

Uniform Residential Appraisal Report

File #

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.

Property Address	702 3rd Street East	City	Saint Paul	State	MN	Zip Code	55106
Borrower	Owner of Public Record			Delisi	County	Ramsey	
Legal Description	Lyman Dayton's Addition, Lot 21, Block 38						
Assessor's Parcel #	322922410026	Tax Year	2011	R.E. Taxes \$	2572.00		
Neighborhood Name	Dayton's Bluff	Map Reference	108-4C	Census Tract	344.00		
Occupant	☐ Owner ☐ Tenant ☒ Vacant	Special Assessments \$	☐ PUD	HOA \$	☐ per year ☐ per month		
Property Rights Appraised	☒ Fee Simple ☐ Leasehold ☐ Other (describe)						
Assignment Type	☐ Purchase Transaction ☐ Refinance Transaction ☐ Other (describe) Estimate fair market value.						
Lender/Client	Daytons Bluff NHS-St.Paul HRA Address 823 7th Street East, Saint Paul, MN 55106						
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? ☐ Yes ☒ No							
Report data source(s) used, offering price(s), and date(s). N/A							

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. N/A

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

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. N/A

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

Neighborhood Characteristics				One-Unit Housing Trends				One-Unit Housing		Present Land Use %	
Location	☒ Urban ☐ Suburban ☐ Rural	Property Values	☐ Increasing ☐ Stable ☒ Declining	PRICE	AGE	One-Unit	85 %				
Built-Up	☒ Over 75% ☐ 25-75% ☐ Under 25%	Demand/Supply	☐ Shortage ☒ In Balance ☐ Over Supply	\$ (000)	(yrs)	2-4 Unit	5 %				
Growth	☐ Rapid ☒ Stable ☐ Slow	Marketing Time	☐ Under 3 mths ☒ 3-6 mths ☐ Over 6 mths	10	Low 10	Multi-Family	5 %				
Neighborhood Boundaries	Bound by 7th St. on the north, Earl St. east,			225	High 130	Commercial	5 %				
Freeway	I-94 south, & Mounds Blvd. west.			67	Pred. 120	Other	%				
Neighborhood Description Primarily detached single-family homes with a scattering of duplexes & multi-family properties. Scattered sites of newer construction. Neighborhood has a heavy concentration of foreclosure properties. No adverse influences.											
Market Conditions (including support for the above conclusions) Market conditions presently favor buyers primarily due to large inventory of homes listed for sale & influence of the foreclosure market. Seller concessions of 0-5% are typical. Average market time 1st 6 months of 2012 was 124 days.											

Dimensions	40 x 125	Area	5,000	Shape	Rectangular	View	Average
Specific Zoning Classification	RT-2	Zoning Description	Single Family-Multi Family-Townhome				
Zoning Compliance	☒ Legal ☐ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)						
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe							

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements—Type	Public	Private
Electricity	☒	100 amp	Water	☒	Street Asphalt	☒	☐
Gas	☒		Sanitary Sewer	☒	Alley None	☐	☐

FEMA Special Flood Hazard Area ☐ Yes ☒ No FEMA Flood Zone B FEMA Map # 275248.0010 FEMA Map Date 2/20/81

Are the utilities and off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☒ No If Yes, describe

Site is typical for the area. There is a shared driveway with property to the west being 700 3rd Street East.

General Description		Foundation		Exterior Description		materials/condition		Interior		materials/condition	
Units	☒ One ☐ One with Accessory Unit	☐ Concrete Slab ☐ Crawl Space	Foundation Walls	Stone-	A	Floors	Hdwd/Crpt-P				
# of Stories	2	☐ Full Basement ☒ Partial Basement	Exterior Walls	Wood-	P	Walls	Plas.- P				
Type	☒ Det. ☐ Att. ☐ S-Det./End Unit	Basement Area 775 sq. ft.	Roof Surface	Asphalt-	P	Trim/Finish	Paint- P				
	☒ Existing ☐ Proposed ☐ Under Const.	Basement Finish 0 %	Gutters & Downspouts	Aluminum-	F	Bath Floor	Vinyl- P				
Design (Style)	2 Story	☐ Outside Entry/Exit ☐ Sump Pump	Window Type	Dbl.Hung-	F	Bath Wainscot	Tile- P				
Year Built	1883	Evidence of ☐ Infestation	Storm Sash/Insulated	No		Car Storage	☒ None				
Effective Age (Yrs)	100	☐ Dampness ☒ Settlement	Screens	Yes-	F	☐ Driveway	# of Cars				
Attic	☐ None	Heating ☒ FWA ☐ HWBB ☐ Radiant	Amenities	☐ Woodstove(s) #		Driveway Surface					
☐ Drop Stair	☐ Stairs	☐ Other Fuel Gas	☐ Fireplace(s) #	☐ Fence		☐ Garage	# of Cars				
☐ Floor	☒ Scuttle	Cooling ☐ Central Air Conditioning	☐ Patio/Deck	☒ Porch		☐ Carport	# of Cars				
☐ Finished	☐ Heated	☐ Individual ☐ Other	☐ Pool	☐ Other		☐ Att.	☐ Det. ☐ Built-in				
Appliances ☐ Refrigerator ☐ Range/Oven ☐ Dishwasher ☐ Disposal ☐ Microwave ☐ Washer/Dryer ☐ Other (describe)											
Finished area above grade contains: 7 Rooms 4 Bedrooms 1 Bath(s) 2028 Square Feet of Gross Living Area Above Grade											
Additional features (special energy efficient items, etc.) 17x6 rear open front porch. Asphalt rear parking slab at the rear portion of the lot.											
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). Average quality construction. Needs extensive interior & exterior repairs & updating. Wood siding & roof are in poor condition. Interior has damaged & missing areas of walls, ceilings, & floors. Kitchen & bath are dated. Older mechanical systems.											
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☒ Yes ☐ No If Yes, describe											
Subject is Catagory III on City of St. Paul Vacant Housing List. "As is" condition is unfit for human habitation.											
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☒ Yes ☐ No If No, describe											

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There are 0 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ to \$
 There are 5 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 15,000 to \$ 25,000

