

COMP CHECK APPRAISAL AGREEMENT

Client:

Appraiser:

Date:

Prior to performing a Comp Check Appraisal we must have your signature, indicating a mutual understanding of the following:

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PURPOSE OF ASSIGNMENT: Comp Check Appraisal. Client understands that each Comp Check performed constitutes an appraisal which must conform to the Uniform Standards Professional Appraisal Practices (USPAP) and Federal and State standards

INTENDED USE: The client's intended use is to aid in making an informed business decision regarding loan feasibility on residential property.

INTENDED USERS: The client only. **NOTE:** The client is considered to be a regular user of appraisal services and is familiar with appraisal issues and limitations..

REPORTING OPTION: Each Comp Check Appraisal will be reported as an oral report in accordance with (iaw) Standard 2-4 of the USPAP. No hard copy or electronic report will be issued. The opinion of value will be reported in a range, of U.S. dollar amounts, of high, low and average values. Such opinion of value will be based on the unadjusted results of the seven factors noted in the SCOPE OF WORK paragraph below.

INTEREST APPRAISED: Fee Simple.

TYPE AND DEFINITION OF VALUE (as defined by FannieMae): 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.

Typical FannieMae conventional financing is assumed.

EFFECTIVE DATE OF OPINION OF VALUE: As of the day the oral opinion of value is rendered

THIS APPRAISAL INCLUDES AN "EXTRAORDINARY ASSUMPTION" IN ACCORDANCE WITH PROVISIONS OF THE USPAP: An Extraordinary Assumption is "an assumption, directly related to the specific assignment, which, if found to be false (different than assumed), 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 (outside the boundaries of) the subject property, such as market conditions or trends; or about the integrity of the data used in an analysis" The Appraiser has determined that the appraisal process to be performed, however, is not so affected that the resulting assignment would tend to mislead or confuse the client in view of the intended use.

The user, as a knowledgeable party, is advised of the limited nature inherent to this type of appraisal. In many areas of consideration data is not fully confirmed and often assumptions are based on the most likely probabilities and cursory information available without in depth analysis or confirmation.

Many other factors cannot be determined such as condition, updating, neighboring properties, nearby

conflicting zoning, recent demographic and exterior influences, etc. that typically come under consideration in a full appraisal.

No consideration can be given to site topography or irregularities in configuration without involving an on site inspection. Physical characteristics of depreciation, quality of construction, individual elements or modifications, encroachments, structural, environmental elements, site improvements, individual items of comparison and so forth cannot be considered to the extent possible in an on site inspection.

Comp Check Appraisals are limited to single family, owner occupied, undividable residential properties on residential zoned sites, whose Highest and Best use is as a single family residence (SFR). Three year sales history analysis of subject and one year sales history analysis for comparables is considered.

No physical inspection of the subject property or the comparables has been made. It is understood that the appraiser has not left the office and is performing this appraisal using only available MLS data and/or other Public Records based on the seven parameters noted below.

The use of an Extraordinary Assumption may affect the assignment results.

SCOPE OF WORK: (type and extent of identification, inspection, research and analysis): Data collections methods include but are not limited to the retrieval of Realtors MLS data, portions of which are confirmed by public records, internet web data and other readily and immediately available sources as deemed appropriate by the appraiser. No attempt is made to conduct owner or Broker interviews, parties to the transaction or their representatives. The scope of work in this appraisal includes reviewing applicable data and conducting preliminary analysis from the above records as they reflect on the subject and comparables, based on the seven following factors:

1. General geographic location of the subject - typically by map coordinates.
2. Lot size range - in accordance with (iaw) standard lot size categories as outlined in MLS search parameters.
3. General style of subject - selected by number and character of levels.
Examples: "Ranch" or "Ranch with Basement", "Split Entry". "Tri-Level", "Daylight Ranch", "Traditional modern", "Cape Cod", "Bungalow" etc.
4. Age - typically bracketed by 7 to 10 years above and below age of subject.
5. Size - i.e. square footage of the habitable living area.
6. Zoning and supply and other land use factors - as they relate to the subject residential usage.
7. Dates of sales to the selected comparables - typically limited to within the past six (6) months. But, not more than not more than twelve (12) months ago.

Other factors may be considered, at the discretion of the appraiser, as necessary to produce a credible report. Such factors may include the existence of a shop, out buildings, small acreage and so forth of the subject.

These factors are then bracketed appropriately.

Work file records and documentation necessary to support the appraiser's analysis, opinions and conclusions will be retained in the appraiser's numbered work file as required by USPAP and State rules and regulations.

APPROACH TO VALUE: Recent sales of comparable residential properties are identified, and analyzed to support a range of value conclusion through a non-adjusted Sales Comparison Approach to value. A sufficient number of comparables are selected from the market from which to draw a credible range of value opinion.

The Cost and Income Approaches to Value are not performed and are not considered necessary to produce credible results given the intended use of the Appraisal. If the Cost or Income Approaches to Value are

found by the appraiser to be necessary to produce a credible opinion of value then a Comp Check Appraisal cannot be performed. Additionally, FHA and VA Comp Check Appraisals cannot be performed; they involve such depth of on site inspection that, without an on site inspection, they cannot be considered reliable.

ASSUMED EXISTING USE OF THE SUBJECT PROPERTY: The subject property is assumed, as an additional Extraordinary Assumption, to be an owner occupied, single family residential property currently used as such.

The use of an Extraordinary Assumption may affect the assignment results.

CERTIFICATION OF OPINION OF VALUE: The certification of the opinion of value is retained in appraiser's numbered work file (noted above) iaw USPAP and ORS rules and regulations.

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This agreement intended as a master agreement that will apply to each and every request for a Comp Check Appraisal. It is held in file and is considered valid for future comp checks requested by the undersigned. It is understood and agreed that a Manager or Broker may sign for all Loan Reps or Agents in the Company and that all Loan Reps and Agents are then bound by this agreement. It is understood and agreed that the undersigned has the authority to sign the agreement on behalf of all such company representatives.

Prior to performing a Comp Check Appraisal we must have this signed agreement on file and then there must be a typical, specific request for an appraisal indicating a "Comp Check Appraisal" as the type of appraisal being requested.

In the event the proposed loan is intended to support a sale, an analysis of such sale is considered applicable and necessary for the intended use of this report. Accordingly, all sales agreements, including addenda, summaries of licensed home inspections etc. must accompany the order for Comp Check Appraisal services.

When the oral report is phoned to you and you subsequently want to go ahead with a Full FannieMae Appraisal you must fax or email a new (second) request for an appraisal indicating a FannieMae format (1004, 2055 etc.) as the type of appraisal. Each type of appraisal report must carry its own file number.

It is understood that Appraisal fee for a full (subsequent) FannieMae appraisal is collected from the loan applicant or Mortgage Broker at the time of or prior to the Inspection (cod). Loan applicants are required to sign a disclosure acknowledging the lender as "Client" notwithstanding the method of the payment of fees. Post dated checks are not acceptable. Appraisals are not delivered until checks for the payment of the appraisal fee have cleared, unless written guarantees of payment are made by the lender.

Comp Check Appraisals stand on their own, independent of any requests to upgrade. A Comp Check Appraisal does not guarantee a future opinion of value if the client subsequently requests to upgrade to a full appraisal.

Client Signature: _____ Date: ___ / ___ / _____

Title: _____

Company Name : _____

Contact Information -- Ph#: _____ Fax#: _____ email: _____

(APPRAISER'S SIGNATURE) _____ lic.# _____ Date: ___ / ___ / _____

Printed Name: _____

Company: _____