

APPRAISAL OF

Single Family Residence

LOCATED AT:

25 Willow Woods Drive
Tonka Bay, MN 55331

FOR:

Tim McCarthy

BORROWER:

N/A

AS OF:

April 15, 2008

BY:

Jason S. Luedtke

Key Appraisals
Certified Residential

File No. 09000370

12/14/2009

Tim McCarthy

File Number: 09000370

In accordance with your request, I have appraised the real property at:

25 Willow Woods Drive
Tonka Bay, MN 55331

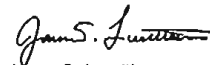
The purpose of this appraisal is to develop an opinion of the market value of the subject property, as improved.
The property rights appraised are the fee simple interest in the site and improvements.

In my opinion, the market value of the property as of April 15, 2008 is:

\$1,650,000
One Million Six Hundred Fifty Thousand Dollars

The attached report contains the description, analysis and supportive data for the conclusions,
final opinion of value, descriptive photographs, limiting conditions and appropriate certifications.

Sincerely,



Jason S. Luedtke



FannieMae

Desktop Underwriter Quantitative Analysis Appraisal Report

File No.: 09000370

THIS SUMMARY APPRAISAL REPORT IS INTENDED FOR USE BY THE LENDER/CLIENT FOR A MORTGAGE FINANCE TRANSACTION ONLY.																																																																																																																																																						
SUBJECT	Property Address 25 Willow Woods Drive			City Tonka Bay		State MN		Zip Code 55331																																																																																																																																														
	Legal Description Lot 000, Block 000, Reg. Land Survey No. 0972 Tract H					County Hennepin																																																																																																																																																
	Assessor's Parcel No. 2811723130016			Tax Year 2009		R.E. Taxes \$ 23413.30		Special Assessments \$ None																																																																																																																																														
	Borrower N/A		Current Owner Tim McCarthy			Occupant: <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant																																																																																																																																																
NEIGHBORHOOD	Neighborhood or Project Name N/A			Project Type <input type="checkbox"/> PUD <input type="checkbox"/> Condominium		HOAS		N/A /Mo.																																																																																																																																														
	Sales Price \$ N/A		Date of Sale N/A		Description/Amount of loan charges/concessions to be paid by seller N/A																																																																																																																																																	
	Property rights appraised <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold		Map Reference 117-D2		Census Tract 0275.01																																																																																																																																																	
	Note: Race and the racial composition of the neighborhood are not appraisal factors.																																																																																																																																																					
SITE	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		Single family housing PRICE \$ (000) 300		Condominium housing PRICE \$ (000) 200		AGE (yrs) 0																																																																																																																																													
	Built up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%		Demand/supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In balance <input type="checkbox"/> Over supply		3-6 mos. <input checked="" type="checkbox"/> 3-6 mos. <input type="checkbox"/> Over 6 mos.																																																																																																																																																	
	Growth rate <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow		Marketing time																																																																																																																																																			
	Neighborhood boundaries Neighborhood is considered to be Lakeshore property on Lake Minnetonka.				5000 High		100		2000 High 50																																																																																																																																													
IMPROVEMENTS	Dimensions 187' X 146' X 135' X 161'		Site area 20800 Sq. Ft. +/-		Shape Irregular																																																																																																																																																	
	Specific zoning classification and description R-1A - Single Family Residential																																																																																																																																																					
	Zoning compliance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal nonconforming (Grandfathered use); <input type="checkbox"/> Illegal, attach description <input type="checkbox"/> No zoning																																																																																																																																																					
	Highest and best use of subject property as improved (or as proposed per plans and specifications): <input checked="" type="checkbox"/> Present use <input type="checkbox"/> Other use, attach description.																																																																																																																																																					
SALES COMPARISON ANALYSIS	Utilities Public <input checked="" type="checkbox"/> Other		Public <input checked="" type="checkbox"/> Other		Off-site Improvements Type		Public <input type="checkbox"/> Private <input type="checkbox"/>																																																																																																																																															
	Electricity <input checked="" type="checkbox"/>		Water <input checked="" type="checkbox"/>		Street Asphalt		<input checked="" type="checkbox"/>		<input type="checkbox"/>																																																																																																																																													
	Gas <input checked="" type="checkbox"/>		Sanitary sewer <input checked="" type="checkbox"/>		Alley None		<input type="checkbox"/>		<input type="checkbox"/>																																																																																																																																													
	Are there any apparent adverse site conditions (encroachments, special assessments, slide areas, etc.)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, attach description.																																																																																																																																																					
Source(s) used for physical characteristics of property: <input checked="" type="checkbox"/> Interior and exterior inspection <input type="checkbox"/> Exterior inspection from street <input checked="" type="checkbox"/> Previous appraisal files																																																																																																																																																						
<input type="checkbox"/> MLS <input checked="" type="checkbox"/> Assessment and tax records <input checked="" type="checkbox"/> Prior Inspection <input type="checkbox"/> Property owner <input type="checkbox"/> Other (Describe):																																																																																																																																																						
