

Mortgage Network

Certificate of Appraiser Independence



Inspection date: 27 December, 2012
Signature date: 02 January, 2013
Order # : 7700378835
Borrower name: Joan Trice
Property Address: Lot 144 Man O War Lane
Berlin, MD 21811

Mortgage Network certifies that the above referenced appraisal has been completed in compliance with all current appraisal independence requirements as defined by the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Interagency Appraisal and Evaluation Guidelines, Fannie Mae, Freddie Mac and the Federal Housing Administration, in strict adherence to our non-influence policy and process:

- No employee, director, officer or agent of the lender or any other third party acting as joint venture partner, independent contractor, appraisal company, appraisal management company or partner on behalf of the lender, has influenced or attempted to influence the development, reporting, result, or review of the appraisal in any manner.
- The Lender/Client named on the appraisal report submitted the appraisal order through our proprietary, secure self-managed appraisal software platform, or through an approved and compliant 3rd party integration.
- Appraiser selection was performed by a non-compensated member of Mortgage Network or a StreetLinks staff member on behalf of Mortgage Network. Appraiser selection was performed utilizing a selection methodology of management-approved policies based on the location of the subject property, appraiser availability and historical quality and performance metrics.
- The appraiser's compensation was not in any way dependent on the value arrived at or the closing of the loan. The appraiser was compensated directly by Mortgage Network and not by a Mortgage Network staff member that receives compensation based on loan sales.
- The terms and conditions of the engagement contract between Mortgage Network and the appraiser prohibit the appraiser from inappropriate communication with Mortgage Network origination staff or attempting to obtain value/loan information from the borrower/property owner.
- No estimate regarding the Subject Property's value, proposed loan amount or proposed loan-to-value ratio was provided or communicated by Mortgage Network to the appraiser.
- For all transactions: By proper use of the StreetLinks LenderX software platform, the lender's loan production staff is unaware of the identity of the appraiser until the final appraisal report is delivered. Likewise the appraiser is provided only with Mortgage Network's company name and address for inclusion in the appraisal report and is never provided with the identity or contact information of the originator of the loan. For purchase transactions, the purchase agreement was provided to the appraiser as required by USPAP Standards Rule 1-5(a).
- All communication between the selected appraiser and Mortgage Network was conducted through Mortgage Network's Appraisal Department. Mortgage Network is unaware of any communication to the appraiser for this appraisal assignment made by anyone that is in violation of the terms of current Appraiser Independence Requirements.
- StreetLinks maintains an appraiser independence hotline for reporting of any influence or impropriety at 1.800-778-4915.

Corporate Address:
300 Rosewood Drive
Danvers, MA 01923



APPRAISAL OF



LOCATED AT:

11824 Man O War Ln
Berlin, MD 21811-3362

FOR:

Mortgage Network
300 Rosewood Drive
Denvers, MA 01923

BORROWER:

Joan Trice

AS OF:

December 27, 2012

BY:

Maurice O. Wimbrow, III
Certified Residential Appraiser

Uniform Residential Appraisal Report

File No. 12-1109

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 11824 Man O War Ln City Berlin State MD Zip Code 21811-3362
	Borrower Joan Trice Owner of Public Record Man O War, LLC County Worcester
	Legal Description Liber 05871, Folio 00475. Riddle Farm Subdivision, Man O War Lane, Phase 6, Lot 144 -12,307 SF
	Assessor's Parcel # 24-10-392616 Tax Year 2012 R.E. Taxes \$ 4,060
	Neighborhood Name Glen Riddle Map Reference 0026-0003-0001 Census Tract 9504.00
	Occupant <input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant Special Assessments \$ 0 <input checked="" type="checkbox"/> PUD HOA \$ 240 <input type="checkbox"/> per year <input checked="" 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 checked="" type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)
	Lender/Client Mortgage Network Address 300 Rosewood Drive, Denvers, MA 01923
	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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Report data source(s) used, offering price(s), and date(s). **DOM Unk;This is a private sale. The transfer was place in FLEX MLS #481268 December 10, 2012 for information purposes only.**

CONTRACT	I <input checked="" type="checkbox"/> did <input type="checkbox"/> 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. Arms length sale;Standard Maryland Realtor contract of sale.
	Contract Price \$ 587,823 Date of Contract 06/04/2012 Is the property seller the owner of public record? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Data Source(s) Tax 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If Yes, report the total dollar amount and describe the items to be paid. \$0;;No financial assistance provided.

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 <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE AGE One-Unit 65 %	
Built-Up <input type="checkbox"/> Over 75% <input checked="" 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 %	
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	300 Low 0 Multi-Family %	
Neighborhood Boundaries north-Manklin Creek, east-Herring Creek, south-Ocean Gateway [U.S. Route 50], west-Racetrack Road [MD Route 589].		700 High 6 Commercial %	
Neighborhood Description See Addendum Attached Hereto.		400 Pred. 5 Other Condo 35 %	

Market Conditions (including support for the above conclusions) **See Addendum Attached Hereto.**

SITE	Dimensions Adequate-no plat available. Area 12307 sf Shape Rectangular View B;Glfvw;
	Specific Zoning Classification R-1A Zoning Description Residential
	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 the 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.
	Utilities Public Other (describe) Public Other (describe) Off-site Improvements—Type Public Private
	Electricity <input checked="" type="checkbox"/> <input type="checkbox"/> Water <input checked="" type="checkbox"/> <input type="checkbox"/> Street Macadam <input type="checkbox"/> <input checked="" type="checkbox"/>
	Gas <input checked="" type="checkbox"/> <input type="checkbox"/> Sanitary Sewer <input checked="" type="checkbox"/> <input type="checkbox"/> 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 B FEMA Map # 2400830100B FEMA Map Date 06/15/1983

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. **See Addendum Attached Hereto.**

GENERAL DESCRIPTION	FOUNDATION	EXTERIOR DESCRIPTION materials/condition	INTERIOR materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input checked="" type="checkbox"/> Crawl Space	Foundation Walls Conclstone/new	Floors Wd.tile,crpt/new
# of Stories 2	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls Hardi Plank/new	Walls Drywall/new
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 0 sq. ft.	Roof Surface Comp. shingle/new	Trim/Finish Wood/paint/new
<input type="checkbox"/> Existing <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Under Const.	Basement Finish 0 %	Gutters & Downspouts Aluminum/new	Bath Floor Tile/new
Design (Style) Contemporary	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type DH/new	Bath Wainscot Tile/new
Year Built 2012	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated None/yes/new	Car Storage <input type="checkbox"/> None
Effective Age (Yrs) 0	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens Aluminum/new	<input checked="" type="checkbox"/> Driveway # of Cars 6
Attic <input checked="" type="checkbox"/> None	Heating <input type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities <input type="checkbox"/> WoodStove(s) # 0	Driveway Surface Aggregate
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input checked="" type="checkbox"/> Other Geo-thr Fuel Electric	<input checked="" type="checkbox"/> Fireplace(s) # 1 <input type="checkbox"/> Fence None	<input checked="" type="checkbox"/> Garage # of Cars 2
<input type="checkbox"/> Floor <input type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Patio/Deck None <input checked="" type="checkbox"/> Porch 2	<input type="checkbox"/> Carport # of Cars 0
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool None <input type="checkbox"/> Other None	<input type="checkbox"/> Att. <input type="checkbox"/> Det. <input checked="" 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: 9 Rooms 4 Bedrooms 3.1 Bath(s) 3,668 Square Feet of Gross Living Area Above Grade			
Additional features (special energy efficient items, etc.). 9' ceilings-first floor, gas fireplace with stone hearth, recessed lighting, two zone geo-thermal HVAC, granite counters in kitchen and bathrooms, coffered ceiling in great room, crown moldings, wet bar in great room, on demand hot water system.			
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C1;No updates in the prior 15 years;The quality of construction is rated excellent. The dwelling is under construction; hence, no physical depreciation. No functional or external obsolescence noted.			
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe.			
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe.			

