| Neighborhood Characteristics                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                    | One-Unit Housing Trends |                                                                                                                         | One-Unit Housing |                  | Present Land Use % |       |
|----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------------------------------------------------------------------------------------------------------|------------------|------------------|--------------------|-------|
| Location                                                                                                                   | <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural                                                                                                                                                                                                                                                                                         | Property Values         | <input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining       | PRICE            | AGE              | One-Unit           | 100 % |
| Built-Up                                                                                                                   | <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%                                                                                                                                                                                                                                                                                    | Demand/Supply           | <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply   | \$ (000)         | (yrs)            | 2-4 Unit           | 0 %   |
| Growth                                                                                                                     | <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow                                                                                                                                                                                                                                                                                            | Marketing Time          | <input checked="" type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths | 150              | Low 2            | Multi-Family       | 0 %   |
| Neighborhood Boundaries                                                                                                    | The subject is within the platted bounds of the neighborhood. The neighborhood is bounded on the north by Pershing avenue, on the East by Goldenrod avenue, on the                                                                                                                                                                                                                                 |                         |                                                                                                                         | 300              | High 10          | Commercial         | 0 %   |
| Neighborhood Description                                                                                                   | The neighborhood is primarily a residential area, composed of average homes with adequate maintenance and average appeal in the market. The neighborhood appears to have reasonable access to schools, places of worship, employment, shopping, public transportation, freeway access and local CBD, and supporting services. This neighborhood appears to have increasing market value.           |                         |                                                                                                                         | 270              | Pred. 5          | Other              | %     |
| Market Conditions (including support for the above conclusions)                                                            | The market value in the area is stable, with supply remaining relatively the same, and values remaining stable. Interest rates are low and points typically range from 0-3 points. At this time, there is very little sales concessions or special financing. Days on the market have remained relatively low. This neighborhood is composed of similar housing with respect to design and quality |                         |                                                                                                                         |                  |                  |                    |       |
| Dimensions                                                                                                                 | 110x65x95x65                                                                                                                                                                                                                                                                                                                                                                                       | Area                    | 6,662.50 sqr ft                                                                                                         | Shape            | Typical for area |                    |       |
| Specific Zoning Classification                                                                                             | R-1A                                                                                                                                                                                                                                                                                                                                                                                               | Zoning Description      |                                                                                                                         |                  |                  |                    |       |
| Zoning Compliance                                                                                                          | <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)                                                                                                                                                                                                          |                         |                                                                                                                         |                  |                  |                    |       |
| Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe                                                                                                                                                                                                                                                                                                                |                         |                                                                                                                         |                  |                  |                    |       |

SITE

| Utilities                                                                                                                                                                                      | Public                                                                    | Other (describe)             | Public         | Other (describe)                                                             | Off-site Improvements - Type       | Public  | Private                                                      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|------------------------------|----------------|------------------------------------------------------------------------------|------------------------------------|---------|--------------------------------------------------------------|
| Electricity                                                                                                                                                                                    | <input checked="" type="checkbox"/>                                       | <input type="checkbox"/> OUC | Water          | <input checked="" type="checkbox"/> <input type="checkbox"/> OUC             | Street                             | Asphalt | <input checked="" type="checkbox"/> <input type="checkbox"/> |
| Gas                                                                                                                                                                                            | <input checked="" type="checkbox"/>                                       | <input type="checkbox"/> OUC | Sanitary Sewer | <input checked="" type="checkbox"/> <input type="checkbox"/> City of Orlando | Alley                              | None    | <input type="checkbox"/> <input type="checkbox"/>            |
| FEMA Special Flood Hazard Area                                                                                                                                                                 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No       | FEMA Flood Zone              | X              | FEMA Map #                                                                   | 40109C0202G FEMA Map Date 7/2/2002 |         |                                                              |
| Are the utilities and off-site improvements typical for the market area?                                                                                                                       | <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe  |                              |                |                                                                              |                                    |         |                                                              |
| Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)?                                                               | <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe |                              |                |                                                                              |                                    |         |                                                              |
| Site improvement and landscaping are typical for area. No apparent encroachments, easements, or other detrimental conditions noted at time of inspection other than typical utility easements. |                                                                           |                              |                |                                                                              |                                    |         |                                                              |