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	702 3rd Street E	936 Forest Street		945 Fremont Avenue		978 Conway Street	
Proximity to Subject		1 Mile		1/2 Mile		1/2 Mile	
Sale Price	\$20,000	\$ 18,000		\$ 25,000		\$ 15,000	
Sale Price/Gross Liv. Area	\$ 9.86 sq. ft.	\$ 8.96 sq. ft.		\$ 13.30 sq. ft.		\$ 9.42 sq. ft.	
Data Source(s)		MLS-Mkt.time:134 days		MLS-Mkt.time: 24 days		MLS-Mkt.time:188 days	
Verification Source(s)		County records		County records		County records	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION +(-) \$ Adjustment		DESCRIPTION +(-) \$ Adjustment		DESCRIPTION +(-) \$ Adjustment	
Sale or Financing Concessions		None known		None known		None known	
Date of Sale/Time		8-11		7-12		2-12	
Location	Urban	Urban		Urban		Urban	
Leasehold/Fee Simple	Fee simple	Fee simple		Fee simple		Fee simple	
Site	40x125	62x83		40x124		40x124	
View	Average	Average		Average		Average	
Design (Style)	2 Story	2 Story		2 Story		2 Story	
Quality of Construction	Average	Average		Average		Average	
Actual Age	129 Years	123 Years		128 Years		126 Years	
Condition	Poor	Poor		Poor		Poor	
Above Grade Room Count	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths	
	7 4 1	8 4 2		8 4 2		8 5 2	
Gross Living Area	2028 sq. ft.	2008 sq. ft.		1880 sq. ft.		1593 sq. ft.	
Basement & Finished Rooms Below Grade	75%-0	100%-0		100%-0		100%-0	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	GFWA-0	CHW-0		GFWA-0		GFWA-0	
Energy Efficient Items	None	None		None		None	
Garage/Carport	None	None		2-G		1-G	
Porch/Patio/Deck	Porch	Porch		Lg.porch		None	
Net Adjustment (Total)		+ - \$ 1,000		+ - \$ 2,500		+ - \$ 2,900	
Adjusted Sale Price of Comparables		Net Adj. .06 % Gross Adj. .06 % \$ 17,000		Net Adj. .10 % Gross Adj. .22 % \$ 22,500		Net Adj. .19 % Gross Adj. .46 % \$ 17,900	

☒ 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) County records.

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) County records.

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	N/A	N/A	N/A	N/A
Price of Prior Sale/Transfer				
Data Source(s)				
Effective Date of Data Source(s)				

Analysis of prior sale or transfer history of the subject property and comparable sales None.

Summary of Sales Comparison Approach Comps. selected best fit subject & are most recent sales available. All offer similar livability & are situated in subject's market area. All are vacant fore-closure sales & show a need for updating & repairs, & appear similar to subject in overall condition.

Indicated Value by Sales Comparison Approach \$ 20,000

Indicated Value by: Sales Comparison Approach \$ 20,000 Cost Approach (if developed) \$ Income Approach (if developed) \$

Lack of comparable rental sales precluded further analysis of the income approach.

Sales comparison approach was given full consideration. Active listings and pending sales were also reviewed in arriving at subject's appraised value.

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: Appraisal completed in "as is" condition.

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 \$ 20,000 , as of 7/27/12 , which is the date of inspection and the effective date of this appraisal.

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Subject is situated in market area which has experienced one of the highest number of fore-closure properties in the City of St. Paul. The availability of bank-owned properties affects all price ranges in this neighborhood (MLS-Dayton's Bluff). The trend has been for banks to price properties lower over the periods analyzed to clear their balance sheets. Seller concessions of 0-5% are consistent throughout the period analyzed. Average sale price subject's market area first 6 months of 2011 was \$65,000. Total sales reported during this time period was 94, with average sale time being 129 days. The percentage of list price received was 97%. Total number of short sales was 9. Total number of foreclosure sales was 58. Market statistics for same time period of 2012 show average sale price of \$66,600, with total number of sales reported being 96, and average sale time being 124 days. Percentage of list price obtained was 96%. Total number of short sales reported during this time period was 7, with total number of foreclosure sales being 51.

ADDITIONAL COMMENTS

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.
Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)

COST APPROACH

ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW	OPINION OF SITE VALUE = \$			
Source of cost data	Dwelling	Sq. Ft. @ \$	 = \$	
Quality rating from cost service Effective date of cost data		Sq. Ft. @ \$	 = \$	
Comments on Cost Approach (gross living area calculations, depreciation, etc.)				
	Garage/Carport	Sq. Ft. @ \$	 = \$	
	Total Estimate of Cost-New			 = \$
	Less Physical	Functional	External	
	Depreciation			=()
	Depreciated Cost of Improvements.....			= \$
	"As-is" Value of Site Improvements.....			= \$
Estimated Remaining Economic Life (HUD and VA only) Years	Indicated Value By Cost Approach = \$			

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ X Gross Rent Multiplier = \$ Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM)

INCOME

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
Legal name of project
Total number of phases Total number of units Total number of units sold
Total number of units rented Total number of units for sale Data source(s)
Was the project created by the conversion of an existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion
Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data source(s)
Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.

Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.

Describe common elements and recreational facilities

PUD INFORMATION

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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 this 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.

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.

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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 Ken Nerison
Company Name Ken Nerison Appraisals
Company Address 444 Germain St.
St. Paul, MN 55106
Telephone Number 651-776-7820
Email Address _____
Date of Signature and Report 7/31/12
Effective Date of Appraisal 7/27/12
State Certification # _____
or State License # 4001599
or Other (describe) _____ State # _____
State Minnesota
Expiration Date of Certification or License 8/31/12

ADDRESS OF PROPERTY APPRAISED

702 3rd St. E.
St. Paul, MN 55106

APPRAISED VALUE OF SUBJECT PROPERTY \$ 20,000

LENDER/CLIENT

Name Jim Erchul
Company Name Daytons Bluff NHS-St. Paul HRA
Company Address 823 7th St. E.
St. Paul, MN 55106
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