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There are **9** comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ **529,900** to \$ **79,900**

There are **6** comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ **521,000** to \$ **690,000**

FEATURE	SUBJECT	COMPARABLE SALE NO. 1		COMPARABLE SALE NO. 2		COMPARABLE SALE NO. 3	
11824 Man O War Ln Address Berlin, MD 21811-3362		12 Stacy Ct Berlin, MD 21811		11820 Gum Point Rd Berlin, MD 21811		4 Harlan Trace Ocean Pines, MD 21811	
Proximity to Subject		2.59 MILES NNE		0.91 MILES N		2.60 MILES NNE	
Sale Price	\$ 587,823	\$ 570,000		\$ 690,000		\$ 585,000	
Sale Price/Gross Liv. Area	\$ 160.26 sq. ft.	\$ 195.21 sq. ft.		\$ 223.16 sq. ft.		\$ 169.27 sq. ft.	
Data Source(s)		FLEX MLS #473909;DOM 427		FLEX MLS #475286;DOM 280		FLEX MLS #472774;DOM 256	
Verification Source(s)		Tax Record		Tax Record		Tax Record	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sale or Financing Concessions		ArmLth Conv;0		ArmLth Conv;0		ArmLth Conv;0	
Date of Sale/Time		s11/12;c09/12		s09/12;c07/12		s01/12;c12/11	
Location	B;GlfCse;	B;WtrFr;	0	B;WtrFr;	0	B;WtrFr;	0
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	12307 sf	11375 sf	0	30652 sf	-60,000	11811 sf	0
View	B;Glfvw;	B;Wtr;	-28,500	B;Wtr;	-34,500	B;Wtr;	-29,250
Design (Style)	Contemporary	Contemporary		Contemporary		Contemporary	
Quality of Construction	Q1	Q2	14,600	Q1		Q2	17,280
Actual Age	0	20	11,400	10	6,900	14	8,775
Condition	C1	C3	14,600	C2	7,730	C4	25,920
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Room Count	9 4 3.1	9 4 3.0	6,000	7 3 3.1	0	9 4 4.0	-4,000
Gross Living Area 30	3,668 sq. ft.	2,920 sq. ft.	22,440	3,092 sq. ft.	17,280	3,456 sq. ft.	6,360
Basement & Finished Rooms Below Grade	0sf	0sf		0sf		0sf	
Functional Utility	Adequate	Adequate		Adequate		Adequate	
Heating/Cooling	Geo-thrm C/Air	Ht Pmp C/Air	5,000	FHA C/Air	5,000	Ht. Pmps C/Air	5,000
Energy Efficient Items	Standard	Standard		Standard		Standard	
Garage/Carport	2 Car Garage	2 Car Garage		2 Car Garage		2 Car Garage	
Porch/Patio/Deck	Open/Scrn Porch	Enc Porch,Decks	-1,500	Open/Scrn Porch		Deck	2,000
	1 F/P	1 F/P		1 F/P		1 F/P	
	None	None		Shed	-1,000	None	
	None	Boat Dock/Lift	-25,000	Jet Ski Lifts	-5,000	Boat Dock/Lift	-25,000
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 19,040	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 63,590	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 7,085
Adjusted Sale Price of Comparables		Net Adj. 3.3% Gross Adj. 22.6%	\$ 589,040	Net Adj. -9.2% Gross Adj. 19.9%	\$ 626,410	Net Adj. 1.2% Gross Adj. 21.1%	\$ 592,085

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) **Tax 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) **Tax 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 NO. 1		COMPARABLE SALE NO. 2		COMPARABLE SALE NO. 3	
Date of Prior Sale/Transfer	04/16/2012	10/05/2007		11/06/2000		11/14/2006	
Price of Prior Sale/Transfer	\$60,000	\$730,000		\$275,000		\$800,000	
Data Source(s)	Tax Record	Tax Record		Tax Record		Tax Record	
Effective Date of Data Source(s)	01/02/2013	01/02/2013		01/02/2013		01/02/2013	

Analysis of prior sale or transfer history of the subject property and comparable sales **Prior transfer of the subject appears arms-length. Prior transfer of comparable #6 was not arms-length.**

Summary of Sales Comparison Approach. **See Addendum Attached Hereto.**

Indicated Value by Sales Comparison Approach \$ **590,000**

Indicated Value by: Sales Comparison Approach \$590,000 Cost Approach (if developed) \$ 590,400 Income Approach (if developed) \$ 0

The Sales Comparison Analysis is deemed the most relevant indication of value to the appraisal of residential dwellings, as it reflects current market activity. The Cost Approach lends support to the overall conclusions of market value. The Income Approach is inappropriate due to the lack of significant income data; homes in this market are typically purchased for owner use, which precludes development of this Approach.

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: **No warranty expressed or implied as to the quality of structural and mechanical components of the subject. No personal property is included in the opinion of value.**

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 \$ **590,000** as of **12/27/2012**, which is the date of inspection and the effective date of this appraisal.

RECONCILIATION

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FEATURE	SUBJECT	COMPARABLE SALE NO. 4			COMPARABLE SALE NO. 5			COMPARABLE SALE NO. 6		
11824 Man O War Ln Address Berlin, MD 21811-3362		12516 Ocean Reef Dr Berlin, MD 21811			11936 Man O War Ln Berlin, MD 21811			11810 Man O War Ln Berlin, MD 21811		
Proximity to Subject		2.48 MILES SE			0.67 MILES ENE			0.13 MILES SSE		
Sale Price	\$ 587,823	\$ 649,900			\$ 575,000			\$ 668,000		
Sale Price/Gross Liv. Area	\$ 160.26 sq. ft.	\$ 161.19 sq. ft.			\$ 161.06 sq. ft.			\$ 212.13 sq. ft.		
Data Source(s)		FLEX MLS #465054;DOM 970			FLEX MLS #481292;DOM 22			FLEX MLS #480261;DOM 103		
Verification Source(s)		Tax Record			Tax Record			Tax Record		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION		+(-) \$ Adjustment	DESCRIPTION		+(-) \$ Adjustment	DESCRIPTION		+(-) \$ Adjustment
Sale or Financing Concessions		Armlth Conv;0			Listing ;0			Listing ;0		
Date of Sale/Time		c12/12		-32,495	Active		-28,750	Active		-33,400
Location	B;GlfCse;	N;Res;		0	B;GlfCse;			B;GlfCse;		
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Site	12307 sf	40562 sf		-60,000	10518 sf		0	12500 sf		0
View	B;Glfvw;	N;Res;		30,870	B;Glfvw;			B;Wtr;		-31,730
Design (Style)	Contemporary	Contemporary			Contemporary			Contemporary		
Quality of Construction	Q1	Q1			Q2		17,850	Q1		
Actual Age	0	12		6,174	4		2,731	4		3,173
Condition	C1	C2		10,080	C2		8,925	C2		7,873
Above Grade Room Count	Total Bdrms. Baths 9 4 3.1	Total Bdrms. Baths 9 4 3.1			Total Bdrms. Baths 9 4 3.1			Total Bdrms. Baths 10 5 5.0		-16,000
Gross Living Area	30 3,668 sq. ft.	4,032 sq. ft.		-10,920	3,570 sq. ft.		2,940	3,149 sq. ft.		15,570
Basement & Finished Rooms Below Grade	0sf	0sf			0sf			0sf		
Functional Utility	Adequate	Adequate			Adequate			Adequate		
Heating/Cooling	Geo-thrm C/Air	Ht. Pmps C/Air		5,000	FHA C/Air		5,000	Ht. Pmps C/Air		5,000
Energy Efficient Items	Standard	Standard			Standard			Standard		
Garage/Carport	2 Car Garage	2 Car Garage			2 Car Garage			2 Car Garage		
Porch/Patio/Deck	Open Scrn Porch	Patio		2,000	Porch, Deck		1,000	Open Scrn Pr,Patio		-500
	1 F/P	1 F/P			1 F/P			1 F/P		
	None	Fenced Yard		-1,000	None			Enclosed Porch		-3,000
	None	None			None			None		
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -		\$ 50,291	<input checked="" type="checkbox"/> + <input type="checkbox"/> -		\$ 9,696	<input type="checkbox"/> + <input checked="" type="checkbox"/> -		\$ 53,014
Adjusted Sale Price of Comparables		Net Adj. -7.7%		\$ 599,609	Net Adj. 1.7%		\$ 584,696	Net Adj. -7.9%		\$ 614,986
		Gross Adj. 24.4%			Gross Adj. 11.7%			Gross Adj. 17.4%		
ITEM	SUBJECT	COMPARABLE SALE NO. 4			COMPARABLE SALE NO. 5			COMPARABLE SALE NO. 6		
Date of Prior Sale/Transfer	04/16/2012	05/17/2004			03/21/2008			11/16/2006		
Price of Prior Sale/Transfer	\$60,000	\$612,500			\$730,036			\$0		
Data Source(s)	Tax Record	Tax Record			Tax Record			Tax Record		
Effective Date of Data Source(s)	01/02/2013	01/02/2013			01/02/2013			01/02/2013		
Summary of Sales Comparison Approach Comparable #4 is a pending sale offered as a reflection of the current market. Note that the indicated price is the list price as the contract was not available. This comparable though not on a golf course is located in an upscale subdivision that competes with the subject subdivision. Comparables #5 and #6 are active listings also located in Glen Riddle that compete with the subject. Note that settled sales are typically five percent [5%] below list price; hence the time adjustment.										

SALES COMPARISON APPROACH

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Clarification of Intended Use and Intended User:

The Intended User of this appraisal report is the Lender/Client. The Intended Use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended Users are identified by the appraiser.

The Lender/Client is to represent and warrant that the appraisal report was created by the appraiser identified on the appraisal report and that the appraisal report is the complete and unaltered document submitted by the identified appraiser. If the appraisers software version or PDF copy is "unlocked", all the information will be deemed null and void and no one should then rely on the report for any purpose. The Lender/Client may not disclose or distribute this appraisal report in its entirety to any data collection or reporting services without the consent of the identified appraiser.

