

## APPRAISAL OF REAL PROPERTY



**Date of Valuation:**

07/25/2009

**Located At:**

1273 Clearview Drive  
Yardley, PA 19067

**For:**

1273 Clearview Drive, Yardley, PA 19067

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## SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	1273 Clearview Drive
	Legal Description	See Title report
	City	Yardley
	County	Bucks
	State	PA
	Zip Code	19067
	Census Tract	1055.013
	Map Reference	37964
SALES PRICE	Sale Price	\$ N/A
	Date of Sale	N/A
CLIENT	Borrower/Client	N/A
	Lender	
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	3,576
	Price per Square Foot	\$
	Location	Average
	Age	11 Years
	Condition	Good
	Total Rooms	9
	Bedrooms	4
	Baths	2.5
APPRAISER	Appraiser	James Dougherty
	Date of Appraised Value	07/25/2009
VALUE	Opinion of Value	\$ 600,000

UNIFORM RESIDENTIAL APPRAISAL REPORT

Property Description File No.

Property Address 1273 Clearview Drive City Yardley State PA Zip Code 19067
Legal Description See Title report County Bucks
Assessor's Parcel No. 20-028-089 Tax Year 2009 R.E. Taxes \$ 12,482 Special Assessments \$ N/A

Borrower N/A Current Owner Occupant: [X] Owner [ ] Tenant [ ] Vacant
Property rights appraised [X] Fee Simple [ ] Leasehold Project Type [ ] PUD [ ] Condominium (HUD/VA only) HOA \$ N/A /Mo.
Neighborhood or Project Name Clearview Estates Map Reference 37964 Census Tract 1055.013
Sale Price \$ N/A Date of Sale N/A Description and \$ amount of loan charges/concessions to be paid by seller N/A

Lender/Client Address 1273 Clearview Drive, Yardley, PA 19067
Appraiser James Dougherty Address 214 N Pine Street, Langhorne, PA 19047

Location [ ] Urban [X] Suburban [ ] Rural
Built up [X] Over 75% [ ] 25-75% [ ] Under 25%
Growth rate [ ] Rapid [X] Stable [ ] Slow
Property values [ ] Increasing [ ] Stable [X] Declining
Demand/supply [ ] Shortage [ ] In balance [X] Over supply
Marketing time [ ] Under 3 mos. [ ] 3-6 mos. [X] Over 6 mos.
Predominant occupancy [X] Owner 90 [X] Tenant 10 [X] Vacant (0-5%) [ ] Vac.(over 5%)
Single family housing PRICE \$ (000) AGE (yrs)
150 Low New
1,200 High 200
Predominant
441 25
Present land use %
One family 77
2-4 family 1
Multi-family 2
Commercial 5
Other 15
Land use change
[X] Not likely [ ] Likely
[ ] In process
To: N/A

Note: Race and the racial composition of the neighborhood are not appraisal factors.
Neighborhood boundaries and characteristics: Bounded by Lower Makefield Township limits.
Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):
The subject is located in Clearview Estates, a young subdivision consisting of detached single family semi-custom colonial style homes of compatible architecture. The surrounding subject market area consists predominately of detached single family homes of varying ages and styles. Clusters of single family townhomes are scattered throughout the subject market area. Shopping, schools, Houses of worship, public transport, and employment centers are all located in the subject market area. No factors were noted to seriously detract from property values.

Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.):
Market statistics demonstrate that prices have dropped 5% in the subject market area in last 12 months (see two attached market statistic addendums). The following statistics are all based on sales and listings in the subject market area priced between \$600,000 to \$700,000. There were 13 settled sales in the last six months. Their average DOM was 158 days. Presently there are 27 listings. Their average DOM is 214 days. That equates to approximately 12 months of supply. Supply outweighs demand in the subject market area in the over \$500,000 price range. Two key contributing factors are lack of consumer confidence and the fact that the non-conforming jumbo loan (over \$417,000 loan amount) interest rate is 3/4% higher than the conforming rate.