No. of Stories One Type (Det./Att.) Detached Exterior Walls Cedar/Brick Roof Surface Cedar Shake Manufactured Housing <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																																																																																																																																																						
Does the property generally conform to the neighborhood in terms of style, condition, and construction materials? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, attach description.																																																																																																																																																						
Are there any apparent physical deficiencies or conditions that would affect the soundness or structural integrity of the improvements or the livability of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, attach description.																																																																																																																																																						
Are there any apparent adverse environmental conditions (hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, attach description.																																																																																																																																																						
I researched the subject market area for comparable listings and sales that are the most similar and proximate to the subject property.																																																																																																																																																						
My research revealed a total of 4 sales ranging in sales price from \$ 1,550,000 to \$ 1,750,000.																																																																																																																																																						
My research revealed a total of N/A listings ranging in list price from \$ N/A to \$ N/A.																																																																																																																																																						
The analysis of the comparable sales below reflects market reaction to significant variations between the sales and the subject property.																																																																																																																																																						
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>FEATURE</th> <th>SUBJECT</th> <th>SALE 1</th> <th>SALE 2</th> <th>SALE 3</th> </tr> </thead> <tbody> <tr> <td>25 Willow Woods Drive</td> <td>185 Woodpecker Ridge Road</td> <td>2755 Casco Point Road</td> <td>2715 Casco Point Road</td> <td></td> </tr> <tr> <td>Address Tonka Bay</td> <td></td> <td>Orono</td> <td>Orono</td> <td></td> </tr> <tr> <td>Proximity to Subject</td> <td>0.13 miles SSW</td> <td>1.76 miles WNW</td> <td>1.74 miles WNW</td> <td></td> </tr> <tr> <td>Sales Price</td> <td>\$ AppV/1650000</td> <td>\$ 1,550,000</td> <td>\$ 1,600,000</td> <td>\$ 1,650,000</td> </tr> <tr> <td>Price/Gross Liv. Area</td> <td>\$ 432.16</td> <td>\$ 449.02</td> <td>\$ 547.20</td> <td>\$ 468.75</td> </tr> <tr> <td>Data & Verif. Sources</td> <td>MLS/Drive By/County Records</td> <td>MLS/Drive By/County Records</td> <td>MLS/Drive By/County Records</td> <td>MLS/Drive By/County Records</td> </tr> <tr> <td>VALUE ADJUSTMENTS</td> <td>DESCRIPTION</td> <td>DESCRIPTION</td> <td>DESCRIPTION</td> <td>DESCRIPTION</td> </tr> <tr> <td>Sales or Financing</td> <td>Conventional</td> <td>Conventional</td> <td>Conventional</td> <td>Conventional</td> </tr> <tr> <td>Concessions</td> <td>None</td> <td>None</td> <td>None</td> <td>None</td> </tr> <tr> <td>Date of Sale/Time</td> <td>N/A</td> <td>7-07/149 DOM</td> <td>10-07/149 DOM</td> <td>8-07/82 DOM</td> </tr> <tr> <td>Location</td> <td>Good</td> <td>Good</td> <td>Good</td> <td>Good</td> </tr> <tr> <td>Site</td> <td>.48 Acres</td> <td>.21 Acres</td> <td>.36 Acres</td> <td>.51 Acres</td> </tr> <tr> <td>View</td> <td>Lakeshore/Good</td> <td>Lakeshore/Good</td> <td>Lakeshore/Good</td> <td>Lakeshore/Good</td> </tr> <tr> <td>Design (Style)</td> <td>Rambler/Good</td> <td>2 Story/Good</td> <td>2 Story/Good</td> <td>2 Story/Good</td> </tr> <tr> <td>Actual Age (Yrs.)</td> <td>21A/10E</td> <td>10A/5E</td> <td>19A/10E</td> <td>6A/3E</td> </tr> <tr> <td>Condition</td> <td>Good</td> <td>Good</td> <td>Good</td> <td>Good</td> </tr> <tr> <td>Above Grade</td> <td>Total Bdrms Baths</td> <td>Total Bdrms Baths</td> <td>Total Bdrms Baths</td> <td>Total Bdrms Baths</td> </tr> <tr> <td>Room Count</td> <td>10 4 3.00</td> <td>10 3 3.50</td> <td>8 3 2.50</td> <td>10 4 3.50</td> </tr> <tr> <td>Gross Living Area</td> <td>3,818 Sq. Ft.</td> <td>3,452 Sq. Ft.</td> <td>2,924 Sq. Ft.</td> <td>3,520 Sq. Ft.</td> </tr> <tr> <td>Basement and Finished Rooms Below Grade</td> <td>None/Slab</td> <td>Crawl Space</td> <td>1581SF 85%FIN 2-1-1 WO</td> <td>Partial 0-0-0</td> </tr> <tr> <td>Garage/Carport</td> <td>3 Attached</td> <td>3 Attached</td> <td>2 Attached Hld</td> <td>3 Attached</td> </tr> <tr> <td>Extras</td> <td>3FP, Deck/Patio</td> <td>1FP, Deck/Patio</td> <td>3FP, Deck/Patio</td> <td>2FP, Deck/Patio</td> </tr> <tr> <td></td> <td>Many Extras</td> <td>Many Extras</td> <td>Many Extras</td> <td>Many Extras</td> </tr> <tr> <td>Net Adj. (total)</td> <td></td> <td>\$ 73,300</td> <td>\$ 52,700</td> <td>\$ 22,100</td> </tr> <tr> <td>Adjusted Sales Price of Comparables</td> <td></td> <td>Gross: 8.0% Net: 4.7% \$ 1,623,300</td> <td>Gross: 9.5% Net: 3.3% \$ 1,652,700</td> <td>Gross: 3.4% Net: -1.3% \$ 1,627,900</td> </tr> <tr> <td>Date of Prior Sales</td> <td>6/1997</td> <td>None</td> <td>None</td> <td>None</td> </tr> <tr> <td>Price of Prior Sales</td> <td>\$ 703,000</td> <td>\$</td> <td>\$</td> <td>\$</td> </tr> </tbody> </table>											FEATURE	SUBJECT	SALE 1	SALE 2	SALE 3	25 Willow Woods Drive	185 Woodpecker Ridge Road	2755 Casco Point Road	2715 Casco Point Road		Address Tonka Bay		Orono	Orono		Proximity to Subject	0.13 miles SSW	1.76 miles WNW	1.74 miles WNW		Sales Price	\$ AppV/1650000	\$ 1,550,000	\$ 1,600,000	\$ 1,650,000	Price/Gross Liv. Area	\$ 432.16	\$ 449.02	\$ 547.20	\$ 468.75	Data & Verif. Sources	MLS/Drive By/County Records	MLS/Drive By/County Records	MLS/Drive By/County Records	MLS/Drive By/County Records	VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION	Sales or Financing	Conventional	Conventional	Conventional	Conventional	Concessions	None	None	None	None	Date of Sale/Time	N/A	7-07/149 DOM	10-07/149 DOM	8-07/82 DOM	Location	Good	Good	Good	Good	Site	.48 Acres	.21 Acres	.36 Acres	.51 Acres	View	Lakeshore/Good	Lakeshore/Good	Lakeshore/Good	Lakeshore/Good	Design (Style)	Rambler/Good	2 Story/Good	2 Story/Good	2 Story/Good	Actual Age (Yrs.)	21A/10E	10A/5E	19A/10E	6A/3E	Condition	Good	Good	Good	Good	Above Grade	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths	Room Count	10 4 3.00	10 3 3.50	8 3 2.50	10 4 3.50	Gross Living Area	3,818 Sq. Ft.	3,452 Sq. Ft.	2,924 Sq. Ft.	3,520 Sq. Ft.	Basement and Finished Rooms Below Grade	None/Slab	Crawl Space	1581SF 85%FIN 2-1-1 WO	Partial 0-0-0	Garage/Carport	3 Attached	3 Attached	2 Attached Hld	3 Attached	Extras	3FP, Deck/Patio	1FP, Deck/Patio	3FP, Deck/Patio	2FP, Deck/Patio		Many Extras	Many Extras	Many Extras	Many Extras	Net Adj. (total)		\$ 73,300	\$ 52,700	\$ 22,100	Adjusted Sales Price of Comparables		Gross: 8.0% Net: 4.7% \$ 1,623,300	Gross: 9.5% Net: 3.3% \$ 1,652,700	Gross: 3.4% Net: -1.3% \$ 1,627,900	Date of Prior Sales	6/1997	None	None	None	Price of Prior Sales	\$ 703,000	\$	\$	\$
FEATURE	SUBJECT	SALE 1	SALE 2	SALE 3																																																																																																																																																		