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) **Site value is based upon a review of recent land sales, active listings and pending sales as well as site to total value ratios. The site to total value ratio is typical in this neighborhood.**

COST APPROACH

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE .12307 sf = \$ 60,000	
Source of cost data See Below	Dwelling 3,668 Sq. Ft. @ \$ 135 = \$ 495,180	
Quality rating from cost service N/A Effective date of cost data N/A	Sq. Ft. @ \$ = \$	
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	F/P, Scrn Prch 8,000	
The construction cost is an estimate based upon extractions from market data and/or data derived from the Marshall & Swift Valuation Service, a national cost manual. The estimated remaining life is 65 years. No functional or external obsolescence noted. The gross living area is an approximation only; minor deviations in actual size have little or no impact upon the opinion of value.	Garage/Carport 564 Sq. Ft. @ \$ 35 = \$ 19,740	
	Total Estimate of Cost-New = \$ 522,920	
	Less 65 Physical Functional External	
	Depreciation \$0	= \$ (0)
	Depreciated Cost of Improvements = \$ 522,920	
	"As-is" Value of Site Improvements = \$	
	Drv, Lndscp, Utilities	7,500
Estimated Remaining Economic Life (HUD and VA only) 65 Years	INDICATED VALUE BY COST APPROACH = \$ 590,400	

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ **0** X Gross Rent Multiplier **0** = \$ **0** Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM) **Not Developed. See Reconciliation comments.**

PUD INFORMATION

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.

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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.

Uniform Residential Appraisal Report

File No. 12-1109

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.
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).

Uniform Residential Appraisal Report

File No. 12-1109

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 Maurice O. Wimbrow, III
Company Name Wimbrow Appraisal Service, LLC
Company Address 11147 Assateague Rd
Berlin, MD 21811
Telephone Number 410-430-9355
Email Address maury@wimbrowappraisal.com
Date of Signature and Report 01/02/2013
Effective Date of Appraisal 12/27/2012
State Certification # 30020285
or State License # _____
or Other (describe) _____ State # _____
State MD
Expiration Date of Certification or License 12/16/2013

ADDRESS OF PROPERTY APPRAISED

11824 Man O War Ln
Berlin, MD 21811-3362

APPRAISED VALUE OF SUBJECT PROPERTY \$ 590,000

LENDER/CLIENT

Name Lender X
Company Name Mortgage Network
Company Address 300 Rosewood Drive
Denvers, MA 01923
Email Address support@lenderx.com

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 _____

Condition Ratings and Definitions

C1 The improvements have been very recently constructed and have not previously been occupied. The entire structure and all components are new and the dwelling features no physical depreciation.*

**Note: Newly constructed improvements that feature recycled materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100% new foundation and the recycled materials and the recycled components have been rehabilitated/re-manufactured into like-new condition. Recently constructed improvements that have not been previously occupied are not considered "new" if they have any significant physical depreciation (i.e., newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep).*

C2 The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category either are almost new or have been recently completely renovated and are similar in condition to new construction.

C3 The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

C4 The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

C5 The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

C6 The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

Quality Ratings and Definitions

Q1 Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

Q2 Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residences constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high-quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

Q3 Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

Q4 Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

Q5 Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

Q6 Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure.

Definitions of Not Updated, Updated, and Remodeled

Not Updated

Little or no updating or modernization. This description includes, but is not limited to, new homes.

Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is 'Not Updated' may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical /functional deterioration.

Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.

An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

Remodeled

Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/ or expansion.

A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls, and/or the addition of square footage). This would include a complete gutting and rebuild.

Explanation of Bathroom Count

The number of full and half baths is reported by separating the two values by a period. The full bath is represented to the left of the period. The half bath count is represented to the right of the period. Three-quarter baths are to be counted as a full bath in all cases. Quarter baths (baths that feature only toilet) are not to be included in the bathroom count.

ADDENDUM

Borrower: Joan Trice

File No.: 12-1109

Property Address: 11824 Man O War Ln

Case No.:

City: Berlin

State: MD

Zip: 21811-3362

Lender: Mortgage Network

1004-UAD Addendum

Neighborhood Description

The neighborhood is a subdivision known as Glen Riddle; it includes a golf course and marina. A portion of the neighborhood includes Ocean Pines, which is popular due to its many amenities: golf course, tennis, parks, boating facilities and its own police and fire protection. Ocean Downs, a horse racing track and casino is also located in this neighborhood. The close proximity to the Atlantic resort of Ocean City is also a prime factor; some of the homes are rented annually or seasonally. Commute times for shopping and employment are typical of the region. Waterfront dwellings command premium prices. In addition, the area has also become a popular retirement area drawing residents from metropolitan area of Maryland, e.g. Baltimore, as well as Pennsylvania and New Jersey.

Neighborhood Market Conditions

National Economic Analysis

The National economic turmoil that began in 2007 has adversely impacted real property markets and values. What began as a "subprime mortgage meltdown" ultimately spread to all segments of banking and real estate. Subsequently, there was much economic volatility present in financial markets in general, and Wall Street in particular. Additionally, this financial turmoil caused by over leverage at personal, corporate, and institutional levels manifested itself throughout much of the industrialized global economy. Since the initial upheaval, the severe volatility and dearth of any credit has abated. However, true growth remains elusive. The following insights have been compiled from a review of various published articles addressing the current economy in recent months as well as regularly updated market trend sources.

Availability of Credit

Real estate is being affected by events that are occurring across the capital markets spectrum and by the broader liquidity crisis. Since much of the financial crisis stemmed from easy credit and lax underwriting standards, the credit market pendulum has swung and lending standards are significant more stringent. Accordingly, more limited credit and more stringent lending standards are constrictive to real estate transactions in the near to mid-term, which will impact supply, demand, and pricing. However, the government is taking some steps to address home financing and/or foreclosure issues through MBS purchases, capital for the GSEs, and loan modifications. In the near term, there will continue to be very limited new housing starts, which is necessary to reduce inventory and stabilize prices. Mortgage lending today has a renewed emphasis on both credit and collateral with far greater verification of borrower integrity, fewer exotic and flexible loan programs, and higher LTV requirements.

Consumer Behavior

Some analysts note that the overall market is being influenced by persistent consumer pessimism driven by high unemployment and general lack of economic confidence. Continued negative economic news regarding rising unemployment, rising foreclosures, falling real estate values, and depressed equity markets impact spending and investment decisions. While some economic indicators have shown the formation of a bottom or slight uptick, consumers remain cautious. Real estate is a trailing indicator. The result of current economic volatility is likely to be people waiting before making real estate decisions or limiting buying opportunities only to distressed sellers.

Summary of Macro Economics

The short-term impact of national economic instability has been a marked suppression of sales in many real estate segments. Marketing times have been extended as potential buyers take a cautious approach. Motivated sellers are reducing prices and REO properties have increased that add inventory at the lower end of the price.

Market conditions can be described as showing mostly stable property values in the overall neighborhood with sporadic instances of pricing pressures leading to downward pricing. Supply has increased and demand is showing signs of equalization to decreasing, depending on location or project. Marketing times in the area are typically within six months to twelve months, assuming proper pricing and marketing efforts. Sales and financing concessions are not uncommon; however, they typically consist of a small percentage of the property's total value.

There are numerous competing properties in the area offering the potential buyer a variety of choices, depending on buyer expectations as it relates to amenities and views. The real estate market in Worcester County had the appearance of stabilization, after ±five years of rapid appreciation; however, at the end of 2010 the national economic woes began to impact the local real estate market again. The ever increasing inventory of available properties caused sellers to compete for the limited number of buyers, creating a buyer's market. This in turn led to competition among sellers and with competition comes pricing incentives and market value readjustments. Many of the dwellings in this market are second homes, which exacerbates the problem. In addition, the market in Glen Riddle has short sales and REO properties, but the market appears to have already reacted to these.

Site Comments

No adverse environmental conditions were observed at the time of inspection; however the Appraiser is not trained in this matter and the service of an expert is recommended if so desired. No apparent adverse easements, encroachments or special assessments noted at the time of inspection, other than the standard utility easements which have no impact upon the estimate of value. The flood zone location is deemed accurate, but not guaranteed without survey. The side and rear of the site abuts the golf course and is well landscaped with lawn irrigation.

Comments on Sales Comparison

The search for comparables was focused upon dwellings similar to the subject in terms of GLA, location, quality and overall market appeal. Comparable data is limited; nevertheless, the subject and comparables are all located in close proximity to the summer resort Ocean City which is a positive factor. Location has been a factor in any adjustment, or lack thereof, for site size.

It is noted that the distance to some of the comparables exceeds one mile, which is typical in this market and has no effect upon the value opinion. It is also noted that comparable #3 settled over six months ago; however, the date of sale has no impact.

The price/sq.ft. for the GLA adjustment is \$30.00/sq.ft. the estimated market response to the GLA difference.

A diligent search of market data, which includes sold, pending and active listings was conducted; all relevant sales data was examined for comparison purposes; other sales were analyzed, but deemed less pertinent. In reconciling a market value opinion all three transfers, the pending sale and the two active listings were considered; the comparable sales are among the best and most recent available that match the

ADDENDUM

Borrower: Joan Trice

File No.: 12-1109

Property Address: 11824 Man O War Ln

Case No.:

City: Berlin

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subject in terms of location, view, age, condition, site size and overall market appeal.