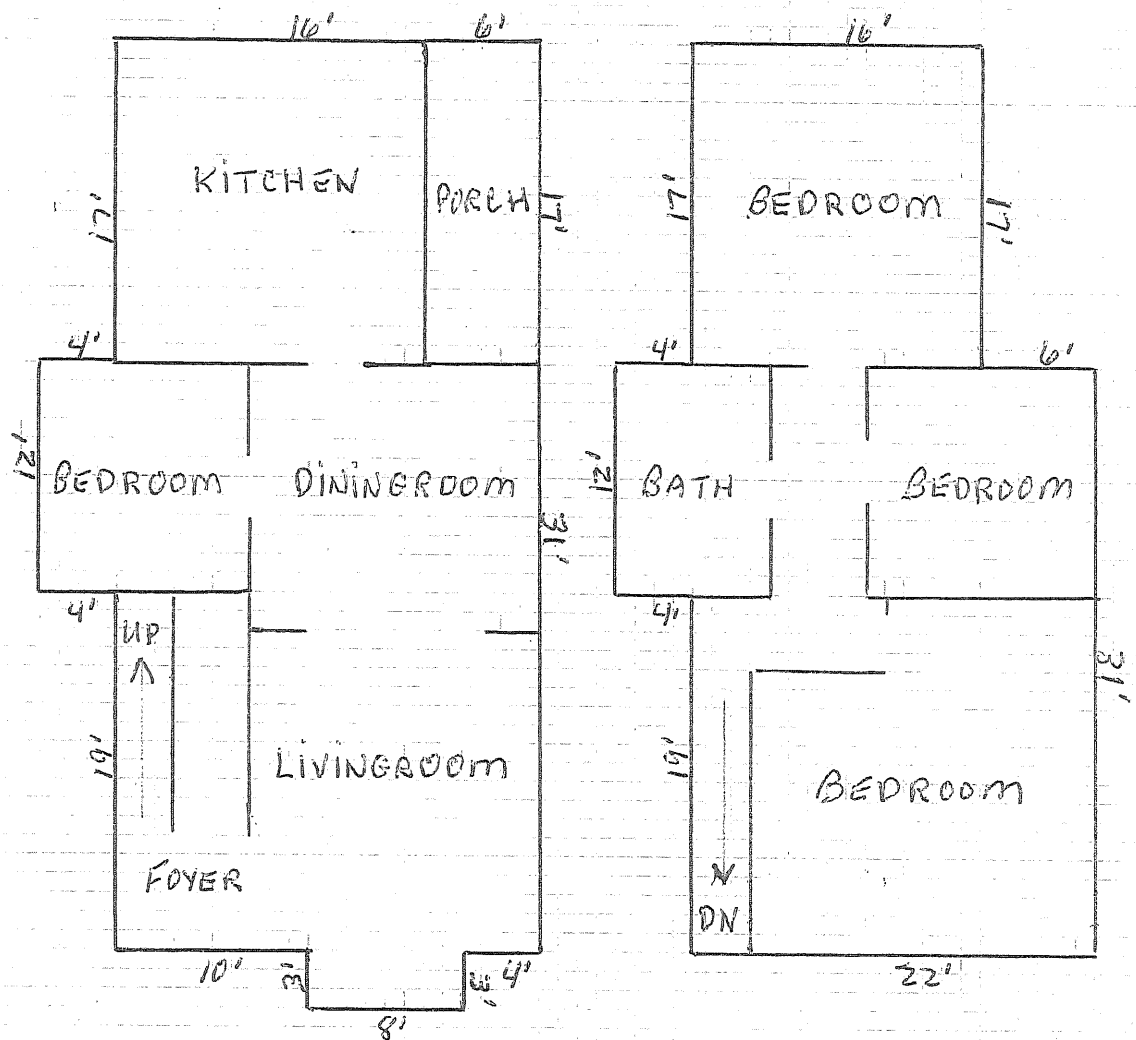
- ☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
Date of Inspection _____
☐ Did inspect interior and exterior of subject property
Date of Inspection _____

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
Date of Inspection _____

SKETCH ADDENDUM

Borrower / ClientDaytons Bluff Neighborhood Housing-St. Paul Housing & Redevelopment Authority				
Property Address 702 3rd St. E.				
City	St. Paul	County	Ramsey	State MN
Lender				Zip Code 55106

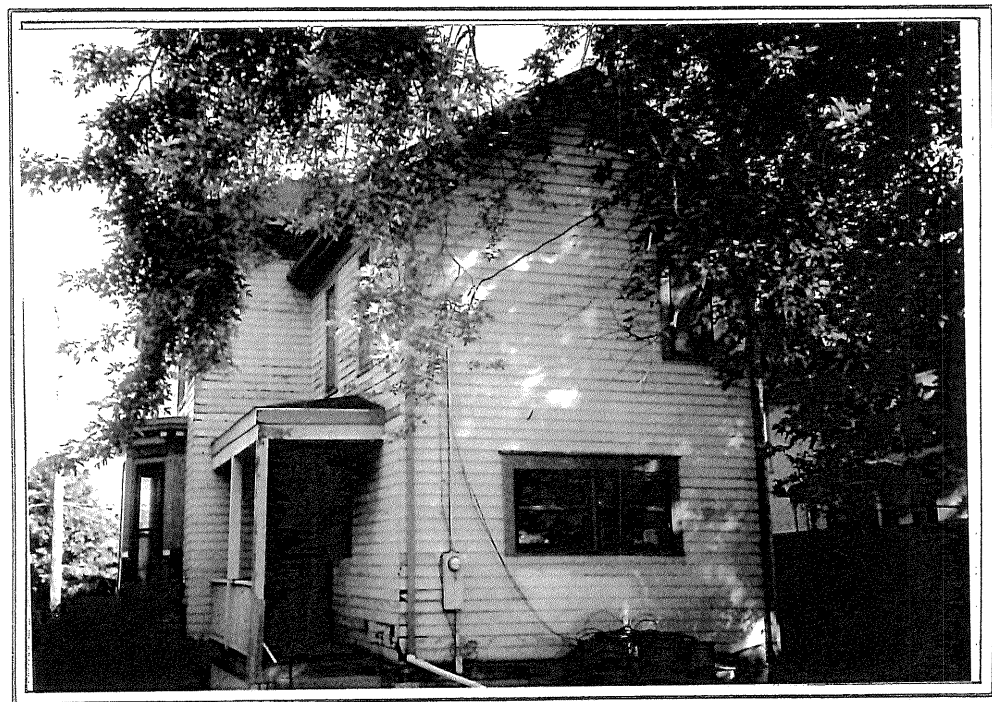


PHOTOGRAPH ADDENDUM

Borrower/ClientDaytons Bluff Neighborhood Housing-St. Paul Housing & Redevelopment Authority				
Property Address 702 3rd St. E.				
City	St. Paul	County	Ramsey	State MN Zip Code 55106
Lender				