Project Information for PUDs (if applicable) - - Is the developer/builder in control of the Home Owners' Association (HOA)? [ ] Yes [ ] No
Approximate total number of units in the subject project N/A Approximate total number of units for sale in the subject project N/A
Describe common elements and recreational facilities: N/A

Dimensions 140.93' x 16.61' x 183.87' x Irregular Topography Sloping down from front
Site area .58 Acre Corner Lot [X] Yes [ ] No Size Average for area
Specific zoning classification and description R2, Residential Shape Irregular
Zoning compliance [X] Legal [ ] Legal nonconforming (Grandfathered use) [ ] Illegal [ ] No zoning Drainage Appears adequate
Highest & best use as improved: [X] Present use [ ] Other use (explain) N/A View Average
Utilities Public Other Off-site Improvements Type Public Private Landscaping Average for area
Electricity [X] Street Macadam [X] [ ] Driveway Surface Macadam
Gas [X] Curb/gutter Cobble Stone [X] [ ] Apparent easements None Noted
Water [X] Sidewalk Concrete [X] [ ] FEMA Special Flood Hazard Area [ ] Yes [X] No
Sanitary sewer [X] Street lights None [ ] [ ] FEMA Zone X Map Date 5/18/1999
Storm sewer [X] Alley None [ ] [ ] FEMA Map No. 42017C-0363-F

Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.): No apparent adverse easements, encroachments, or environmental conditions were readily observable. This appraisal is made based on the assumption that none exist. No negative external influences were noted.

Table with 5 columns: GENERAL DESCRIPTION, EXTERIOR DESCRIPTION, FOUNDATION, BASEMENT, INSULATION. Rows include No. of Units, No. of Stories, Type, Design, Existing/Proposed, Age, Effective Age, Foundation, Exterior Walls, Roof Surface, Gutters & Dwnspts., Window Type, Storm/Screens, Manufactured House, Slab, Crawl Space, Basement, Sump Pump, Dampness, Settlement, Infestation, Area Sq. Ft., % Finished, Ceiling, Walls, Floor, Outside Entry, Roof, Ceiling, Walls, Floor, Unknown.

Table with 13 columns: ROOMS, Foyer, Living, Dining, Kitchen, Den, Family Rm., Rec. Rm., Bedrooms, # Baths, Laundry, Other, Area Sq. Ft. Rows include Basement, Level 1, Level 2.

Finished area above grade contains: 9 Rooms; 4 Bedroom(s); 2.5 Bath(s); 3,576 Square Feet of Gross Living Area
INTERIOR Materials/Condition HEATING Type FWA KITCHEN EQUIP. ATTIC AMENITIES CAR STORAGE:
Floors WW,HW,Ceramic/Avg Type FWA Refrigerator [ ] None [ ] Fireplace(s) # 1 [X] None [ ]
Walls Drywall/Avg Fuel Gas Range/Oven [X] Stairs [ ] Patio Paver [X] Garage # of cars
Trim/Finish Wood/Avg Condition Avg Disposal [X] Drop Stair [ ] Deck None [ ] Attached 2 car
Bath Floor Ceramic/Avg COOLING Central Yes Fan/Hood [ ] Floor [ ] Fence None [ ] Built-In
Bath Wainscot None Other No Microwave [X] Heated [ ] Pool None [ ] Carport
Doors Masonite/Avg Condition Avg Washer/Dryer [ ] Finished [ ] Driveway 2 car

Additional features (special energy efficient items, etc.): 200-amp incoming electric service. Rear paver patio. Two-story foyer. Two-story family room. Two-zoned HVAC. Standard kitchen and baths.
Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.: No physical, functional, or external inadequacies were noted. The subject was in good overall condition. No repairs were needed. The quality of construction was good. All utilities were turned on and all mechanical equipment was operating adequately.
Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property.: The value estimate is based upon the assumption that the subject property is not negatively affected by hazardous substances detrimental to environmental conditions.

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No.

Valuation Section

Table with columns for Valuation Section and COST APPROACH. Rows include ESTIMATED SITE VALUE, ESTIMATED REPRODUCTION COST-NEW-OF IMPROVEMENTS, Dwelling, Garage/Carport, Total Estimated Cost New, Less Physical/Functional/External, Depreciation, and INDICATED VALUE BY COST APPROACH.

Table with columns for SALES COMPARISON ANALYSIS. Rows include ITEM, SUBJECT, COMPARABLE NO. 1, COMPARABLE NO. 2, and COMPARABLE NO. 3. Rows include 1273 Clearview Drive, 1293 Clearview Drive, 1555 Cartpath Court, and 1492 Merrick Road. Includes details on sales price, living area, inspection, and adjustments.

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): See attached sales comparison comments addendum.

Table with columns for SALES COMPARISON ANALYSIS. Rows include ITEM, SUBJECT, COMPARABLE NO. 1, COMPARABLE NO. 2, and COMPARABLE NO. 3. Rows include Date, Price and Data Source, and Analysis of any current agreement of sale.