Additional Certification and Clarifications

Borrower: Joan Trice	File No.: 12-1109	
Property Address: 11824 Man O War Ln	Case No.:	
City: Berlin	State: MD	Zip: 21811-3362
Lender: Mortgage Network		

Certifications:

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

Scope of Work-Expanded:

Pursuant to the directions on the prescribed appraisal report form, "The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment." Therefore, in addition to the scope of work presented within the attached appraisal report, this document will further describe the extent and type of information researched and the techniques applied, as well as define or clarify additional terminology used in the appraisal report. The intended user, or agent for the intended user, has requested the appraiser to evaluate the property, which is the subject of this appraisal report, for mortgage lending purposes. The appraiser has given consideration to the traditional valuation approaches: the Sales Comparison Approach, the Cost Approach and the Income Approach. The applicability of each approach to value must be weighed according to the qualitative and quantitative analysis of available data.

The Sales Comparison Approach is a set of procedures in which a value indication is developed by comparing the property being appraised to the most recent sales of similar properties, applying appropriate units of comparison, and making adjustments to the sales prices of the comparables based on the elements of comparison. The Sales Comparison Approach may be used to value improved properties, vacant land, or land being considered as though vacant. The Sales Comparison Approach best reflects the attitudes of buyers and sellers in today's market place for one-to-four family properties.

The Cost Approach is required when considered to be applicable and necessary to provide a credible opinion of value. The Cost Approach is a set of procedures through which a value indication is derived for the fee simple interest in the property by estimating the current reproduction or replacement cost-to-construct the existing structure, deducting accrued depreciation from the reproduction or replacement costs, and adding the estimated land value plus an entrepreneurial profit. It is necessary to make adjustments for depreciation in the Cost Approach. The appraiser must estimate the effective age and economic life for the subject property. Effective age is the age indicated by the condition and utility of a structure and is based on an appraiser's judgment and interpretation of market perceptions. Economic age is the period of time over which improvements to real property contribute value. The Cost Approach, if developed, is intended to provide support for the Opinion of Market Value and is not intended to serve any other purpose, e.g. Insurable Value.

The Income Approach is required, when considered to be applicable and necessary to provide a credible opinion of value. Regarding one to four family properties, the appraiser estimates the gross monthly income a property is expected to generate and capitalizes this income into a value indication using a gross rent multiplier (GRM). A GRM is the relationship or ratio between the sales price or value of the property and its gross monthly income.

The appraiser has completed the appraisal report in compliance with the appraiser's interpretation of the Uniform Standards of Professional Appraisal Practice as promulgated by The Appraisal Foundation.

IMPORTANT- PLEASE READ THE FOLLOWING VERY CAREFULLY

This appraisal is for no purpose other than property valuation as limited by the scope of the assignment as stated in this report. The appraisers are neither qualified nor attempting to go beyond that narrow scope. The reader should be aware that there are also inherent limitations to the accuracy of the information and analysis contained in this appraisal. Before making any decision based on the information and analysis contained in this report, it is critically important to read this entire section to understand these limitations.

Appraisal is made with limited data:

Appraisal reports are technical documents addressed to the specific needs of clients. In most cases, appraisals are made for mortgage companies and/or banks whose use for this report may be wholly different than that of the casual reader. Therefore, the reader should understand that this report was made with a limited amount of data and limited ability to verify certain information. Information was verified when possible through public records, multi-listing services, real estate agents and exterior inspection. This includes verification that the comparables are actually closed sales and the transactions are arms length. No verification technique is one hundred percent accurate but the appraiser has relied upon information as reported and recorded unless better sources prevail.

From time to time, the indicated sizes of comparables shown in available sources such as MLS services or listing sheets appears to be incorrect based on the appraisers professional experience. If the size used in the MLS sheets does not correlate with other known data, the appraiser may use other methods to determine the size of comparables. These include assessor's sheets, physical inspection and use of interior room measurements along with a multiplier to depict size based on exterior measurements. The deviation of comparable size from published sizes only indicates an attempt at higher accuracy in the final report. However, there are many times that the exact size and features found in comparables cannot be confirmed except by an exterior inspection from the street. We have used three or more comparables in this report to eliminate the limited data associated with any single comparable. While no factors we believe to be significant but unknown to the client have been knowingly withheld, it is always possible that we have information of significance which may be important to others but which, based on the original scope of this appraisal for mortgage or other purposes, was not included in the report to the client. A mortgage company or other professional client may not require data that may be important if the report is to be used for decision making outside the scope of the report. No decision should be made that is outside the scope of this report without first contacting the appraiser in writing for further clarification.

Additional Certification and Clarifications

Borrower: Joan Trice	File No.: 12-1109	
Property Address: 11824 Man O War Ln	Case No.:	
City: Berlin	State: MD	Zip: 21811-3362
Lender: Mortgage Network		

Extraordinary Assumption: USPAP defines as follows: “an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.”

Hypothetical Condition: USPAP defines as follows: “that which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.”

Intended User: the intended user of this appraisal report is the Lender/Client. The Intended Use is the evaluate the property that is the subject of this appraisal for mortgage lending purposes, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended Users are identified by the appraiser.

Matters of a Legal Nature: the appraiser is not an attorney and does not possess the expertise to render any opinions on legal matters. Pursuant to Limiting Condition #1, “the appraiser assumes that the title is good and marketable and will not render any opinions about the title”. Further, the title policy, when available, has been viewed to extract a legal description for the subject property.

Sales Contract and Sellers Disclosure Statement: the appraiser is not an attorney. In those instances when a sales contract and/or a seller’s disclosure statement have been provided to the appraiser, they have been relied upon only to verify the contract price and any seller concessions. The appraiser renders no opinion regarding the legal nature of the sales contract and/or seller’s disclosure statement.

Supplemental Standard Rule: USPAP defines as follows: “Supplemental standards applicable to assignments prepared for specific purposes or property types may be issued (i.e., published) by government agencies, government sponsored enterprises, or other entities that establish public policy. An appraiser and client must ascertain whether any such published supplemental standards in addition to these Uniform Standards apply to the assignment being considered.”

UAD Data Collection & Assumptions

The UAD data standard requires property information for the Subject and Comparables that may be difficult to verify in the normal course of business. The appraiser relies on MLS data, Public Record Data, and Property Owner and Realtor verification as available and when possible. However, when those collective sources cannot provide precise information, estimates and assumptions are made to comply with the UAD requirements. Should information later become available that was not known during the original appraisal due diligence process, that could impact the appraisal.

Additional Certification and Clarifications

Borrower: Joan Trice	File No.: 12-1109	
Property Address: 11824 Man O War Ln	Case No.:	
City: Berlin	State: MD	Zip: 21811-3362
Lender: Mortgage Network		

Definition And/Or Clarifications:

The attached appraisal report contains several terms, which are not defined in the appraisal report, or by the secondary mortgage market participants. For the purpose of this appraisal report the following terms are defined and/or clarified as follows:

Accessory Unit: secondary unit attached or detached to the primary residence.

Adverse Conditions: adverse conditions include but are not limited to the following: needed repairs, deterioration, the presence of hazardous wastes, toxic substances, and other adverse environmental conditions.

Building Compliance: all improvements including additions or alterations are expected to comply with local zoning and building codes, unless specified within the report. It is further expected that all permits for these improvements, if required, were obtained.

Complete Visual Inspection: a "complete visual inspection" includes a walking tour of the property, interior and exterior and viewing all readily observable items; observing the floor plan and layout; identifying relevant amenities, evaluating conformity of the subject with the neighborhood; observing general conditions; assessing functional utility; measuring the house or utilizing other data and information to calculate the living area, and noting any renovations or remodeling that may have been done to the property. A "complete visual inspection" does not include observing or viewing any portion of the property not readily accessible from a walking tour including attics and/or crawl spaces; activation or operation of any mechanical, electrical, or plumbing equipment or fixtures; any observation or viewing of the roof surface or structure other than that which is readily viewable from ground level; or activation or testing of any water system or sewage or septic tank. The appraiser is not qualified as an engineer or home inspector and does not represent those services.

Condition of Materials: the appraisal report requires the appraiser to note the condition of materials or several components of the subject property. The appraiser makes no representations, guarantees or warranties (express or implied), regarding those materials, their fitness, quality, condition or remaining economic life. An appraiser is not qualified or trained to disclose defects in material or workmanship necessary to install the materials. The lender/client should utilize or at least consider the services of a professional licensed home inspector to evaluate same if concerned about the condition of materials of the subject property.

Electrical: the appraiser is not a licensed or otherwise qualified electrician or electrical contractor. If an electrical capacity has been noted in the appraisal report, it has been taken from the electrical service panel within the subject property. Other sources, such as blueprints, specifications, contractors, or other sources believed to be reliable, may have been considered. The appraiser is not responsible for condition, alterations, defects, or other unapparent modifications related to the electrical system.