IMPROVEMENTS

| General Description                                                                                                                                                                                                                                                                                                                             | Foundation                                                                                                                                                                                                                                 | Exterior Description                      | materials/condition                     | Interior                          | materials/condition                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-----------------------------------------|-----------------------------------|-----------------------------------------------------------------|
| Units <input checked="" type="checkbox"/> One <input checked="" type="checkbox"/> One with Accessory Unit                                                                                                                                                                                                                                       | <input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space                                                                                                                                                                | Foundation Walls                          |                                         | Floors                            | Carpet & Tile/Avg.                                              |
| # of Stories 1                                                                                                                                                                                                                                                                                                                                  | <input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement                                                                                                                                                           | Exterior Walls                            | Concrete Block                          | Walls                             | Sheetrock/Avg.                                                  |
| Type <input type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit                                                                                                                                                                                                                                       | Basement Area None sq.ft.                                                                                                                                                                                                                  | Roof Surface                              | 40 Yr/Comp                              | Trim/Finish                       | Wood/Avg.                                                       |
| <input type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.                                                                                                                                                                                                                                       | Basement Finish N/A %                                                                                                                                                                                                                      | Gutters & Downspouts                      | Metal/GOOD                              | Bath Floor                        | Tile/Avg.                                                       |
| Design (Style) Ranch                                                                                                                                                                                                                                                                                                                            | <input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump                                                                                                                                                             | Window Type                               | Casement                                | Bath Wainscot                     | Tile/Avg.                                                       |
| Year Built 1995                                                                                                                                                                                                                                                                                                                                 | Evidence of <input type="checkbox"/> Infestation Unknown                                                                                                                                                                                   | Storm Sash/Insulated                      |                                         | Car Storage                       | <input type="checkbox"/> None                                   |
| Effective Age (Yrs) 5                                                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> Dampness <input type="checkbox"/> Settlement                                                                                                                                                                      | Screens                                   | Yes/Yes                                 | <input type="checkbox"/> Driveway | # of Cars                                                       |
| Attic <input type="checkbox"/> None                                                                                                                                                                                                                                                                                                             | Heating <input type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant                                                                                                                                        | Amenities                                 | <input type="checkbox"/> Woodstove(s) # | Driveway Surface                  | Concrete                                                        |
| <input checked="" type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs                                                                                                                                                                                                                                                                  | <input type="checkbox"/> Other <input type="checkbox"/> Fuel Elec.                                                                                                                                                                         | <input type="checkbox"/> Fireplace(s) # 1 | <input type="checkbox"/> Fence          | <input type="checkbox"/> Garage   | # of Cars                                                       |
| <input checked="" type="checkbox"/> Floor <input type="checkbox"/> Scuttle                                                                                                                                                                                                                                                                      | Cooling <input checked="" type="checkbox"/> Central Air Conditioning                                                                                                                                                                       | <input type="checkbox"/> Patio/Deck       | <input type="checkbox"/> Porch          | <input type="checkbox"/> Carport  | # of Cars                                                       |
| <input type="checkbox"/> Finished <input type="checkbox"/> Heated                                                                                                                                                                                                                                                                               | <input type="checkbox"/> Individual <input type="checkbox"/> Other                                                                                                                                                                         | <input type="checkbox"/> Pool             | <input type="checkbox"/> Other          | <input type="checkbox"/> Att.     | <input type="checkbox"/> Det. <input type="checkbox"/> Built-in |
| Appliances <input checked="" type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input checked="" type="checkbox"/> Microwave <input checked="" type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe) |                                                                                                                                                                                                                                            |                                           |                                         |                                   |                                                                 |
| Finished area above grade contains:                                                                                                                                                                                                                                                                                                             | 7 Rooms                                                                                                                                                                                                                                    | 3 Bedrooms                                | 2 Bath(s)                               | 2,473                             | Square Feet of Gross Living Area Above Grade                    |
| Additional features (special energy efficient items, etc.).                                                                                                                                                                                                                                                                                     | The rear patio has been enclosed and insulated with double-paned windows. Ceramic tile and A/C. This is now a finished SUN ROOM.                                                                                                           |                                           |                                         |                                   |                                                                 |
| Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.).                                                                                                                                                                                                                                | The property is in generally good condition and has been well maintained by the current owner. Repairs and conditions are consistent of other properties in this age bracket, and are due primarily to normal wear & tear on the property. |                                           |                                         |                                   |                                                                 |
| Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property?                                                                                                                                                                                                       | <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe                                                                                                                                                                  |                                           |                                         |                                   |                                                                 |
| Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)?                                                                                                                                                                                                                        | <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe                                                                                                                                                                   |                                           |                                         |                                   |                                                                 |