INDICATED VALUE BY SALES COMPARISON APPROACH \$ 600,000
INDICATED VALUE BY INCOME APPROACH (if Applicable) Estimated Market Rent \$ N/A /Mo. x Gross Rent Multiplier N/A = \$ N/A

This appraisal is made [X] "as is" [ ] subject to the repairs, alterations, inspections or conditions listed below [ ] subject to completion per plans & specifications.
Conditions of Appraisal: See attached table of contents for a reference for all pages of appraisal report. This appraisal is considered incomplete and unreliable unless every page that is referenced in the table of contents is included in this report.

Final Reconciliation: All three approaches were considered. Reliance was placed on the market approach as indicator of value. The cost approach is not a necessary approach to value, therefore it was not developed. Buyers and sellers do not rely on this approach to help determine pricing. Since residential dwellings in the subject's market area are not priced and sold based upon rental income, the income approach is not necessary or applicable.

The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/FNMA form 1004B (Revised 6-93).

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF 07/25/2009 (WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 600,000

APPRaiser: Signature James Dougherty Name James Dougherty Date Report Signed 08/22/2009 State Certification # RL001914L State PA Or State License # N/A State PA
SUPERVISORY APPRAISER (ONLY IF REQUIRED): Signature Name Date Report Signed State Certification # State Or State License # State

**Sales Comparison Comments**

File No.

Borrower/Client	N/A				
Property Address	1273 Clearview Drive				
City	Yardley	County	Bucks	State	PA Zip Code 19067
Lender					

Comps 1 and 2 were the only two sales in the subject tract in the last 18 months. Sale 3 is located in the closest competitive tract of similar age, style, quality, and acreage properties. \$75 a SQ' was utilized for the difference in living areas. Your Appraiser physically inspected comp 1 for mortgage underwriting purposes. Adjustments were applied to reflect pertinent dissimilarities and are based on a paired sales analysis. All comps were arms-length transaction.

Because the reported GLA in public records and MLS is often incorrect, it is estimated for the comps based on any or all of the following: assessor records, MLS, physical inspection, exterior inspection, appraisal files, and knowledge of the specific tract. In fact, the GLA for the subject property was reported to be 3,768 SQ' in public records, when in fact it is 3,576 SQ'.

Comps that went under agreement before October 2008 are not indicative of the current market. In October 2008 the Federal Reserve and Treasury Department announced their planned joint TARP legislation. The associated negative publicity surrounding this legislation further deepened the recession and further crippled the housing market. At the time of its announcement buyers literally evaporated. Since then buyers have cautiously come back into the market place, mainly spurred on by the first time home-buyer tax credit. It should be noted that this tax credit does not apply to the subject property as 99%+ of buyers of housing in the subject price and class are not first time home buyers.

It is your appraiser's opinion that the value for the subject property is continuing to trend down.

**Extraordinary Assumptions Addendum**

File No.

Borrower/Client	N/A						
Property Address	1273 Clearview Drive						
City	Yardley	County	Bucks	State	PA	Zip Code	19067
Lender							

**The estimate of market value is based on the following extraordinary assumptions:**

- 1) The subject property is not negatively affected by hazardous substances detrimental to environmental conditions.
- 2) The subject property does not have termite damage or any other latent defects.
- 3) All mechanical equipment is sound and in working order.
- 4) All major components of the improvement(s) are sound and in working order.
- 5) There are no code violations.
- 6) There are no encumbrances to title or undue deed restrictions.

**Additional Comments**

File No.

Borrower/Client	N/A				
Property Address	1273 Clearview Drive				
City	Yardley	County	Bucks	State	PA
				Zip Code	19067
Lender					

This is a summary report.

No personal property was included in the appraisal or valuation process.

The digital photos of the subject property in this report, are original photos that were taken at the time of inspection, and have not been altered or enhanced in any way.

Because the reported GLA in public records and MLS is often incorrect, it is estimated for the comps based on any or all of the following: assessor records, MLS, exterior inspection, appraisal files, and knowledge of the specific tract.

Geographic/market competency: The assignment requires geographic/market competency as part of the Scope of Work. I am confirming that I have spent sufficient time to gain adequate knowledge, experience and resources to communicate a credible opinion of market value for the subject property. The necessary understanding of local market conditions provides the connection between a sale and a comparable sale or a rental and a comparable rental. This opinion is based on the appraiser's full time, working knowledge of the subject's specific marketing area, including local supply and demand factors which relate to the subject's property type and its' specific location. Additionally, the appraiser's credentials include on-going formal education, analysis of current market-driven statistics, subscriptions and review of published real estate periodicals and cost manuals, and regularly networking with individuals involved in real estate transactions.