FRONT OF
SUBJECT PROPERTY



REAR OF
SUBJECT PROPERTY

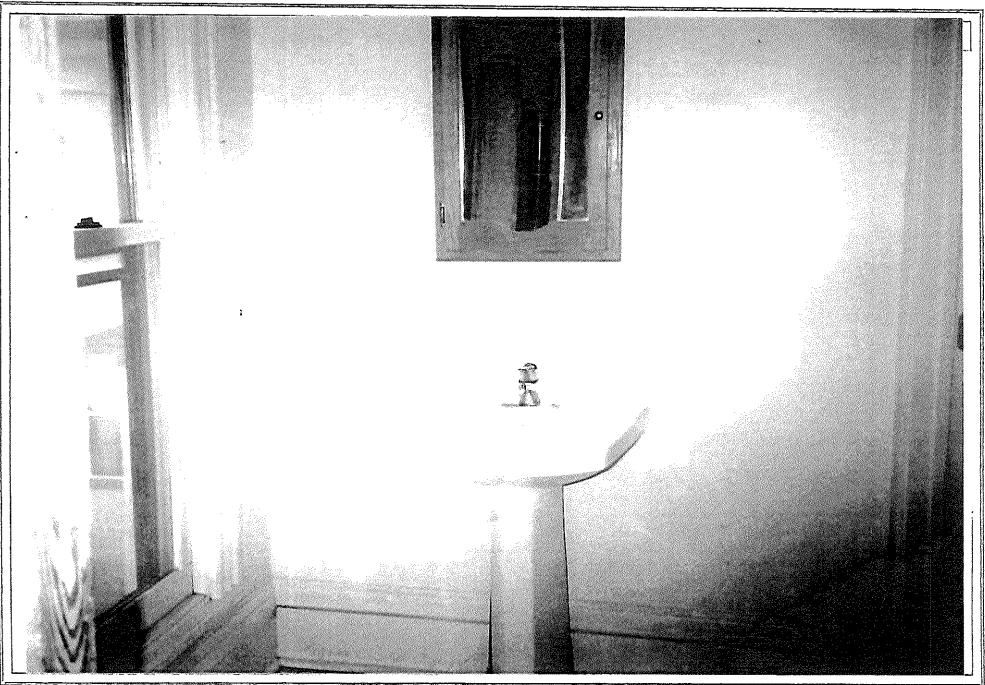
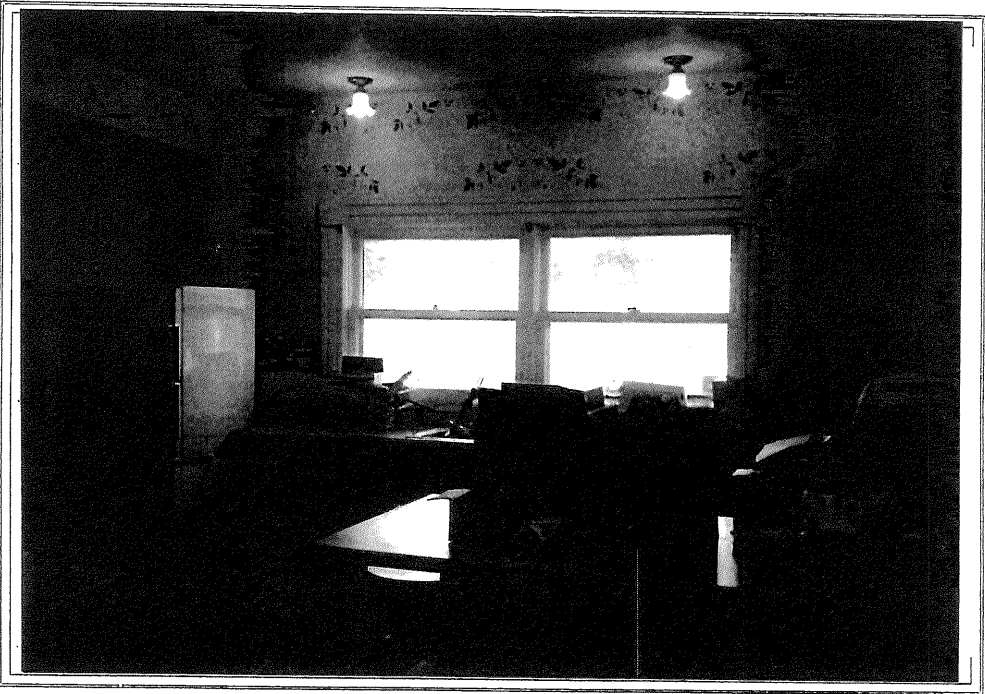
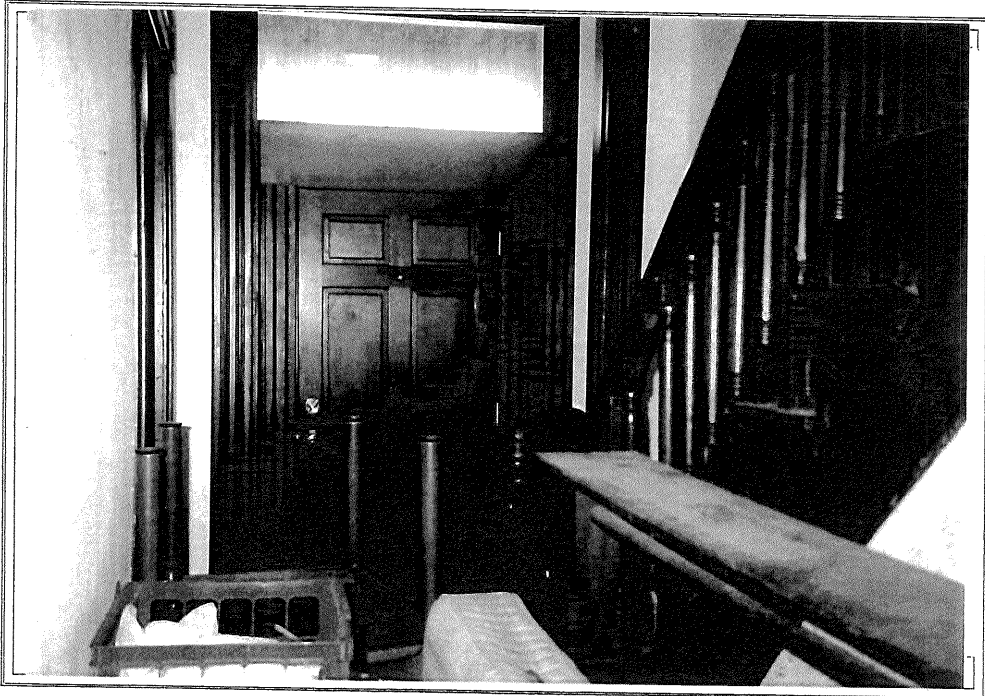