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| There are comparable properties currently offered for sale in the subject neighborhood ranging in price from \$    |                                                    |                                                                  |                    | to \$                                                            |                    |                                                                  |                    |
|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|------------------------------------------------------------------|--------------------|------------------------------------------------------------------|--------------------|------------------------------------------------------------------|--------------------|
| There are comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ |                                                    |                                                                  |                    | to \$                                                            |                    |                                                                  |                    |
| FEATURE                                                                                                            | SUBJECT                                            | COMPARABLE SALE # 1                                              |                    | COMPARABLE SALE # 2                                              |                    | COMPARABLE SALE # 3                                              |                    |
| Address                                                                                                            | 3705 W Memorial Rd<br>Oklahoma City, OK 73134-1512 | 14000 Quail Springs<br>Oklahoma City, OK 73134                   |                    | 4300 W Memorial Road<br>Oklahoma City, OK 73134                  |                    | 13500 N Pennsylvania Ave<br>Oklahoma City, OK 73120              |                    |
| Proximity to Subject                                                                                               |                                                    | 8 blocks E                                                       |                    | 8 blocks SW                                                      |                    | 2.22 miles E                                                     |                    |
| Sale Price                                                                                                         | \$ N/A                                             | \$ 170,000                                                       |                    | \$ 175,000                                                       |                    | \$ 165,000                                                       |                    |
| Sale Price/Gross Liv. Area                                                                                         | \$ sq.ft.                                          | \$ 58.22 sq.ft.                                                  |                    | \$ 58.63 sq.ft.                                                  |                    | \$ 58.20 sq.ft.                                                  |                    |
| Data Source(s)                                                                                                     |                                                    | Mid-Oklahoma                                                     |                    | Mid-Oklahoma                                                     |                    | Mid-Oklahoma                                                     |                    |
| Verification Source(s)                                                                                             |                                                    | Regional MLS                                                     |                    | Regional MLS                                                     |                    | Regional MLS                                                     |                    |
| VALUE ADJUSTMENTS                                                                                                  | DESCRIPTION                                        | DESCRIPTION                                                      | +(-) \$ Adjustment | DESCRIPTION                                                      | +(-) \$ Adjustment | DESCRIPTION                                                      | +(-) \$ Adjustment |
| Sales or Financing Concessions                                                                                     |                                                    | None                                                             |                    | None                                                             |                    | None                                                             |                    |
| Date of Sale/Time                                                                                                  |                                                    | 02/01/2005                                                       |                    | 01/15/2005                                                       |                    | 01/01/2005                                                       |                    |
| Location                                                                                                           | Urban                                              | Urban                                                            |                    | Suburban                                                         | -500               | Urban                                                            |                    |
| Leasehold/Fee Simple                                                                                               | Fee Simple                                         | Fee Simple                                                       |                    | Fee Simple                                                       |                    | Fee Simple                                                       |                    |
| Site                                                                                                               | 6,662.50 sq ft                                     | 6700                                                             | -656               | 6800                                                             | -2,406             | 6600                                                             | +1,094             |
| View                                                                                                               | Typical for area                                   | Lake                                                             | -1,000             | Other Houses                                                     |                    | Lake                                                             | -1,000             |