Environmental Hazards, Toxic Substances and Infestation: the appraiser provides an opinion of value, but does not make any representations, guarantees or warranties, express or implied, that the property is free of defects or environmental problems. The appraiser performs an inspection of visible and accessible areas only. Neither the appraiser(s), nor the appraisal firm and the associated staff have the expertise required to discover any environmental hazards, toxic substances or infestation concerning the subject property. The appraiser is not an expert in the field of environmental hazards and this report is not to be considered as an environmental assessment of the property.

Evidence of Infestation, Dampness and Settlement: unless stated in the appraisal report, there was no readily observable and discernable evidence of infestation, dampness and settlement noted at time of inspection. The appraiser did not observe the presence of insect, termite or other pest infestation. The appraiser, however, did not dismantle or make bores into the structure to test for hidden, encased, or otherwise concealed evidence of infestation. Infestation may be present in areas the appraiser cannot see.

Exposure Time: estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market.

Financing Considerations: the appraised value assumes a sale under typical conventional mortgage financing where the seller paid none of the typical purchaser's closing costs or other fees. If the subject property did have closing costs paid by the seller, the appraiser nonetheless valued the property for a sale unaffected by such factors. Because of this, comparables sold under conventional financing need no adjustment. Sales with other than typical financing were adjusted based on the affect that such terms would have had on the sale price of the individual comparable. Many times, no premium is paid for other forms of financing even if the seller pays contributions towards the purchaser's costs.

Geographic competence: in accordance with Certification 11, I further attest to my geographic competence for the market area that is the subject of this report. The location of the subject property is within an area regularly serviced within my appraisal practice and I utilize the MLS and other data sources specific to this market area.

Highest and Best Use: this is the reasonably best probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

Inspection or Inspect: the use(s) of these terms in the appraisal report is not meant to imply the appraiser is qualified to determine the existence of any material, mechanical, or structural defect, as well as an environmental hazard in the property other than that which is open and obvious.

Additional Certification and Clarifications

Borrower: Joan Trice	File No.: 12-1109	
Property Address: 11824 Man O War Ln	Case No.:	
City: Berlin	State: MD	Zip: 21811-3362
Lender: Mortgage Network		

Lead Based Paint: a residential dwelling that was built prior to 1978, may present exposure to lead from lead based paint that may place young children at risk of developing lead poisoning. The appraiser is not qualified to determine if lead based paint is present or if it poses any risk or hazard to its inhabitants.

Mechanical Systems: the appraiser is not a home inspector. Mechanical systems, including but not limited to plumbing, electrical, HVAC, appliances, septic systems, and wells have not been tested by the appraiser to determine their fitness or condition. The lender/client should utilize or at least consider the services of a licensed home inspector or other professional if concerned about the condition and the functional utility of the subject's mechanical systems.

Mold: the appraiser is not qualified to determine if mold is present in the property and if present, the appraiser is not qualified to determine the cause of the mold, the type of mold or whether it poses any risk or hazard to the inhabitants.

Personal Property: unless otherwise indicated, the market value arrived at in this appraisal report is for real estate only and does not include any personal property of any kind. Above ground pools and non-attached items such as freestanding appliances and window treatments are some examples of personal property. The inclusion of personal property in the sale of real estate is common. Although only the real estate is valued in this report, including personal property in a sale does not limit the marketability of a house.

Physical Deficiencies and Needed Repairs: existing residential dwellings typically exhibit some type of physical deficiencies. For purposes of this appraisal report, "needed repairs" means a readily observable and discernable condition noted by the appraiser that would affect the marketability and/or market value of the subject property.

Plat of Survey: the appraiser is not a surveyor. In those instances when a survey has been provided to the appraiser, it has only been relied upon to provide a legal description, site and/or building dimensions, apparent encroachments, or apparent easements. The appraiser renders no opinion and makes no representations, guarantees or warranties, express or implied, regarding the accuracy of these items as delineated within the survey.

Plumbing: the appraiser is not a licensed or otherwise qualified plumber or plumbing contractor. The appraiser will not be responsible for the condition, alterations, defects, or other unapparent modifications related to the plumbing system.

Public Records and Data Service: the appraiser uses a variety of data services such as public and private online databases which include assessor's records, county recorders, FEMA flood maps, county websites, local zoning maps and/or phone confirmations by the appropriate zoning authorities, local MLS information, or any other reliable sources considered typical for the market area. All sources are considered to be reliable sources of data. When discrepancies in the information are found, the appraiser will use the source(s) that is believed to be the most reliable in this appraisal report. The appraiser will report only the data pertinent to the valuation process. When applicable, the data presented in the Sales Comparison Approach has been verified by more than one source unless otherwise noted.

Radon: radon is a cancer-causing radioactive gas. It occurs naturally and may seep into houses via the basement. Abnormally high concentrations of Radon in a house may affect the marketability of the house. High levels of radon concentration may cause sickness or even cancer. The appraiser is not a professional at radon detection. The responsibility for detection or remediation of radon lies with the property owner.

Replacement and Reproduction costs: replacement and reproduction cost estimates used in the Cost Approach are for valuation purposes only. The lender/client should not rely on these estimates for insurance purposes. The definition of "Market Value" contained in this appraisal report is not consistent with the definition of "Insurable Value".

Seasonal Conditions: there are instances when portions of the exterior of the property are obscured or not readily observable due to weather related conditions. In those instances, the appraiser(s) has relied upon a source(s) familiar with the property to cite the material and the condition of those improvements.

Special Assessments: unless stated in the appraisal report, no special assessments were disclosed or revealed to the appraiser regarding the subject property.

Zoning: the appraiser has attempted to use the most recently available zoning sources to determine the specific zoning of the subject property. However, no notification is given to the appraiser when zoning changes. Zoning may be different than that stated and may severely limit the possible use of the property. If a property is a legal non-conforming use, it may not be able to have continued residential use if fully or partially destroyed or vacated for any length of time and any such criteria is considered in the valuation process. Zoning has only been checked as it relates to the highest and best use section of this report and any significant question regarding zoning should be addressed to local zoning or land use officials.

USPAP ADDENDUM

File No. 12-1109

Borrower: Joan Trice
Property Address: 11824 Man O War Ln
City: Berlin County: Worcester State: MD Zip Code: 21811-3362
Lender: Mortgage Network

APPRAISAL AND REPORT IDENTIFICATION

This Appraisal Report is one of the following types:
Self Contained (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
[X] Summary (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
Restricted Use (A written report prepared under Standards Rule 2-2(c), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

- I certify that, to the best of my knowledge and belief:
- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

Comments on Appraisal and Report Identification

Note any uspap-related issues requiring disclosure and any state mandated requirements:

Reasonable Exposure Time

My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 12 months.

The Exposure Time opinion required is specific to the subject property and represents the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

APPRAISER:

Signature: [Handwritten Signature]
Name: Maurice O. Wimbrow, III
Date Signed: 01/02/2013
State Certification #: 30020285
or State License #:
or Other (describe): State #:
State: MD
Expiration Date of Certification or License: 12/16/2013

Effective Date of Appraisal: 12/27/2012

SUPERVISORY APPRAISER (only if required):

Signature:
Name:
Date Signed:
State Certification #:
or State License #:
State:
Expiration Date of Certification or License:

Supervisory Appraiser inspection of Subject Property:
Did Not Exterior-only from street Interior and Exterior

Market Conditions Addendum to the Appraisal Report

File No. 12-1109

The purpose of this addendum is to provide the lender/client with a clear and accurate understanding of the market trends and conditions prevalent in the subject neighborhood. This is a required addendum for all appraisal reports with an effective date on or after April 1, 2009.

Property Address **11824 Man O War Ln** City **Berlin** State **MD** Zip Code **21811-3362**

Borrower **Joan Trice**

Instructions: The appraiser must use the information required on this form as the basis for his/her conclusions, and must provide support for those conclusions, regarding housing trends and overall market conditions as reported in the Neighborhood section of the appraisal report form. The appraiser must fill in all the information to the extent it is available and reliable and must provide analysis as indicated below. If any required data is unavailable or is considered unreliable, the appraiser must provide an explanation. It is recognized that not all data sources will be able to provide data for the shaded areas below; if it is available, however, the appraiser must include the data in the analysis. If data sources provide the required information as an average instead of the median, the appraiser should report the available figure and identify it as an average. Sales and listings must be properties that compete with the subject property, determined by applying the criteria that would be used by a prospective buyer of the subject property. The appraiser must explain any anomalies in the data, such as seasonal markets, new construction, foreclosures, etc.

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	3	2	1	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	0.50	0.67	0.33	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	5	8	9	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	10.00	11.94	27.27	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Median Comparable Sale Price	585,000	640,000	570,000	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	161	332	427	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Increasing
Median Comparable List Price	649,900	658,950	599,000	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	539	352	124	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	94.00%	91.00%	95.00%	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.).
Seller concessions are limited and when present are typically market reaction to unrealistic list prices.