## 4/1/09 to 6/30/09 Market Statistics

Borrower/Client	N/A							
Property Address	1273 Clearview Drive							
City	Yardley	County	Bucks	State	PA	Zip Code	19067	
Lender								

## Market Statistics

Courtesy Of : James Dougherty 215-750-1301  
James Dougherty Company 215-750-1301

## Monthly Statistics for the Date Range Selected

Date	Units Listed	Listed Volume	Listed Average	Pended	Units Sold	Sold Volume	Sold Average	Average DOM
June 2009	64	27,666,290	432,285	32	38	15,892,800	418,231	77
May 2009	70	31,527,700	450,395	41	25	10,024,300	400,972	120
Apr 2009	46	19,122,700	415,710	34	16	5,974,100	373,381	83
<b>Totals:</b>	<b>180</b>	<b>78,316,690</b>	<b>435,092</b>	<b>107</b>	<b>79</b>	<b>31,891,200</b>	<b>403,686</b>	<b>92</b>

## Pricing Details of Sold Units for the Date Range Selected

Minimum Prices	Maximum Prices	Average Prices
Original List Price : \$224,900	Original List Price: \$1,150,000	Original List Price: \$451,851
Sold Price : \$179,900	Sold Price: \$740,000	Sold Price: \$403,686

Inventory Accumulation figures are only calculated when Report End Month is the current month

Market Statistics Criteria Used	
Date Range:	4/2009 to 6/2009
Price Range:	\$100,000 to \$800,000
Property Category:	Residential
Area:	L Makefield Twp

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## 4/1/08 to 6/30/08 Market Statistics

Borrower/Client	N/A							
Property Address	1273 Clearview Drive							
City	Yardley	County	Bucks	State	PA	Zip Code	19067	
Lender								

### Market Statistics

Courtesy Of : James Dougherty 215-750-1301  
James Dougherty Company 215-750-1301

#### Monthly Statistics for the Date Range Selected

Date	Units Listed	Listed Volume	Listed Average	Pended	Units Sold	Sold Volume	Sold Average	Average DOM
June 2008	65	28,402,440	436,960	36	45	19,030,725	422,905	59
May 2008	68	31,713,800	466,379	32	26	11,483,050	441,655	85
Apr 2008	50	23,393,330	467,866	41	24	9,695,200	403,966	121
<b>Totals:</b>	<b>183</b>	<b>83,509,570</b>	<b>456,336</b>	<b>109</b>	<b>95</b>	<b>40,208,975</b>	<b>423,252</b>	<b>82</b>

#### Pricing Details of Sold Units for the Date Range Selected

Minimum Prices	Maximum Prices	Average Prices
Original List Price : \$218,000	Original List Price: \$849,900	Original List Price: \$447,493
Sold Price : \$218,000	Sold Price: \$780,000	Sold Price: \$423,252

*Inventory Accumulation figures are only calculated when Report End Month is the current month*

Market Statistics Criteria Used	
Date Range:	4/2008 to 6/2008
Price Range:	\$100,000 to \$800,000
Property Category:	Residential
Area:	L Makefield Twp

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Borrower/Client	N/A	File No.
Property Address	1273 Clearview Drive	
City	County Bucks	State PA Zip Code 19067
Lender		

**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.)
- 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:

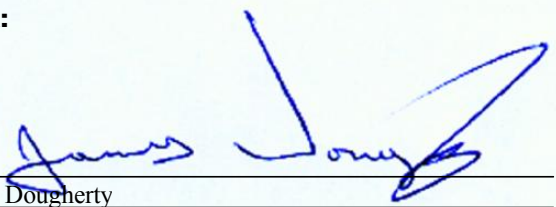
- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to 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.
- I have (or have not) made a personal inspection of the property that is the subject of this report. (If more than one person signs this certification, the certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)
- no one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated.)