STREET SCENE

□ ADDITIONAL PHOTOGRAPHS ON REVERSE SIDE

PHOTOGRAPH ADDENDUM

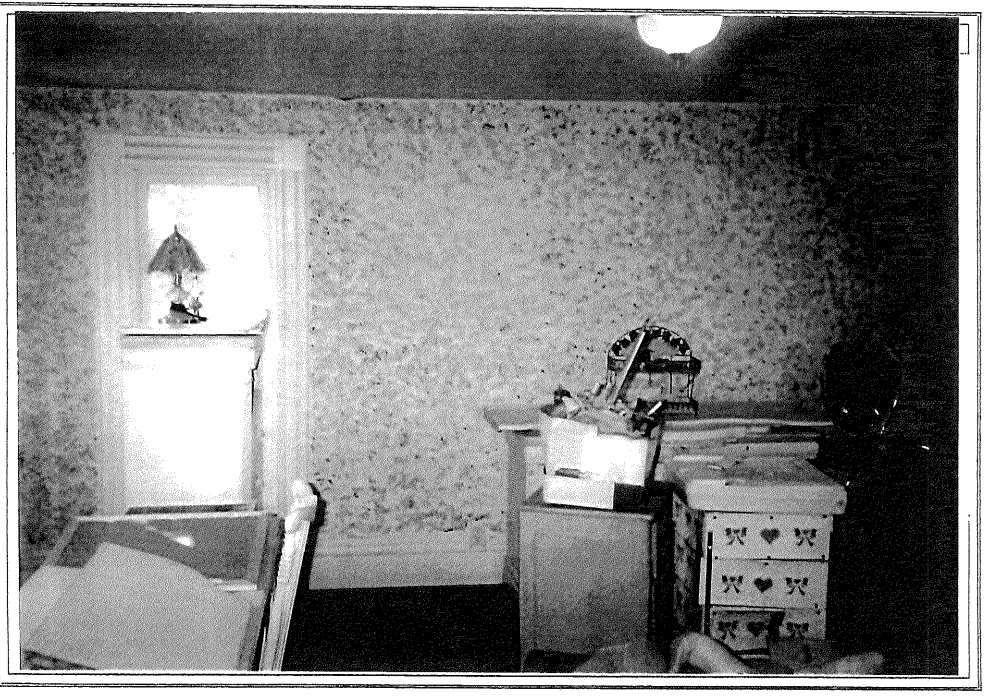
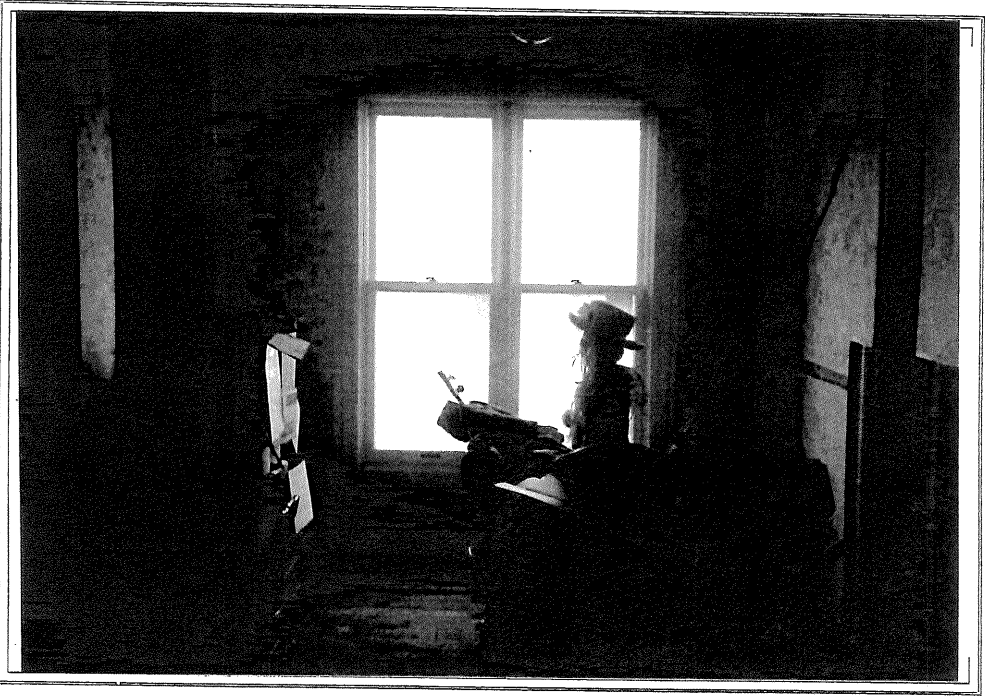
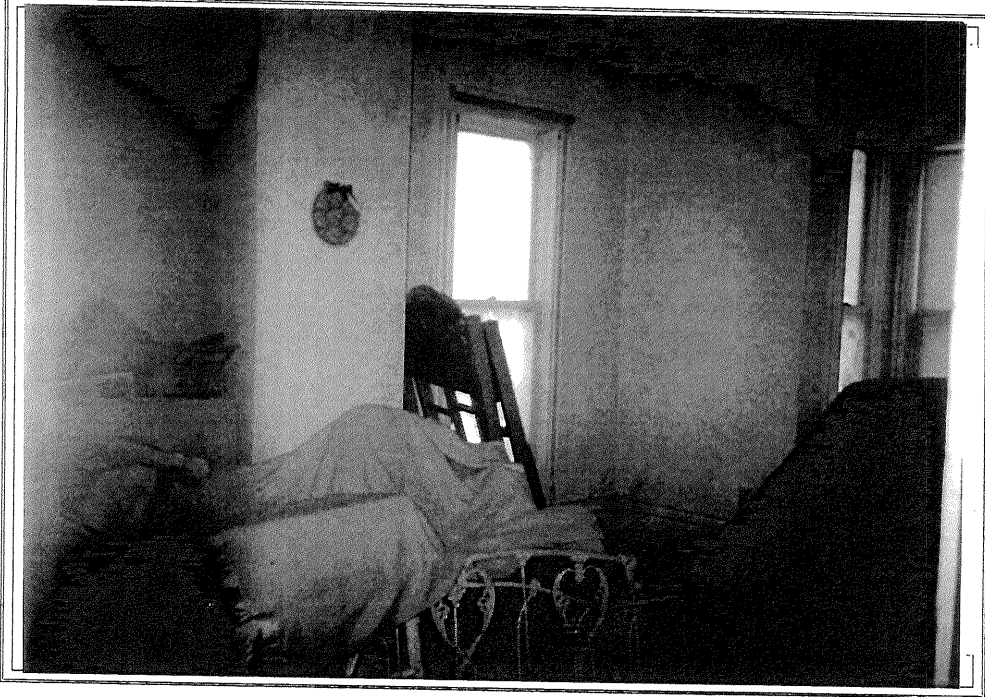
Borrower / Client <u>Daytons Bluff Neighborhood Housing-St. Paul Housing & Redevelopment Authority</u>					
Property Address <u>702 3rd St. E.</u>					
City <u>St. Paul</u>	County <u>Ramsey</u>	State <u>MN</u>	Zip Code <u>55106</u>		
Lender _____					