Are foreclosure sales (REO sales) a factor in the market? Yes No If yes, explain (including the trends in listings and sales of foreclosed properties).
There are some foreclosures and short sales, but at this time they appear to have little impact as the market as already reacted.

Cite data sources for above information. **MLS, tax records**

Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions.
See Addendum Attached Hereto.

If the subject is a unit in a condominium or cooperative project, complete the following: **Project Name:**

Subject Project Data	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab. Rate)				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing

Are foreclosure sales (REO sales) a factor in the project? Yes No If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

Summarize the above trends and address the impact on the subject unit and project.

APPRAISER

Signature *Maurice O. Wimbrow, III*
 Name **Maurice O. Wimbrow, III**
 Company Name **Wimbrow Appraisal Service, LLC**
 Company Address **11147 Assateague Rd**
Berlin, MD 21811
 State License/Certification # **30020285** State **MD**
 Email Address **maury@wimbrowappraisal.com**

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
 Name _____
 Company Name _____
 Company Address _____
 State License/Certification # _____ State _____
 Email Address _____

MARKET RESEARCH & ANALYSIS

CONDO / CO-OP PROJECTS

APPRAISER

ADDENDUM

Borrower: Joan Trice

File No.: 12-1109

Property Address: 11824 Man O War Ln

Case No.:

City: Berlin

State: MD

Zip: 21811-3362

Lender: Mortgage Network

1004MC ADDENDUM

Market Analysis Comments

Trends in real estate are directly related to historic, economic, demographic and political forces within a market area. Events occurring nationally, regionally and locally can significantly impact the success of all types of real estate. Macroeconomic conditions, such as interest rates, inflation, job security, industrial productivity and stability in the stock market shape consumer confidence and business investment activity. Regional and local economic indicators do not always mirror national trends. As a result, the economic conditions on a regional and local level have the most significant impact on real estate markets and must be analyzed separately. Diversity and stability in employment, job growth, business expansion and the profile of the available labor force all impact the stability of a region. Consumer demographics in the local market, such as population growth, household statistics, age/family characteristics and income levels also specifically impact the type of real estate development that can be sustained, the amount of development supported, prices/rents, absorption of space and the amenities required.

The inventory analysis, median sale and list prices, DOM and other observations in this addendum are based on MLS data, which is generally believed to be an acceptable source of market data. However, all information cannot be verified in this data source and accordingly, the accuracy of such data or the conclusions based thereon cannot be guaranteed. In addition, the data contained herein for the comparables is unadjusted relative to the subject. Future market conditions affecting the subject property cannot be foreseen or guaranteed.

The limited number of comparable sales restricts the ability to provide a meaningful statistical analysis of trends.

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Joan Trice	File No.: 12-1109	
Property Address: 11824 Man O War Ln	Case No.:	
City: Berlin	State: MD	Zip: 21811-3362
Lender: Mortgage Network		



**FRONT VIEW OF
SUBJECT PROPERTY**

Appraised Date: **December 27, 2012**
Appraised Value: **\$ 590,000**



**REAR VIEW OF
SUBJECT PROPERTY**



STREET SCENE



SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Joan Trice	File No.: 12-1109	
Property Address: 11824 Man O War Ln	Case No.:	
City: Berlin	State: MD	Zip: 21811-3362
Lender: Mortgage Network		



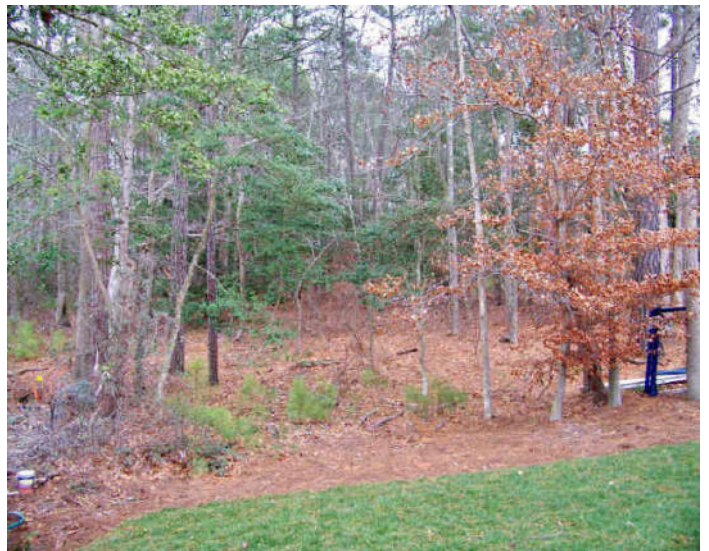
Side View



Side View



Rear View



View At Rear



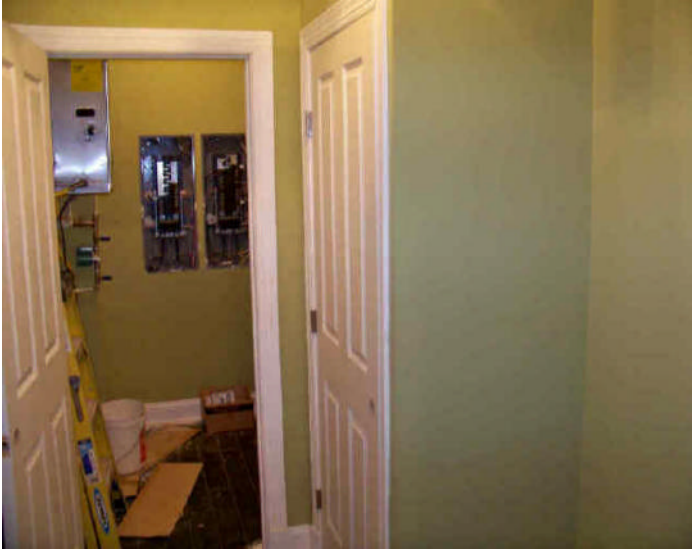
Golf Course Abuts NE Side of Site



Screened Porch

INTERIOR PHOTOS

Borrower: Joan Trice	File No.: 12-1109	
Property Address: 11824 Man O War Ln	Case No.:	
City: Berlin	State: MD	Zip: 21811-3362
Lender: Mortgage Network		



Other
Laundry & Mechanical Room



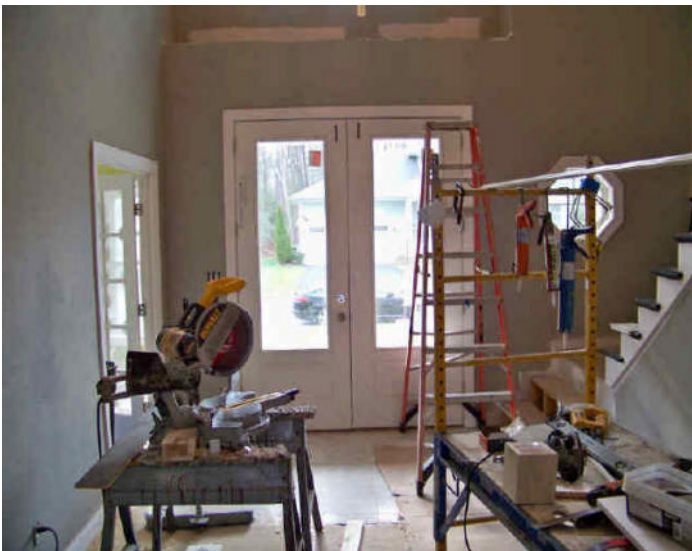
Kitchen



Living Area



Other
Wet Bar in Living Area



Foyer



Master Bedroom

INTERIOR PHOTOS

Borrower: Joan Trice	File No.: 12-1109	
Property Address: 11824 Man O War Ln	Case No.:	
City: Berlin	State: MD	Zip: 21811-3362
Lender: Mortgage Network		



Ensuite Full Bath



Other

Master Bedroom Walk-n Closet



Half Bath

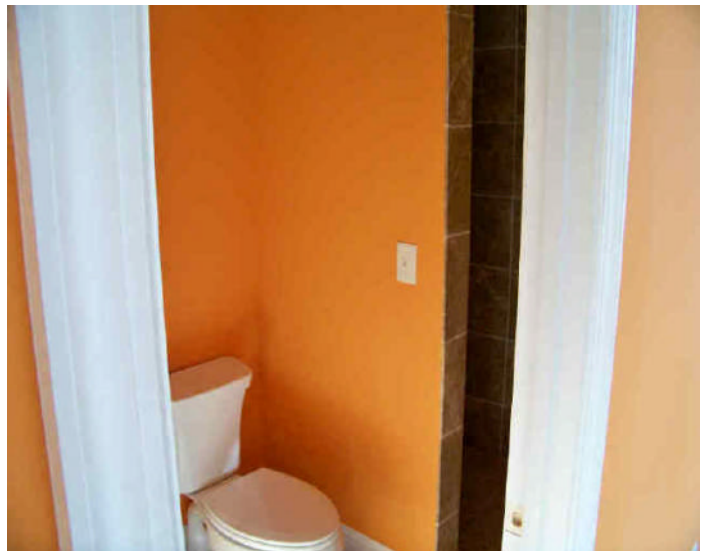


Office



Dining Room

Area Only-not a room



Bathroom

INTERIOR PHOTOS

Borrower: Joan Trice	File No.: 12-1109	
Property Address: 11824 Man O War Ln	Case No.:	
City: Berlin	State: MD	Zip: 21811-3362
Lender: Mortgage Network		