**Comments on Appraisal and Report Identification**

Note any USPAP related issues requiring disclosure and any state mandated requirements:

None noted

**APPRAISER:**

Signature: 

Name: James Dougherty

Date Signed: 08/22/2009

State Certification #: RL001914L

or State License #: N/A

State: PA

Expiration Date of Certification or License: 06/30/2011

Effective Date of Appraisal: 07/25/2009

**SUPERVISORY APPRAISER (only if required):**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date Signed: \_\_\_\_\_

State Certification #: \_\_\_\_\_

or State License #: \_\_\_\_\_

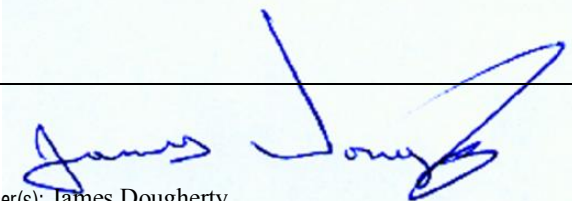
State: \_\_\_\_\_

Expiration Date of Certification or License: \_\_\_\_\_

Supervisory Appraiser inspection of Subject Property:

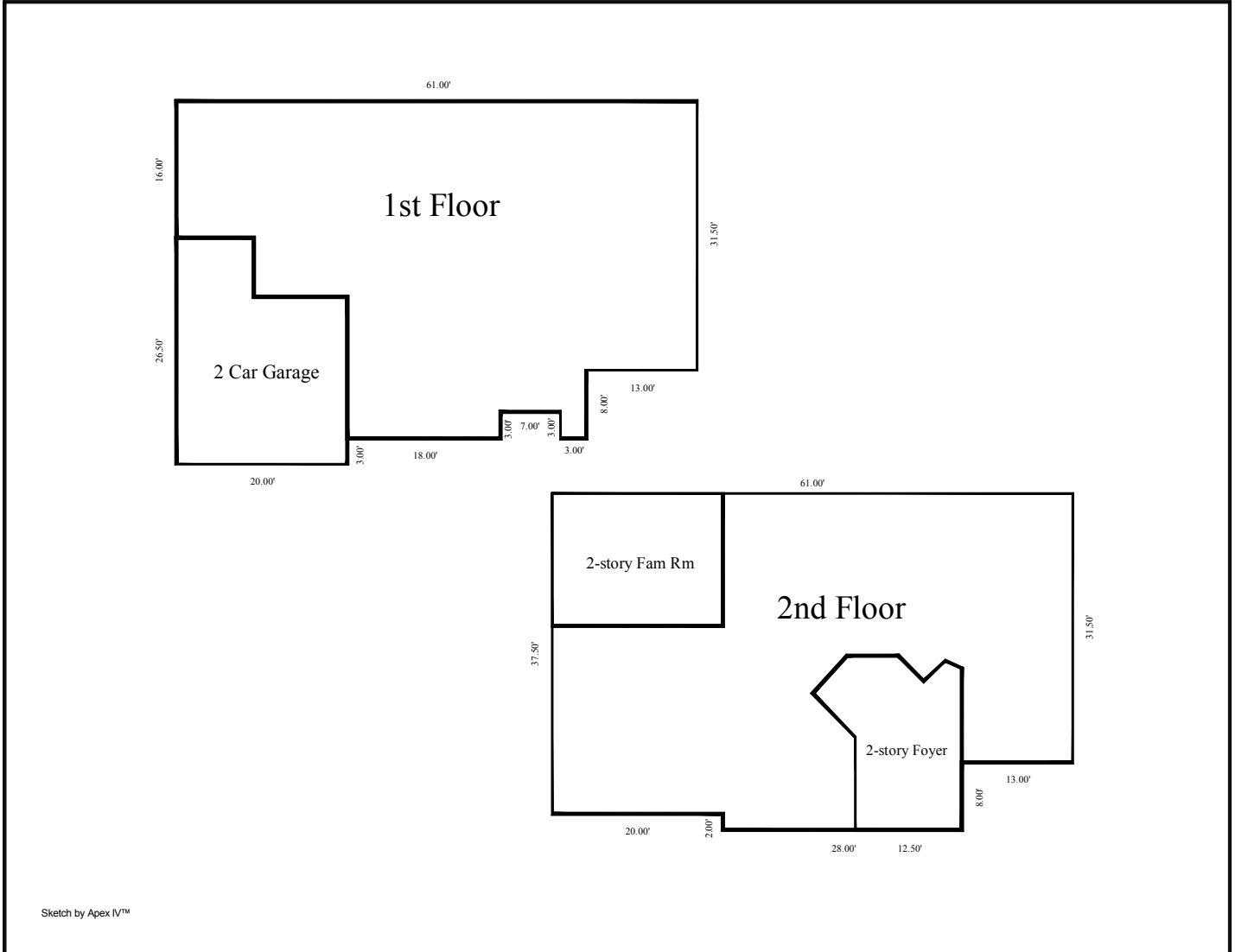
Did Not  Exterior-only from street  Interior and Exterior