☐ ADDITIONAL PHOTOGRAPHS ON REVERSE SIDE

PHOTOGRAPH ADDENDUM

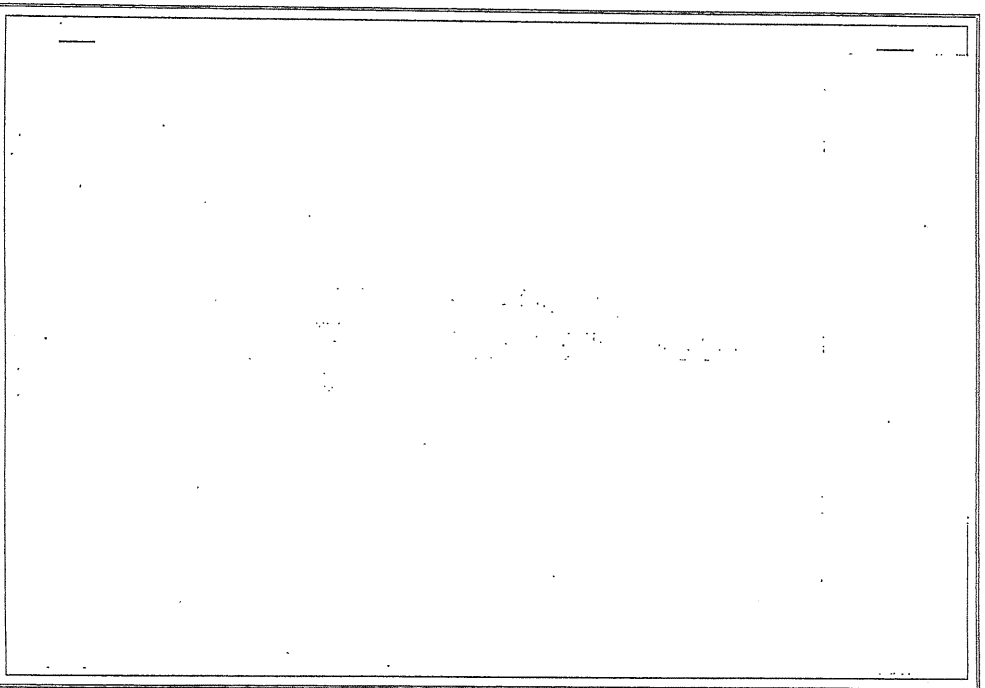
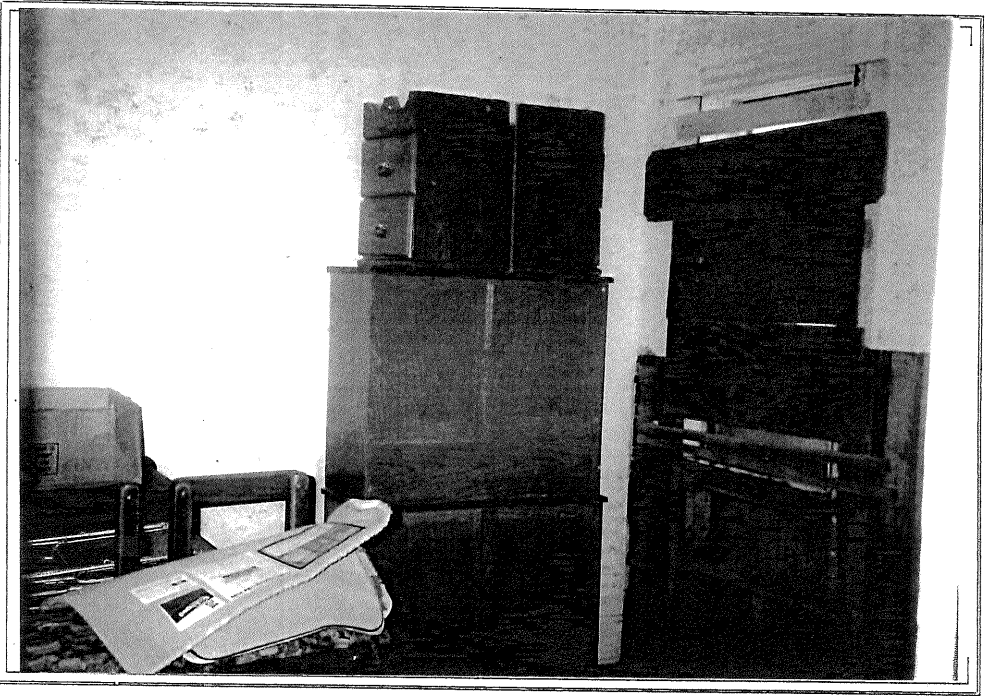
Borrower / Client Daytons Bluff Neighborhood Housing-St. Paul Housing & Redevelopment Authority				
Property Address 702 3rd St. E.				
City St. Paul	County Ramsey	State MN	Zip Code 55106	
Lender				