25 Willow Woods Drive	185 Woodpecker Ridge Road	2755 Casco Point Road	2715 Casco Point Road																																																																																																																																																			
Address Tonka Bay		Orono	Orono																																																																																																																																																			
Proximity to Subject	0.13 miles SSW	1.76 miles WNW	1.74 miles WNW																																																																																																																																																			
Sales Price	\$ AppV/1650000	\$ 1,550,000	\$ 1,600,000	\$ 1,650,000																																																																																																																																																		
Price/Gross Liv. Area	\$ 432.16	\$ 449.02	\$ 547.20	\$ 468.75																																																																																																																																																		
Data & Verif. Sources	MLS/Drive By/County Records	MLS/Drive By/County Records	MLS/Drive By/County Records	MLS/Drive By/County Records																																																																																																																																																		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION																																																																																																																																																		
Sales or Financing	Conventional	Conventional	Conventional	Conventional																																																																																																																																																		
Concessions	None	None	None	None																																																																																																																																																		
Date of Sale/Time	N/A	7-07/149 DOM	10-07/149 DOM	8-07/82 DOM																																																																																																																																																		
Location	Good	Good	Good	Good																																																																																																																																																		
Site	.48 Acres	.21 Acres	.36 Acres	.51 Acres																																																																																																																																																		
View	Lakeshore/Good	Lakeshore/Good	Lakeshore/Good	Lakeshore/Good																																																																																																																																																		
Design (Style)	Rambler/Good	2 Story/Good	2 Story/Good	2 Story/Good																																																																																																																																																		
Actual Age (Yrs.)	21A/10E	10A/5E	19A/10E	6A/3E																																																																																																																																																		
Condition	Good	Good	Good	Good																																																																																																																																																		
Above Grade	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths																																																																																																																																																		
Room Count	10 4 3.00	10 3 3.50	8 3 2.50	10 4 3.50																																																																																																																																																		
Gross Living Area	3,818 Sq. Ft.	3,452 Sq. Ft.	2,924 Sq. Ft.	3,520 Sq. Ft.																																																																																																																																																		
Basement and Finished Rooms Below Grade	None/Slab	Crawl Space	1581SF 85%FIN 2-1-1 WO	Partial 0-0-0																																																																																																																																																		
Garage/Carport	3 Attached	3 Attached	2 Attached Hld	3 Attached																																																																																																																																																		
Extras	3FP, Deck/Patio	1FP, Deck/Patio	3FP, Deck/Patio	2FP, Deck/Patio																																																																																																																																																		
	Many Extras	Many Extras	Many Extras	Many Extras																																																																																																																																																		
Net Adj. (total)		\$ 73,300	\$ 52,700	\$ 22,100																																																																																																																																																		
Adjusted Sales Price of Comparables		Gross: 8.0% Net: 4.7% \$ 1,623,300	Gross: 9.5% Net: 3.3% \$ 1,652,700	Gross: 3.4% Net: -1.3% \$ 1,627,900																																																																																																																																																		
Date of Prior Sales	6/1997	None	None	None																																																																																																																																																		
Price of Prior Sales	\$ 703,000	\$	\$	\$																																																																																																																																																		
Analysis of any current agreement of sale, option, or listing of the subject property and analysis of the prior sales of subject and comparables: The subject property is not currently listed for sale and has not been listed for sale or sold in the past 36 months.																																																																																																																																																						
Summary of sales comparison and value conclusion: Most consideration was given to comparables #1 and #4. Comparables #1 and #3 are in excess of 6 months old (as of the effective date of this appraisal) but are more similar to the subject than more current sales.																																																																																																																																																						
Comparables #2, #3 and #4 are in excess of 1 mile from the subject but are located in a similar market area. The appraiser has used the best available comparable sales at the time this report was written. Per the clients instruction, the effective date of this appraisal is 4/15/2008 with an inspection date of 12/3/2009. This report is for property tax related purposes.																																																																																																																																																						
This appraisal is made <input checked="" type="checkbox"/> "as-is", or <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, or <input type="checkbox"/> subject to the following repairs, alterations or conditions:																																																																																																																																																						
BASED ON AN <input type="checkbox"/> EXTERIOR INSPECTION FROM THE STREET OR AN <input checked="" type="checkbox"/> INTERIOR AND EXTERIOR INSPECTION, I ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT TO BE \$ 1,650,000, AS OF 4/15/2008																																																																																																																																																						