**FIRREA / USPAP ADDENDUM**

Borrower/Client N/A			
Property Address 1273 Clearview Drive			
City Yardley	County Bucks	State PA	Zip Code 19067
Lender			
<b>Purpose</b>			
The purpose of this appraisal is to estimate the market value of the subject property as defined in this report. The function of this appraisal is to assist the above-named Lender/Client and the County Board of Assessment in evaluating the subject property for ad valorem tax appeal purposes.			
<b>Scope</b>			
The appraisal is based upon the data gathered by the Appraiser during the inspection of the subject property, its neighborhood, and the selection of comparable sales and listings in the subject's market area. Other data sources include public records and multiple listing services. All comparable sales are verified by the named source within the appraisal report. Physical depreciation is based upon the estimated effective age of the subject property. Cost figures are based upon Marshall and Swift Residential Handbook. Functional, and or, external inadequacies are noted if present. Site value is estimated by the Appraiser's knowledge of the subject market area, recent land sales - if existing, and allocation. The subject property is located in an area of primarily owner occupied residential dwellings. The income approach is not considered to be a reliable approach to value since residential dwellings in the subject's market area are not priced and sold based upon rental income. The income approach is therefore not applicable.			
<b>Intended Use / Intended User</b>			
This appraisal is intended to be used as an instrument for ad valorem tax appeal purposes. The value is estimated as of the date of inspection. This appraisal is not intended to be used as a negotiating tool between sellers and buyers. It is also not intended to be used as a home inspection report. Your Appraiser makes no warranties as to the structural integrity of the subject property or any warranties as to the soundness of any major components. The Lender/Client as stated on page 1 of this report and the County Board of Assessment are the only intended users.			
<b>History of Property</b>			
Current listing information: Presently the subject is not under agreement, nor is it listed for sale. The subject has not been listed for sale at any time in the last 12 months.			
Prior sale: The subject has not transferred in the last three years.			
<b>Exposure Time / Marketing Time</b>			
6 - 12 months is the typical marketing time in the subject market area. This conclusion is based upon marketing periods of similar properties in the subject market area.			
<b>Personal (non-realty) Transfers</b>			
No personal property was included in the appraisal or valuation process.			
<b>Additional Comments</b>			
The digital photos of the subject property in this report, are original photos that were taken at the time of inspection, and have not been altered or enhanced in any way.			
Any digital signature(s) affixed to this report is a digital image controlled by a personal identification number in accordance with USPAP.			
The estimate of value is based upon typical terms of trade: a 6% sales commission to participating real estate agents.			
<b>Certification Supplement</b>			
1. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or an approval of a loan.			
2. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.			
			
Appraiser(s): James Dougherty		Supervisory Appraiser(s):	
Effective date / Report date: 07/25/2009		Effective date / Report date:	

### Building Area Addendum

Borrower/Client	N/A		
Property Address	1273 Clearview Drive		
City	Yardley	County Bucks	State PA Zip Code 19067
Lender			