☐ ADDITIONAL PHOTOGRAPHS ON REVERSE SIDE

PHOTOGRAPH ADDENDUM

Borrower / Client Dayton's Bluff Neighborhood Housing-St. Paul Housing & Redevelopment Authority				
Property Address 702 3rd St. E.				
City St. Paul	County Ramsey	State MN	Zip Code 55106	
Lender				



☐ ADDITIONAL PHOTOGRAPHS ON REVERSE SIDE

PHOTOGRAPH ADDENDUM

Borrower / Client	Daytons Bluff Neighborhood Housing-St. Paul Housing & Redevelopment Authority						
Property Address	702 3rd St. E.						
City	St. Paul	County	Ramsey	State	MN	Zip Code	55106
Lender							

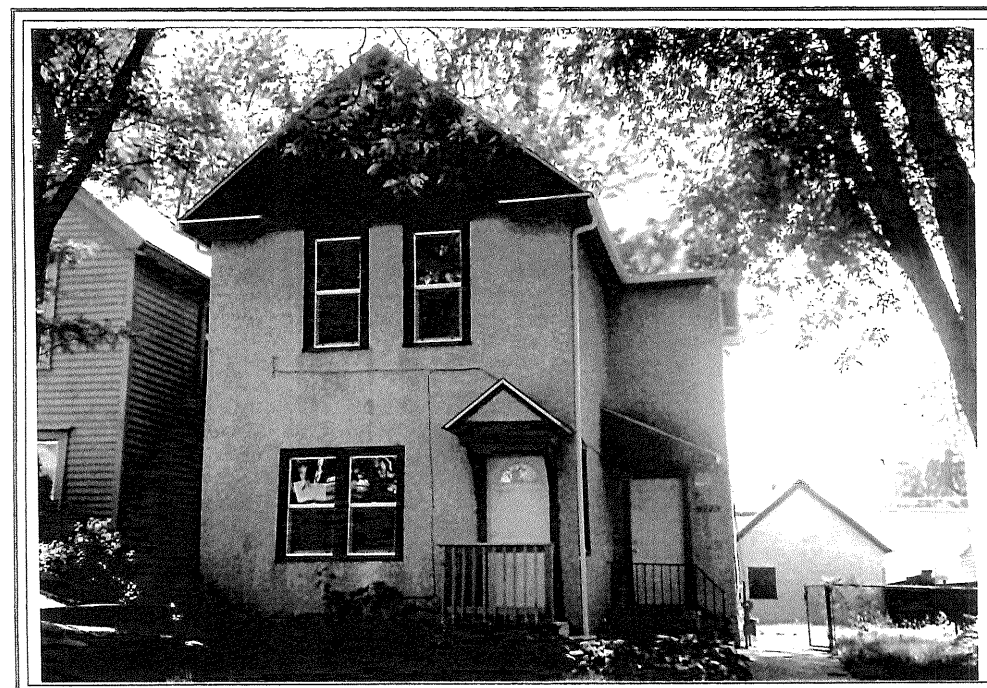
COMPARABLE SALE #1



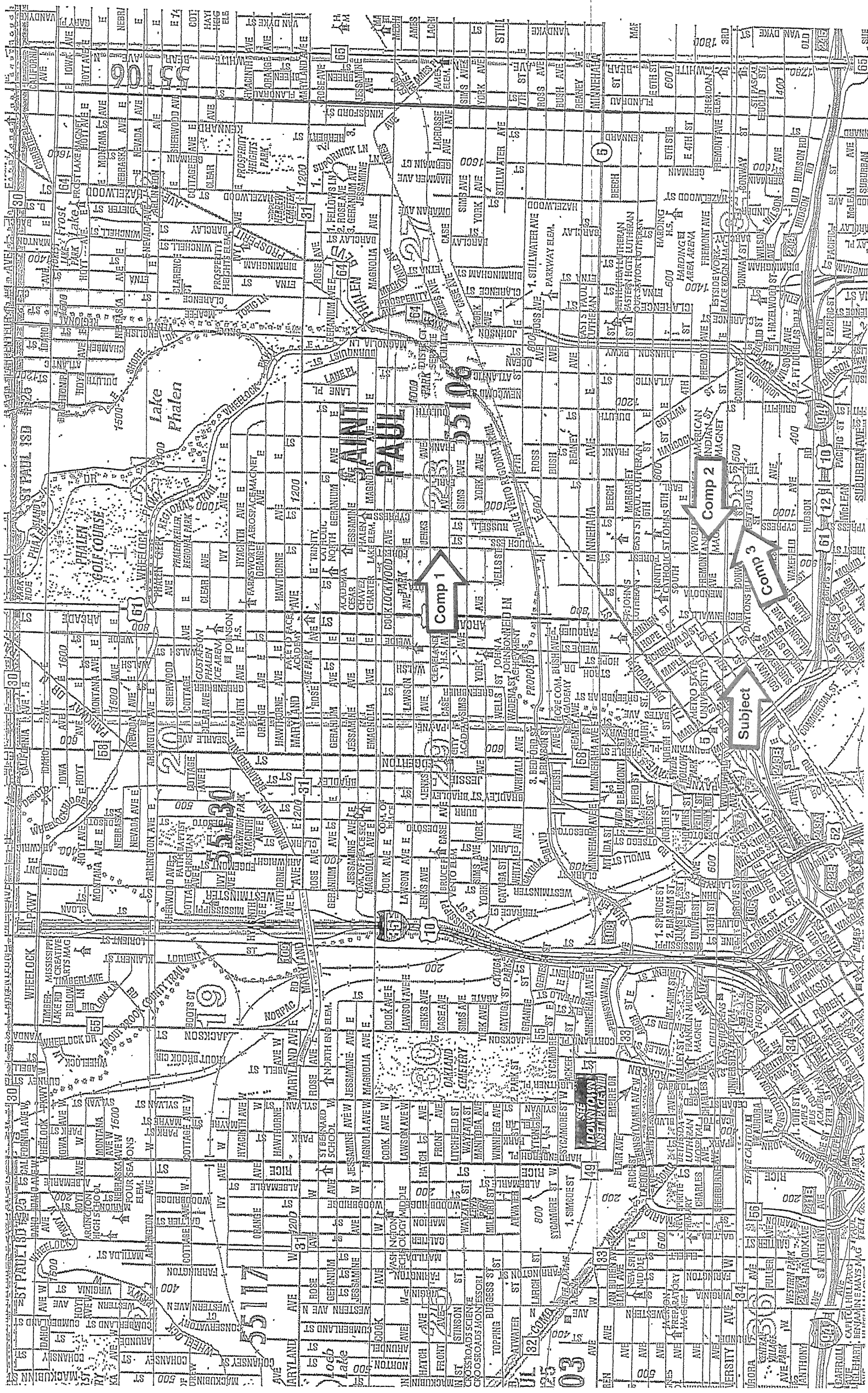
COMPARABLE SALE #2



COMPARABLE SALE #3



☐ ADDITIONAL PHOTOGRAPHS ON REVERSE SIDE



APPRAISER'S FIRREA ADDENDUM

1. Unless otherwise indicated in this report, the date of this report is the same date as the date of the appraisal.
2. Unless otherwise indicated in this report, a financial institution intends to use this report to determine the market value of the subject property for purposes of granting a federally related mortgage loan.
3. Unless otherwise indicated in this report, the subject property's market value was based on the cash price.
4. Unless otherwise indicated in this report, all usual valuation approaches were utilized.
5. Unless otherwise indicated in this report, no extraordinary influences (e.g., easements, restrictions, encumbrances, leases, reservations, covenants, contracts, special assessments) on market value exist.
6. Unless otherwise indicated and specifically itemized with a value estimate, no personal property, trade fixtures, or intangible items are included in the appraisal of the subject property.
7. Unless otherwise indicated in this report, the subject property is not currently listed for sale or subject to any sale agreement or option.
8. Unless otherwise indicated in this report and specially itemized, according to public records, listing services and the homeowner, the subject property has not been transferred in the past 12 months.
9. Unless otherwise indicated in this report, the estimated marketing time for the subject property was determined from available data services and listing services. Unless otherwise indicated in this report, information from such data and listing services is believed to be reliable and was considered in the final reconciliation of market value.
10. Unless otherwise indicated in this report, the reasoning used to determine the selection of "increasing," "stable" or "declining" in the neighborhood section of current market conditions and trends of this report, was based on information provided by available data services and listing services.
11. Unless otherwise indicated in this report, this report is based on current land use regulations and the probability of modification of current land use regulations is unlikely.
12. Unless otherwise indicated in this report, the site value listed in the appraisal is determined as though the land is vacant and available for development to its highest investment use and the appraisal of improvements is based on their actual contribution to the site.
13. Unless otherwise indicated in this report, the appraised value is not affected by anticipated public or private improvements.