Bedroom



Bathroom



Bedroom

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Joan Trice	File No.: 12-1109
Property Address: 11824 Man O War Ln	Case No.:
City: Berlin	State: MD Zip: 21811-3362
Lender: Mortgage Network	



COMPARABLE SALE #1

**12 Stacy Ct
Berlin, MD 21811
Sale Date: s11/12;c09/12
Sale Price: \$ 570,000**



COMPARABLE SALE #2

**11820 Gum Point Rd
Berlin, MD 21811
Sale Date: s09/12;c07/12
Sale Price: \$ 690,000**



COMPARABLE SALE #3

**4 Harlan Trace
Ocean Pines, MD 21811
Sale Date: s01/12;c12/11
Sale Price: \$ 585,000**



COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Joan Trice	File No.: 12-1109
Property Address: 11824 Man O War Ln	Case No.:
City: Berlin	State: MD Zip: 21811-3362
Lender: Mortgage Network	



COMPARABLE SALE #4

12516 Ocean Reef Dr
Berlin, MD 21811
Sale Date: c12/12
Sale Price: \$ 649,900



COMPARABLE SALE #5

11936 Man O War Ln
Berlin, MD 21811
Sale Date: Active
Sale Price: \$ 575,000



COMPARABLE SALE #6

11810 Man O War Ln
Berlin, MD 21811
Sale Date: Active
Sale Price: \$ 668,000



FLOORPLAN SKETCH

Borrower: Joan Trice

File No.: 12-1109

Property Address: 11824 Man O War Ln

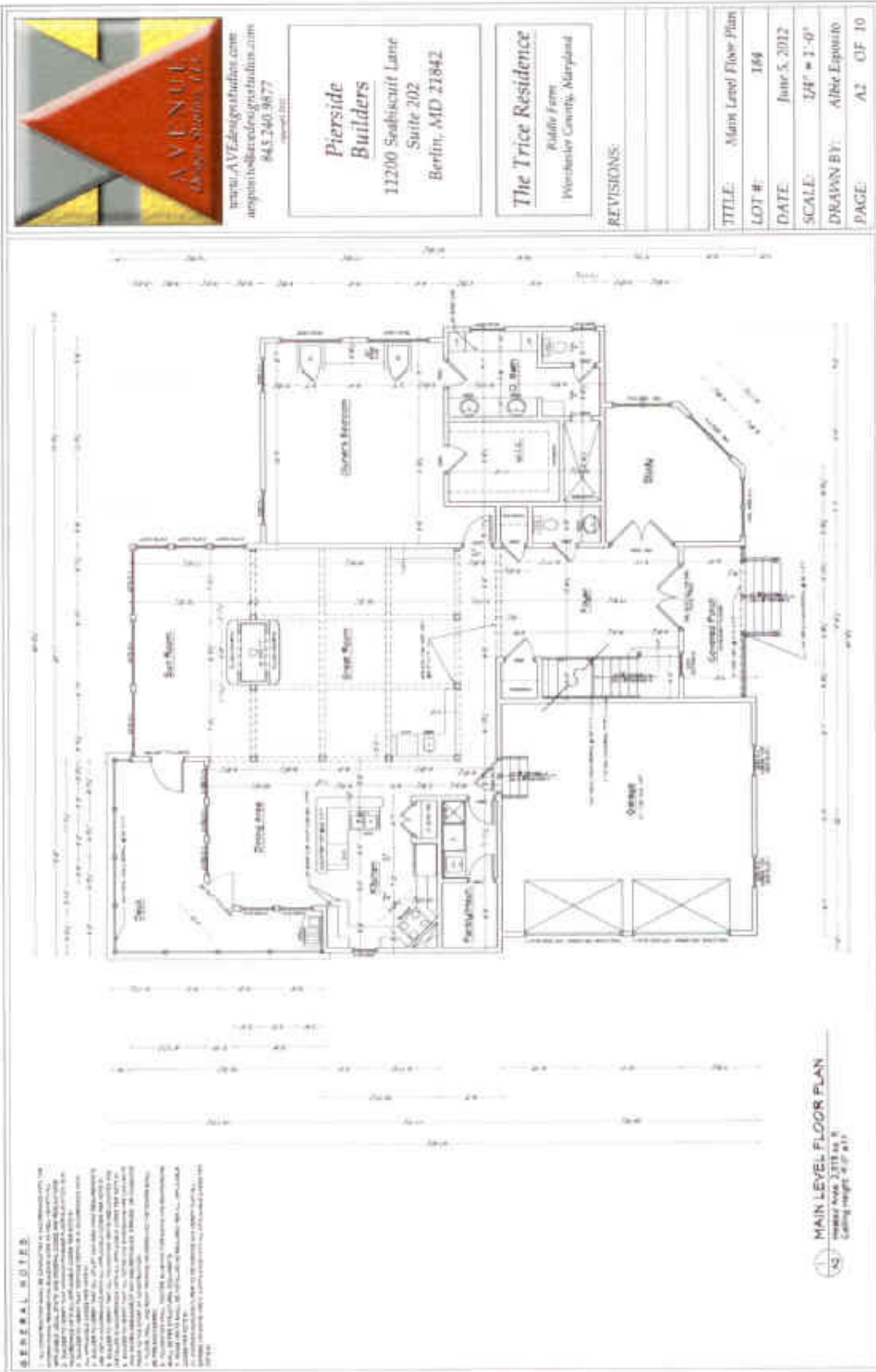
Case No.:

City: Berlin

State: MD

Zip: 21811-3362

Lender: Mortgage Network



FLOORPLAN SKETCH

Borrower: Joan Trice

File No.: 12-1109

Property Address: 11824 Man O War Ln

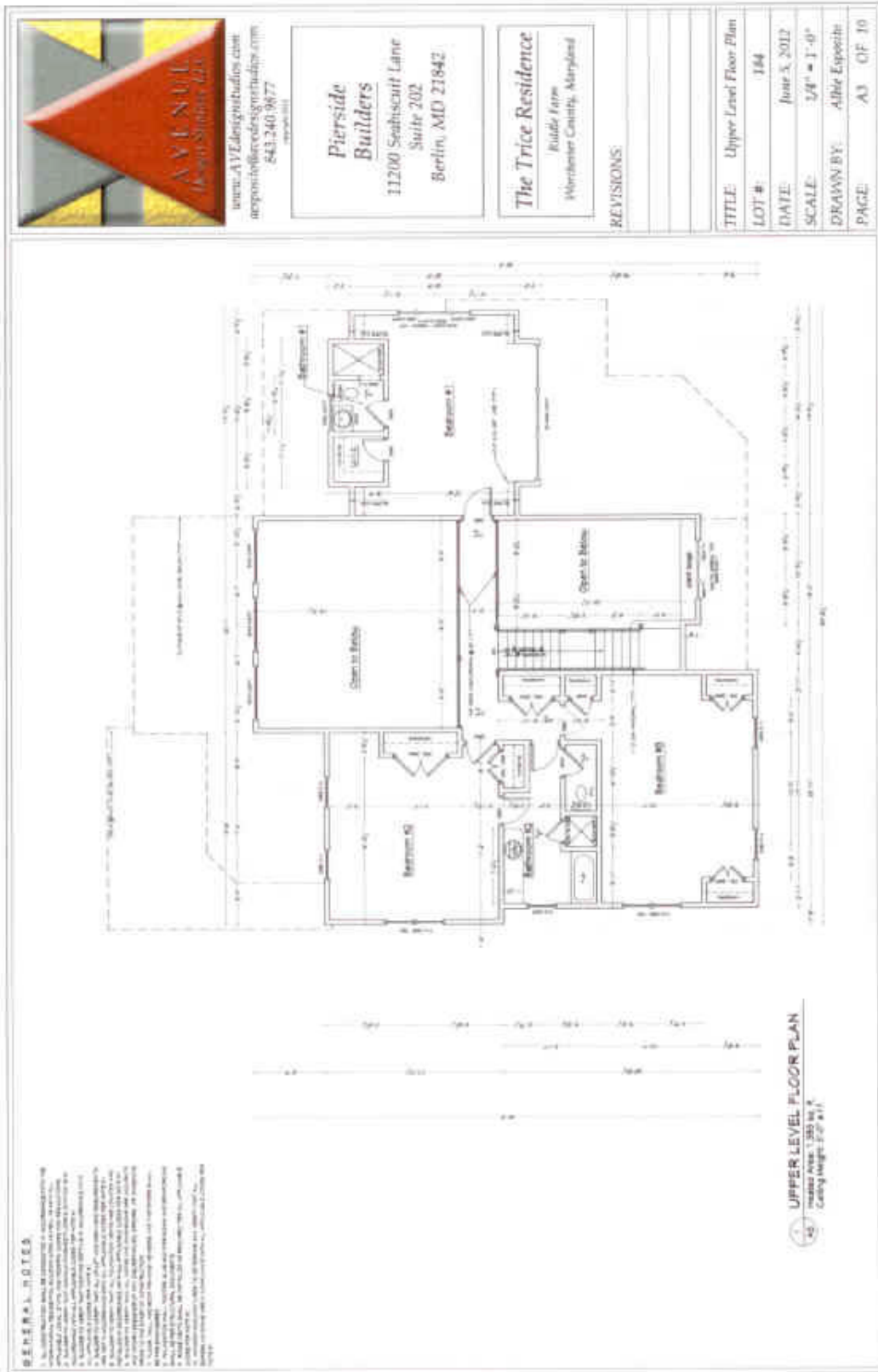
Case No.:

City: Berlin

State: MD

Zip: 21811-3362

Lender: Mortgage Network



LOCATION MAP

Borrower: Joan Trice

File No.: 12-1109

Property Address: 11824 Man O War Ln

Case No.:

City: Berlin

State: MD

Zip: 21811-3362

Lender: Mortgage Network



AERIAL VIEW

Borrower: Joan Trice

File No.: 12-1109

Property Address: 11824 Man O War Ln

Case No.:

City: Berlin

State: MD

Zip: 21811-3362

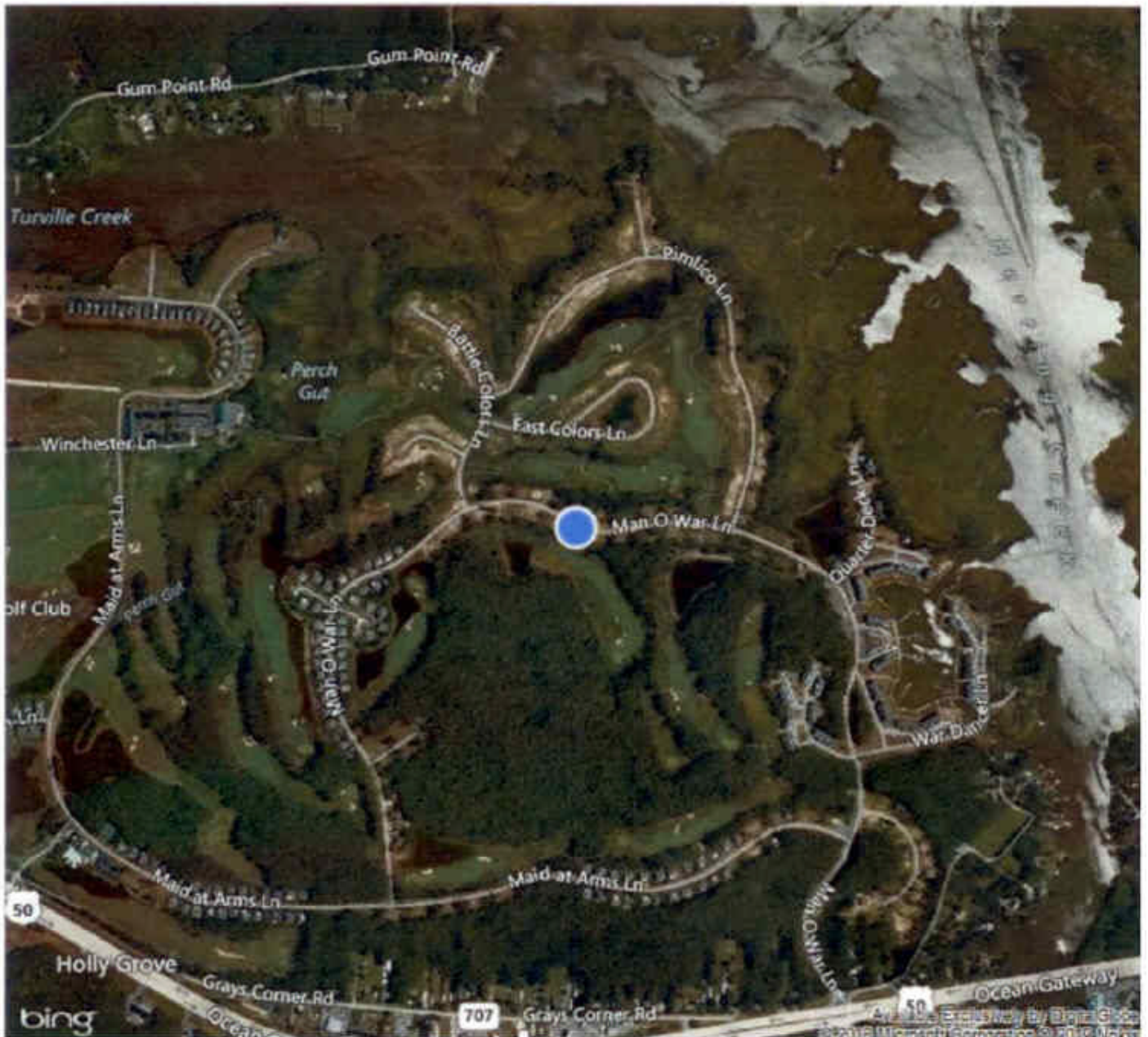
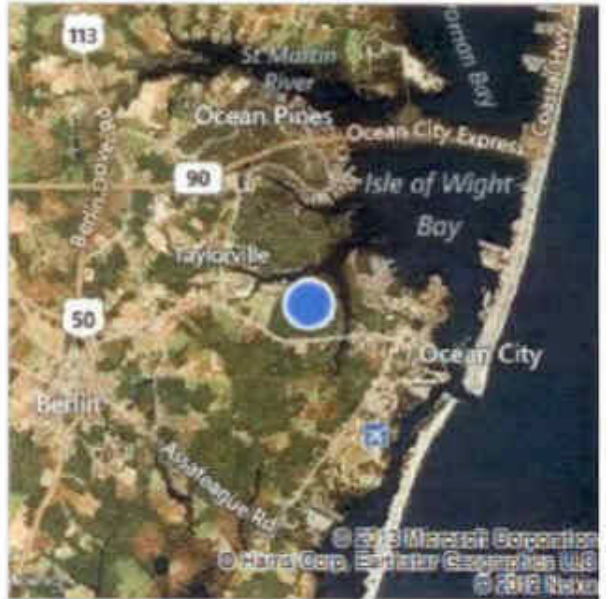
Lender: Mortgage Network

bing Maps

Man O War Ln, Berlin, MD 21811

12-1109

On the go? Use m.bing.com to find maps, directions, businesses, and more



FLOOD MAP

Borrower: Joan Trice	File No.: 12-1109
Property Address: 11824 Man O War Ln	Case No.:
City: Berlin	State: MD
Lender: Mortgage Network	Zip: 21811-3362



FloodMap Legend

Flood Zones

- Areas inundated by 500-year flooding
- Areas outside of the 100- and 500-year floodplains
- Areas inundated by 100-year flooding
- Areas inundated by 100-year flooding with velocity hazard
- Floodway areas
- Floodway areas with velocity hazard
- Areas of undetermined but possible flood hazards
- Areas not mapped on any published FIRM

Flood Information

Community: 240083 - UNINCORPORATED AREA
 Property is not in a FEMA special flood hazard area.
 Map Number: 2400830100B Map Date: 06/15/1983
 Panel: 0100B FIPS: 24047
 Zone: B

Neither Transamerica Flood Hazard Certification (TFHC) nor ACI make any representations or warranties to any party concerning the content, accuracy or completeness of this flood report, including any warranty of merchantability or fitness for a particular purpose. Neither TFHC nor ACI nor the seller of this flood report shall have any liability to any third party for any use or misuse of this flood report.



APPRAISER LICENSE

Borrower: Joan Trice	File No.: 12-1109
Property Address: 11824 Man O War Ln	Case No.:
City: Berlin	State: MD Zip: 21811-3362
Lender: Mortgage Network	

Martin O'Malley
Governor
Anthony G. Brown
Lt. Governor
Alexander M. Sanchez
Secretary

Martin O'Malley
Secretary of the Board

LICENSE, REGISTRATION, OR CERTIFICATION
State of Maryland
DEPARTMENT OF LABOR, LICENSING AND REGULATION
COMMISSION OF RE APPRAISERS & HOME INSPECTORS
CERTIFIES THAT
MAURICE WIMBROW III

IS AN AUTHORIZED CERTIFIED RESIDENTIAL

LIC. REG. CERT. NO.	EXPIRATION DATE	EFFECTIVE DATE	CATEGORY	
20285	12-16-2013	11-23-2010	03	4054600

WHERE REQUIRED BY LAW THIS MUST BE CONSPICUOUSLY DISPLAYED IN OFFICE TO WHICH IT APPLIES

Wimbrow Appraisal Service, LLC

Maurice O. Wimbrow, III
11147 Assateague Road
Berlin, MD 21811
Tel: 410-430-9355
Fax: 888-266-4995

maury@wimbrowappraisal.com