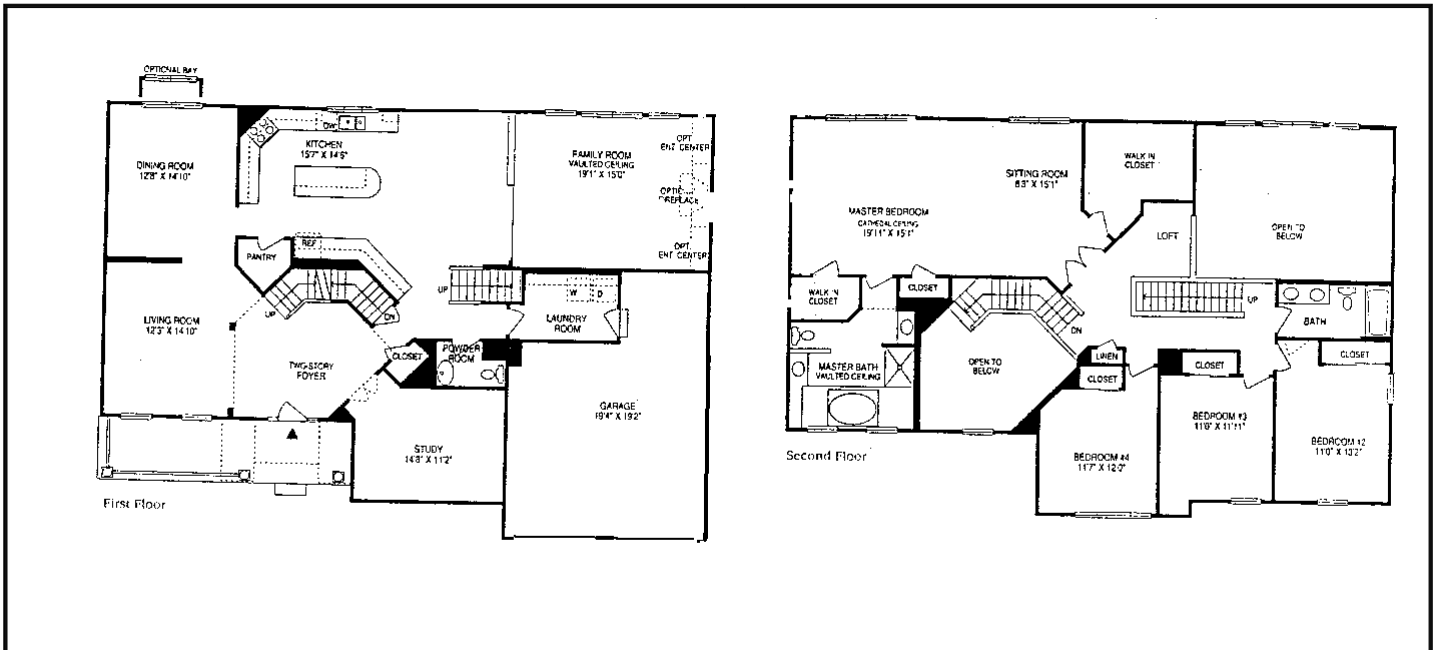
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1891.50	1891.50
GLA2	Second Floor	2265.50	
	2-story foyer	-271.34	
	2-story family room	-310.00	1684.16
GAR	Garage	453.00	453.00
Net LIVABLE Area		(Rounded)	3576

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
<b>First Floor</b>			
18.00	x	39.50	711.00
10.00	x	36.50	365.00
11.00	x	23.00	253.00
3.00	x	3.00	9.00
9.00	x	16.00	144.00
13.00	x	31.50	409.50
<b>Second Floor</b>			
28.00	x	39.50	1106.00
20.00	x	37.50	750.00
13.00	x	31.50	409.50
<b>2-story foyer</b>			
0.5	x	0.74	2.86
0.5	x	6.95	6.95
0.5	x	3.92	3.92
		2.86	9.83
		1.06	6.33
0.5	x	0.35	6.36
0.5	x	3.89	3.89
		3.89	6.36
		3.18	10.25
		11.00	12.50
<b>2-story family room</b>			
15.50	x	20.00	-310.00
20 Items (Rounded)			3576