| Design (Style)                                                                                                     | Ranch                                              | Ranch                                                            |                    | Ranch                                                            |                    | Ranch                                                            |                    |
| Quality of Construction                                                                                            | Typical                                            | Typical                                                          |                    | Typical                                                          |                    | Typical                                                          |                    |
| Actual Age                                                                                                         | 5,5                                                | 7                                                                | +700               | 8                                                                | -1,050             | 6                                                                | -350               |
| Condition                                                                                                          | Average                                            | Average                                                          |                    | Average                                                          |                    | Average                                                          |                    |
| Above Grade Room Count                                                                                             | Total Bdrms. Baths                                 | Total Bdrms. Baths                                               |                    | Total Bdrms. Baths                                               |                    | Total Bdrms. Baths                                               |                    |
|                                                                                                                    | 7 3 2                                              | 8 3 2.5                                                          | -125               | 7 4 2                                                            | -500               | 7 2 1                                                            | +750               |
| Gross Living Area                                                                                                  | 2,473 sq.ft.                                       | 2,920 sq.ft.                                                     | -11,600            | 2,985 sq.ft.                                                     | -13,300            | 2,835 sq.ft.                                                     | -9,400             |
| Basement & Finished Rooms Below Grade                                                                              | None                                               | None                                                             |                    | None                                                             |                    | None                                                             |                    |
|                                                                                                                    | N/A                                                | N/A                                                              |                    | N/A                                                              |                    | N/A                                                              |                    |
| Functional Utility                                                                                                 | Average                                            | Average                                                          |                    | Average                                                          |                    | Average                                                          |                    |
| Heating/Cooling                                                                                                    | CHA/Adequate                                       | CHA/Adequate                                                     |                    | CHA/Adequate                                                     |                    | CHA/Adequate                                                     |                    |
| Energy Efficient Items                                                                                             | None                                               | None                                                             |                    | None                                                             |                    | None                                                             |                    |
| Garage/Carport                                                                                                     | 2                                                  | Carport                                                          | +250               | 2 Car Garage                                                     |                    | Carport                                                          | +250               |
| Porch/Patio/Deck                                                                                                   | Cov/Stoop/Wood                                     | Cov/Stoop                                                        |                    | Cov/Stoop                                                        |                    | Cov/Stoop                                                        |                    |
| Net Adjustment (Total)                                                                                             |                                                    | <input type="checkbox"/> + <input checked="" type="checkbox"/> - | \$ 12,431          | <input type="checkbox"/> + <input checked="" type="checkbox"/> - | \$ 17,756          | <input type="checkbox"/> + <input checked="" type="checkbox"/> - | \$ 8,656           |
| Adjusted Sale Price of Comparables                                                                                 |                                                    |                                                                  | \$ 157,569         |                                                                  | \$ 157,244         |                                                                  | \$ 156,344         |