Desktop Underwriter Quantitative Analysis Appraisal Report

File No.: 09000370

PUD	Project Information for PUDs (if applicable)--Is the developer/builder in control of the Home Owners' Association (HOA)? <input type="checkbox"/> Yes <input type="checkbox"/> No		
	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:		
	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 existing buildings into a PUD? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, state date of conversion: _____		
	Does the project contain any multi-dwelling units? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source: _____		
	Are the common elements completed? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe status of completion: _____		
	Are any common elements leased to or by the Home Owners' Association? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, attach addendum describing rental terms and options.		
	Describe common elements and recreational facilities: _____		
	CONDOMINIUM	Project Information for Condominiums (if applicable)--Is the developer/builder in control of the Home Owners' Association (HOA)? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Provide the following information for all Condominium Projects:			
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 existing buildings into a condominium? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, date of conversion: _____			
Project Type: <input type="checkbox"/> Primary Residence <input type="checkbox"/> Second Home or Recreational <input type="checkbox"/> Row or Townhouse <input type="checkbox"/> Garden <input type="checkbox"/> Midrise <input type="checkbox"/> Highrise <input type="checkbox"/> _____			
Condition of the project, quality of construction, unit mix, etc.: _____			
Are the common elements completed? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe status of completion: _____			
Are any common elements leased to or by the Home Owners' Association? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, attach addendum describing rental terms and options.			
Describe common elements and recreational facilities: _____			

PURPOSE OF APPRAISAL: The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report based on a quantitative sales comparison analysis for use in the mortgage finance transaction.

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 considers his 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 LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following 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. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided any required sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. 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.
4. The appraiser has noted in the appraisal report any adverse conditions (such as, but not limited to, needed repairs, 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 normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, expressed or implied, regarding the condition of the property. 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, the appraisal report must not be considered as an environmental assessment of the property.
5. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
6. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
7. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the report to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.
8. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.

Desktop Underwriter Quantitative Analysis Appraisal Report

File No.: 09000370

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

1. I performed this appraisal by (1) personally inspecting from the street the subject property and neighborhood and each of the comparable sales (unless I have otherwise indicated in this report that I also inspected the interior of the subject property); (2) collecting, confirming, and analyzing data from reliable public and/or private sources; and (3) reporting the results of my inspection and analysis in this summary appraisal report. I further certify that I have adequate information about the physical characteristics of the subject property and the comparable sales to develop this appraisal.
2. I have researched and analyzed the comparable sales and offerings/listings in the subject market area and have reported the comparable sales in this report that are the best available for the subject property. I further certify that adequate comparable market data exists in the general market area to develop a reliable sales comparison analysis for the subject property.
3. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware, have considered these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them, and have commented about the effect of the adverse conditions on the marketability of the subject property. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
4. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
5. 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 the estimate of market value in the 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.
6. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
7. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
8. I estimated the market value of the real property that is the subject of this report based on the sales comparison approach to value. I further certify that I considered the cost and income approaches to value, but, through mutual agreement with the client, did not develop them, unless I have noted otherwise in this report.
9. I performed this appraisal as a limited appraisal, subject to the Departure Provision 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 the place as of the effective date of the appraisal (unless I have otherwise indicated in this report that the appraisal is a complete appraisal, in which case, the Departure Provision does not apply).
10. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value. The exposure time associated with the estimate of market value for the subject property is consistent with the marketing time noted in the Neighborhood section of this report. The marketing period concluded for the subject property at the estimated market value is also consistent with the marketing time noted in the Neighborhood section.
11. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. I further certify that no one provided significant professional assistance to me in the development of this appraisal.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certified and agrees that: I directly supervise the appraiser who prepared the appraisal report, have examined the appraisal report for compliance with the Uniform Standards of Professional Appraisal Practice, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 5 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

APPRAISER:

Signature: Jason S. Luedtke
Name: Jason S. Luedtke
Company Name: Key Appraisals
Company Address: 5636 Kalenda Drive
Albertville, MN 55301
Date of Report/Signature: 12/14/2009
State Certification #: 4003056
or State License #: _____
State: MN
Expiration Date of Certification or License: 08/31/2010

SUPERVISORY APPRAISER (ONLY IF REQUIRED):

Signature: _____
Name: _____
Company Name: _____
Company Address: _____
Date of Report/Signature: _____
State Certification #: _____
or State License #: _____
State: _____
Expiration Date of Certification or License: _____