14. Unless otherwise indicated in this report, if proposed improvements were appraised, the following were (and remain available to be) inspected: plans, specifications and related documentation to identify scope and character of improvements; evidence indicating probable time of completion; and clear and appropriate evidence supporting development costs, anticipated earnings, occupancy projections and anticipated competition on completion.
15. Unless otherwise indicated in this report, the subject property is not a fractional interest, physical segment, component or partial holding of a property.
16. Unless otherwise indicated in this report, information on rental data, operating expenses and capitalization was not obtained due to the lack of reliable rental data for single family homes in the subject property's neighborhood.
17. Unless otherwise indicated in this report, the subject property is not a leased fee or lease hold estate.
18. Unless otherwise indicated in this report, the existence of hazardous substances, including without limitation, asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of the appraiser, nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of existence of such materials on or in the property unless otherwise stated. If the presence of such substances, such as asbestos, urea-formaldehyde, foam insulation, or other hazardous substances or environmental conditions may affect the value of the property, the value estimate is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value.
19. Unless otherwise indicated in this report, no other limiting conditions or extraordinary assumption (e.g., pending lease, atypical financing, completion of improvements) directly affect the appraisal or the analyses, opinions, and conclusions stated herein.
20. Additional certifications:
 - A. Unless otherwise stated in this report, in accordance with the competency provision of the Uniform Standards of Professional Appraisal Practice, I have verified that my knowledge and experience are sufficient to allow me to competently complete this appraisal.
 - B. I have no personal interest or bias with respect to the parties involved or the subject property.
 - C. The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan, and my compensation is not contingent upon direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.
 - D. My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with Uniform Standards of Professional Appraisal Practice. The departure provision of the Uniform Standards of Professional Appraisal Practice was not utilized in preparation of this report.
 - E. The report analyses, opinions and conclusions are limited only by the reported assumptions, limiting conditions and are my personal, unbiased analyses, opinions and conclusions.
 - F. Unless otherwise stated in this report, no one provided significant professional assistance to me in the preparation of this report.
 - G. I certify that, to the best of my knowledge and belief, the statements contained in this report are true and correct.
 - H. I certify that on the date of the appraisal report, I was actively licensed by the appropriate state agency to perform the subject appraisal.

Signature of Appraiser

Date

Signature of Review Appraiser
(if applicable)

Date