SALES COMPARISON APPROACH

I  did  did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research  did  did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s)

My research  did  did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s)

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

| ITEM                             | SUBJECT                   | COMPARABLE SALE #1        | COMPARABLE SALE #2        | COMPARABLE SALE #3        |
|----------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Date of Prior Sale/Transfer      | None per the Mid-Oklahoma | None per the Mid-Oklahoma | None per the Mid-Oklahoma | None per the Mid-Oklahoma |
| Price of Prior Sale/Transfer     | Regional MLS System       | Regional MLS System       | Regional MLS System       | Regional MLS System       |
| Data Source(s)                   | MLS System                | MLS System                | MLS System                | MLS System                |
| Effective Date of Data Source(s) |                           |                           |                           |                           |

Analysis of prior sale or transfer history of the subject property and comparable sales

Summary of Sales Comparison Approach Sales recited are from subject neighborhood and are in acceptable proximity to the subject. They are the most recent and most comparable found. All value affecting dissimilarities were adjusted according to market reaction. Secondary market standards for net and gross adjustment percentages were met. The indicated range of values brackets the value of the subject. Greater weight is given Sales #1 and #2 in the reconciliation.

Indicated Value by Sales Comparison Approach \$

**Indicated Value by: Sales Comparison Approach \$**      **Cost Approach (if developed) \$ 171,893**      **Income Approach (if developed) \$**

Market actions of buyers and sellers are best analyzed by the Sales Comparison Approach. That approach is given greatest weight in the reconciliation. The Cost Approach provides confirmation of value only. The Income Approach was not developed.

RECONCILIATION

This appraisal is made  "as is",  subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed,  subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or  subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: This is not a rental neighborhood, and insufficient data is available for the Income Approach. This is a summary report of a limited appraisal as defined by SR 2-2(b), USPAP.

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 170,000 , as of 07/22/2005 , which is the date of inspection and the effective date of this appraisal.



# Uniform Residential Appraisal Report

File # SAMPLE-101a

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

**SCOPE OF WORK:** The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

**INTENDED USE:** The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

**INTENDED USER:** The intended user of this appraisal report is the lender/client.

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions\* granted by anyone associated with the sale.

\*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

**STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS:** The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

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## APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

## Uniform Residential Appraisal Report

File # SAMPLE-101a

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

**SUPERVISORY APPRAISER'S CERTIFICATION:** The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

**APPRAISER**

Signature \_\_\_\_\_  
 Name Mr. John Q. Appraiser  
 Company Name \_\_\_\_\_  
 Company Address \_\_\_\_\_  
 Telephone Number 800 252-6633 390  
 Email Address info@alamode.com  
 Date of Signature and Report May 26, 2005  
 Effective Date of Appraisal 07/22/2005  
 State Certification # \_\_\_\_\_  
 or State License # \_\_\_\_\_  
 or Other (describe) \_\_\_\_\_ State # \_\_\_\_\_  
 State \_\_\_\_\_  
 Expiration Date of Certification or License 04/2006

**ADDRESS OF PROPERTY APPRAISED**

3705 W Memorial Rd  
Oklahoma City, OK 73134-1512

APPRAISED VALUE OF SUBJECT PROPERTY \$ 170,000

**LENDER/CLIENT**

Name \_\_\_\_\_  
 Company Name Baytown Mortgage Company  
 Company Address 3705 W Memorial Road, BUILDING 402, Oklah  
Oklahoma City, OK 73134  
 Email Address \_\_\_\_\_

**SUPERVISORY APPRAISER (ONLY IF REQUIRED)**

Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 Company Name \_\_\_\_\_  
 Company Address \_\_\_\_\_  
 Telephone Number \_\_\_\_\_  
 Email Address \_\_\_\_\_  
 Date of Signature \_\_\_\_\_  
 State Certification # \_\_\_\_\_  
 or State License # \_\_\_\_\_  
 State \_\_\_\_\_  
 Expiration Date of Certification or License \_\_\_\_\_

**SUBJECT PROPERTY**

- Did not inspect subject property  
 Did inspect exterior of subject property from street  
 Date of Inspection \_\_\_\_\_  
 Did inspect interior and exterior of subject property  
 Date of Inspection \_\_\_\_\_

**COMPARABLE SALES**

- Did not inspect exterior of comparable sales from street  
 Did inspect exterior of comparable sales from street  
 Date of Inspection \_\_\_\_\_