ADDRESS OF PROPERTY APPRAISED:

25 Willow Woods Drive
Tonka Bay, MN 55331

APPRAISED VALUE OF THE SUBJECT PROPERTY \$ 1,650,000
EFFECTIVE DATE OF APPRAISAL/INSPECTION 4/15/2008

LENDER/CLIENT:

Name: _____
Company Name: Tim McCarthy
Company Address: _____

SUPERVISORY APPRAISER:

SUBJECT PROPERTY
☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
☐ Did inspect interior and exterior of subject property

COMPARABLE SALES
☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street



FannieMae

Desktop Underwriter Quantitative Analysis Appraisal Report

File No.: 09000370

FEATURE		SUBJECT		SALE 4		SALE 5		SALE 6	
25 Willow Woods Drive		3135 Northshore Drive							
Address Tonka Bay		Orono							
Proximity to Subject		2.74 miles NNW							
Sales Price		\$ AppV/1650000		\$ 1,750,000		\$		\$	
Price/Gross Liv. Area		\$ 432.16		\$ 760.87		\$		\$	
Data & Verif. Sources		MLS/Drive By/County Records							
VALUE ADJUSTMENTS		DESCRIPTION		• (\$) Adjustment		DESCRIPTION		• (\$) Adjustment	
Sales or Financing Concessions		Conventional							
Date of Sale/Time		N/A		1-08/67 DOM					
Location		Good		Good					
Site		.48 Acres		1 Acre		-125,000			
View		Lakeshore/Good		Lakeshore/Good					
Design (Style)		Rambler/Good		Rambler/Good					
Actual Age (Yrs.)		21A/10E		35A/15E		25,000			
Condition		Good		Good					
Above Grade		Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Room Count		10 4 3.00		8 1 1.50		9,000			
Gross Living Area		3,818 Sq. Ft.		2,300 Sq. Ft.		75,900		Sq. Ft.	
Basement and Finished Rooms Below Grade		None/Slab		2300SF 85%FIN					
Garage/Carport		3 Attached		4-2-1.5 WO		-70,000			
Extras		3FP,Deck/Patio		3 Attached					
		Many Extras		Many Extras					
Net Adj. (total)				[] + [X] - \$ 85,100		[X] + [] - \$ 0		[X] + [] - \$ 0	
Adjusted Sales Price of Comparables				Gross: 17.4% Net: -4.9% \$ 1,664,900		Gross: 0.0% Net: 0.0% \$ 0		Gross: 0.0% Net: 0.0% \$ 0	
Date of Prior Sales		6/1997		None					
Price of Prior Sales		\$ 703,000		\$		\$		\$	

ADDITIONAL COMMENTS

Borrower: N/A	File No.: 09000370
Property Address: 25 Willow Woods Drive	Case No.:
City: Tonka Bay	State: MN Zip: 55331
Lender: Tim McCarthy	

GROSS BUILDING AREA (GBA)		3,818
GROSS LIVING AREA (GLA)		3,818
Area(s)	Area	% of GLA
Living	3,818	100.00
Level 1	3,818	100.00
Level 2	0	0.00
Level 3	0	0.00
Other	0	0.00
Basement	0	
Garage	836	

[illegible]

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: N/A	File No.: 09000370
Property Address: 25 Willow Woods Drive	Case No.:
City: Tonka Bay	State: MN Zip: 55331
Lender: Tim McCarthy	



FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: April 15, 2008



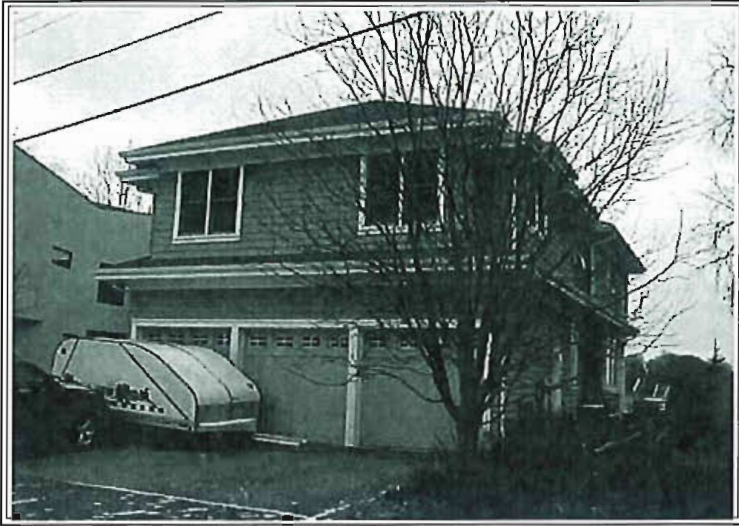
REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: N/A	File No.: 09000370
Property Address: 25 Willow Woods Drive	Case No.:
City: Tonka Bay	State: MN
Lender: Tim McCarthy	Zip: 55331



COMPARABLE SALE #1

185 Woodpecker Ridge Road
Tonka Bay
Sale Date: 7-07/49 DOM
Sale Price: \$ 1,550,000



COMPARABLE SALE #2

2755 Casco Point Road
Orono
Sale Date: 10-07/149 DOM
Sale Price: \$ 1,600,000



COMPARABLE SALE #3

2715 Casco Point Road
Orono
Sale Date: 8-07/82 DOM
Sale Price: \$ 1,650,000

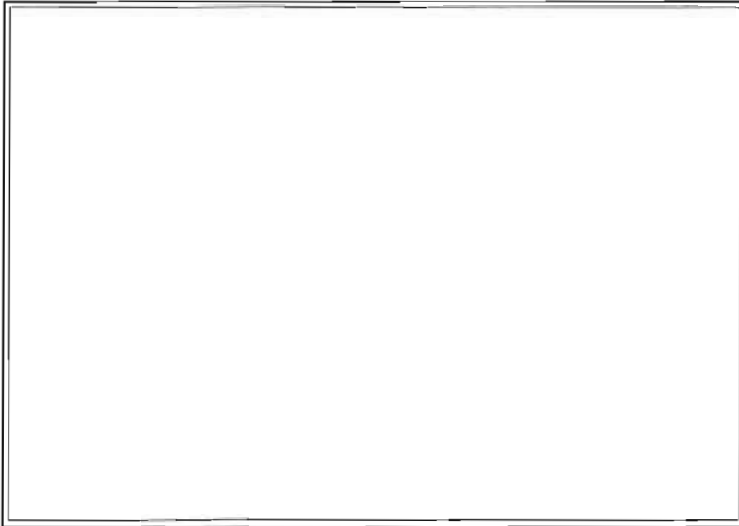
COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: N/A		File No.: 09000370
Property Address: 25 Willow Woods Drive		Case No.:
City: Tonka Bay	State: MN	Zip: 55331
Lender: Tim McCarthy		



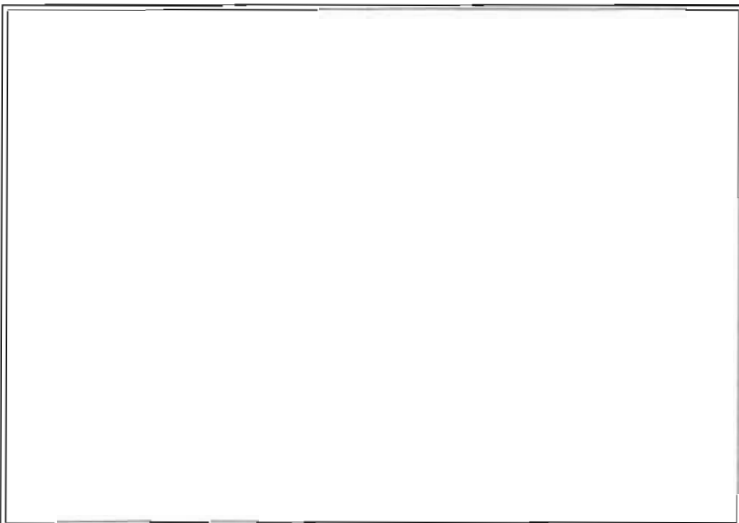
COMPARABLE SALE #4

3135 Northshore Drive
Orono
Sale Date: 1-08/67 DOM
Sale Price: \$ 1,750,000



COMPARABLE SALE #5

Sale Date:
Sale Price: \$



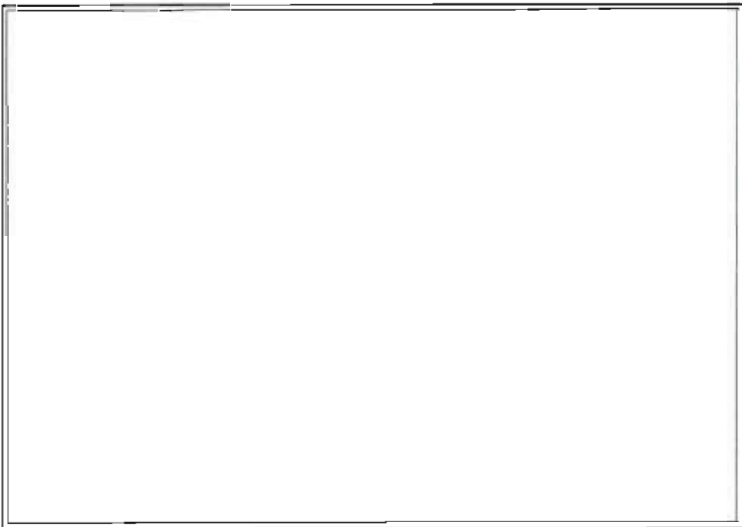
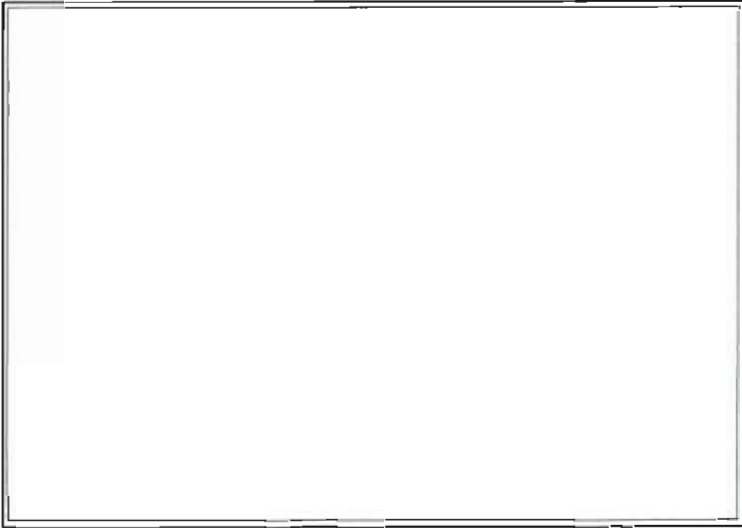
COMPARABLE SALE #6

Sale Date:
Sale Price: \$

Borrower: N/A	File No.: 09000370
Property Address: 25 Willow Woods Drive	Case No.:
City: Tonka Bay	State: MN Zip: 55331
Lender: Tim McCarthy	



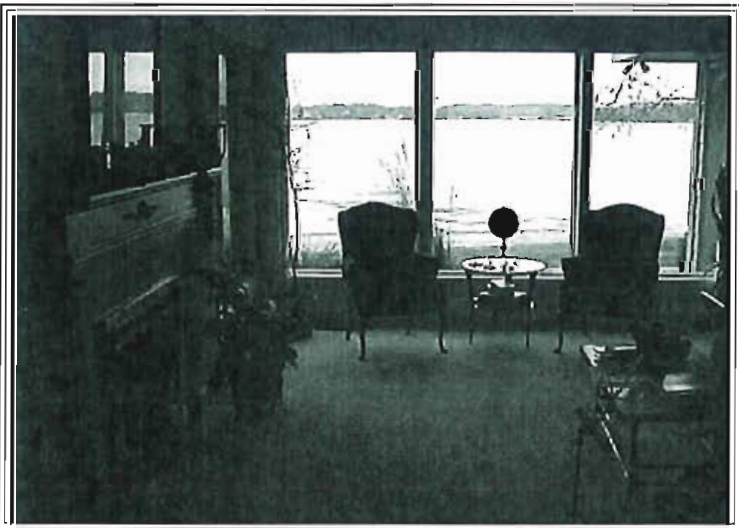
Lakeshore



Borrower: N/A	File No.: 09000370
Property Address: 25 Willow Woods Drive	Case No.:
City: Tonka Bay	State: MN Zip: 55331
Lender: Tim McCarthy	



Bathroom



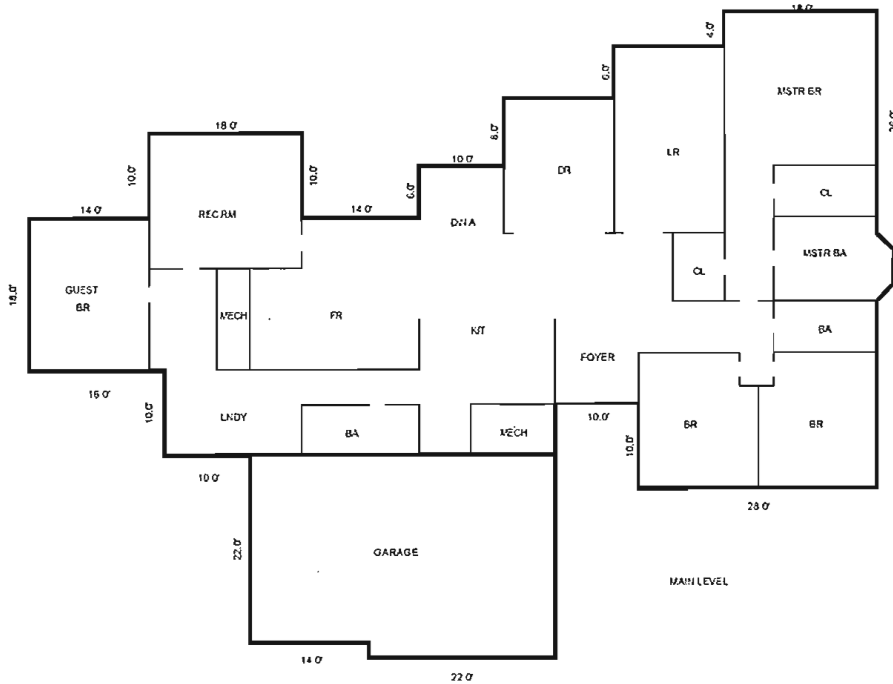
Living Room



Kitchen

FLOORPLAN

Borrower: N/A	File No.: 09000370
Property Address: 25 Willow Woods Drive	Case No.:
City: Tonka Bay	State: MN
Lender: Tim McCarthy	Zip: 55331

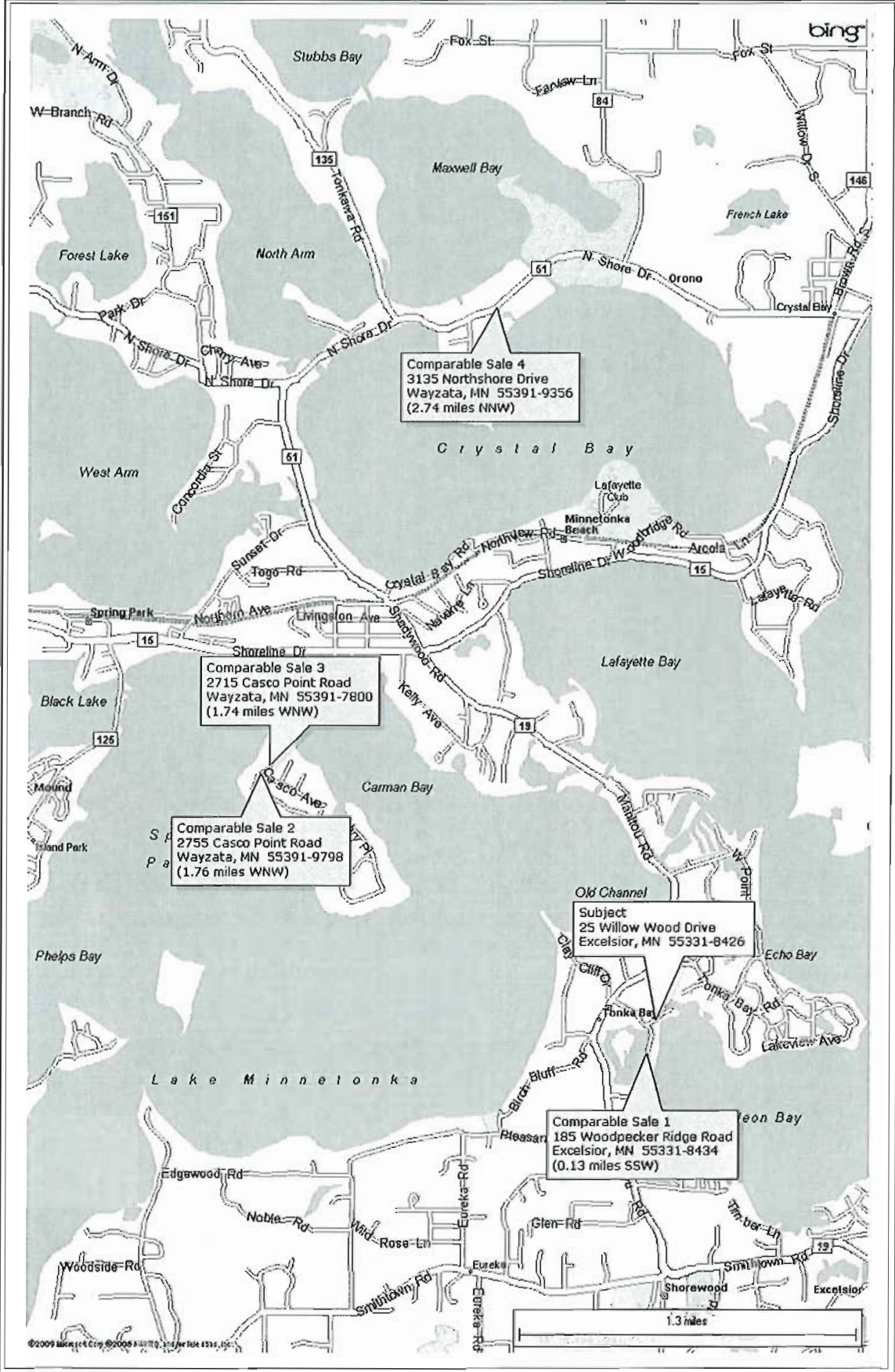


Sketch by Apex IV Windows™

AREA CALCULATIONS SUMMARY			
Code	Description	Size	Totals
GLAL	First Floor	3818.00	3818.00
GAR	Garage	836.00	836.00
TOTAL LIVABLE (rounded)			3818

LIVING AREA BREAKDOWN		
Breakdown		Subtotals
First Floor		
10.0 x	18.0	180.00
2.0 x	4.0	8.00
0.5 x	2.0 x 2.0	2.00
0.5 x	2.0 x 2.0	2.00
18.0 x	56.0	1008.00
10.0 x	52.0	520.00
16.0 x	36.0	576.00
3.0 x	6.0	18.00
10.0 x	28.0	280.00
6.0 x	16.0	96.00
28.0 x	30.0	840.00
16.0 x	18.0	288.00
12 Areas Total (rounded)		3818

Borrower: N/A	File No.: 09000370
Property Address: 25 Willow Woods Drive	Case No.:
City: Tonka Bay	State: MN Zip: 55331
Lender: Tim McCarthy	



License Info.

Borrower: N/A	File No.: 09000370
Property Address: 25 Willow Woods Drive	Case No.:
City: Tonka Bay	State: MN Zip: 55331
Lender: Tim McCarthy	

STATE OF MINNESOTA



LUEDTKE, JASON SCOTT
5636 KALENDA DRIVE
ALBERTVILLE, MN 55301

Department of Commerce

The Undersigned COMMISSIONER OF COMMERCE for the State of Minnesota hereby certifies that
JASON SCOTT LUEDTKE

5636 KALENDA DRIVE
ALBERTVILLE, MN 55301

has complied with the laws of the State of Minnesota and is hereby licensed to transact the business of

Resident Appraiser : Certified Residential

License Number: 4003056

unless this authority is suspended, revoked, or otherwise legally terminated. This license shall be in effect until August 31, 2010.

IN TESTIMONY WHEREOF, I have hereunto set my hand this August 28, 2008.

COMMISSIONER OF COMMERCE

Minnesota Department of Commerce
Licensing Division
85 7th Place East, Suite 500
St. Paul, MN 55101-3165
Telephone: (651) 296-6319
Email: licensing.commerce@state.mn.us
Web site: commerce.state.mn.us

Continuing Education:

CE Requirement Type	CE Required Hours
Total - Appraiser	30
USPAP	7

Notes:

- Continuing Education: 15 hours is required in the first renewal period, which includes a 7 hour USPAP course. 30 hours is required for each subsequent renewal period, which includes a 7 hour USPAP course.
- Appraisers: You must hold a Licensed Residential, Certified Residential, or Certified General qualification in order to perform appraisals for federally-related transactions. Trainees do not qualify. For further details, please visit our website at commerce.state.mn.us.

Key Appraisals
Certified Residential

File No. 09000370

***** INVOICE *****

File Number: 09000370

12/14/2009

Tim McCarthy

Borrower : N/A

Invoice # :
Order Date : 12/01/2009
Reference/Case # :
PO Number :

Single Family Residence

25 Willow Woods Drive
Tonka Bay, MN 55331

2055 Appraisal Form	\$	300.00
	\$	-----
Invoice Total	\$	300.00
State Sales Tax @ 0%	\$	0.00
Deposit	(\$)
Deposit	(\$	-----)
Amount Due	\$	300.00

Terms: 30 Days Net

Please Make Check Payable To:

Key Appraisals
5636 Kalenda Drive
Albertville, MN 55301

Fed. I.D. #: 41-1825706