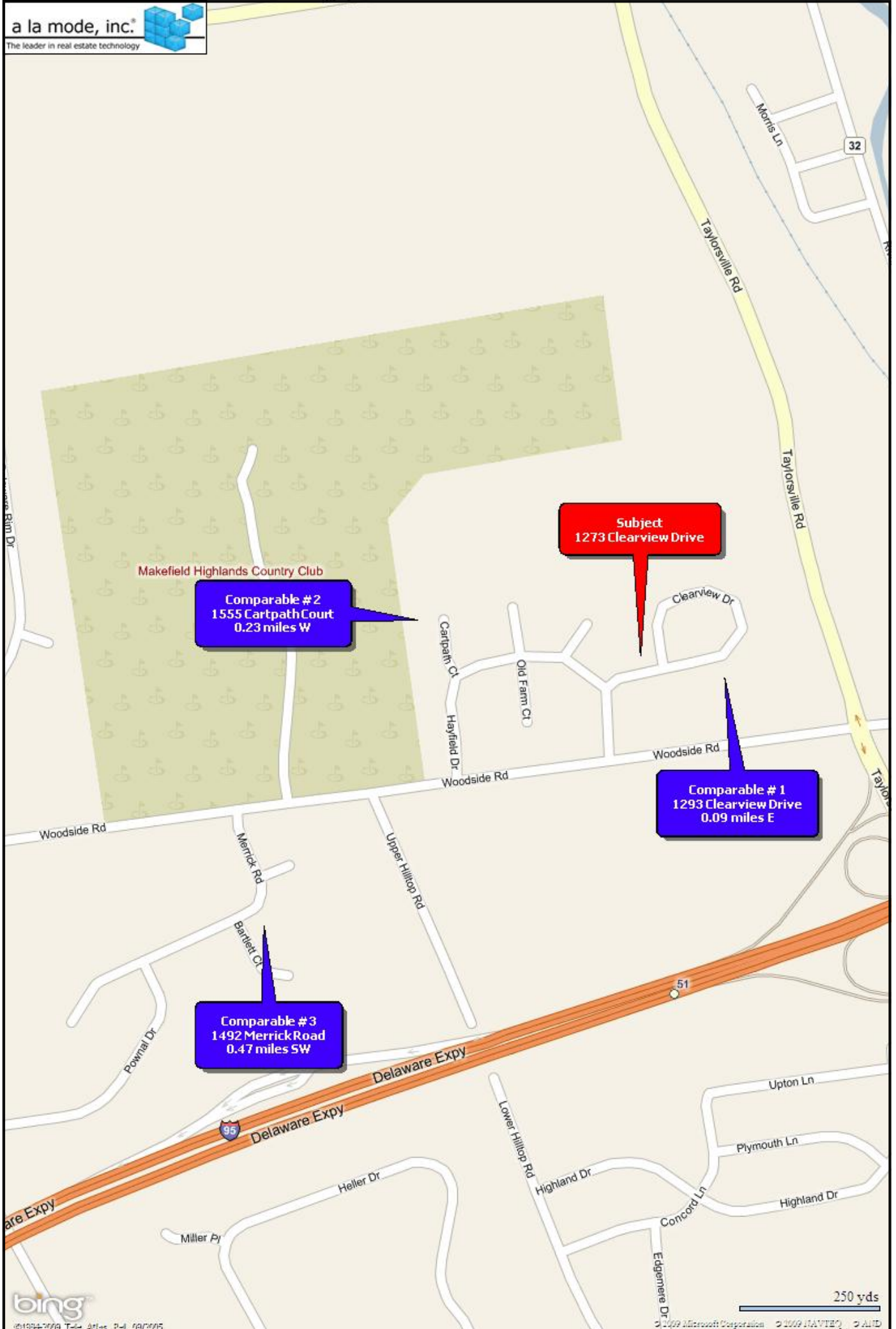
### Building Sketch

Borrower/Client	N/A						
Property Address	1273 Clearview Drive						
City	Yardley	County	Bucks	State	PA	Zip Code	19067
Lender							



### Location Map

Borrower/Client	N/A						
Property Address	1273 Clearview Drive						
City	Yardley	County	Bucks	State	PA	Zip Code	19067
Lender							



### Subject Photos

Borrower/Client	N/A				
Property Address	1273 Clearview Drive				
City	Yardley	County	Bucks	State	PA
				Zip Code	19067
Lender					



#### Subject Front

1273 Clearview Drive  
 Sales Price N/A  
 Gross Living Area 3,576  
 Total Rooms 9  
 Total Bedrooms 4  
 Total Bathrooms 2.5  
 Location Average  
 View Average  
 Site .58 Acre  
 Quality Good  
 Age 11 Years



#### Subject Rear



#### Subject Street

## Comparable Photos 1-3

Borrower/Client	N/A				
Property Address	1273 Clearview Drive				
City	Yardley	County Bucks	State PA	Zip Code 19067	
Lender					



### Comparable 1

1293 Clearview Drive	
Prox. to Subject	0.09 miles E
Sales Price	665,000
Gross Living Area	3,716
Total Rooms	10
Total Bedrooms	4
Total Bathrooms	2.5
Location	Average
View	Good Privacy
Site	.46 Acre
Quality	Good
Age	10 Years



### Comparable 2

1555 Cartpath Court	
Prox. to Subject	0.23 miles W
Sales Price	660,000
Gross Living Area	3,576
Total Rooms	10
Total Bedrooms	4
Total Bathrooms	2.5
Location	Average
View	Golf Course
Site	.60 Acre
Quality	Good
Age	10 Years



### Comparable 3

1492 Merrick Road	
Prox. to Subject	0.47 miles SW
Sales Price	610,000
Gross Living Area	3,616
Total Rooms	10
Total Bedrooms	4
Total Bathrooms	2.5
Location	Average
View	Average
Site	.61 Acre
Quality	Good
Age	13 Years

**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 judgement.

## 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 a 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 has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether 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.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, 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, express 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.
7. 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.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. 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 completion of the improvements will be performed in a workmanlike manner.
10. 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 property description section of the report only 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.


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

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. 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 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.
3. 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.
4. I have no present or prospective interest in the property that is the subject to 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, 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.
5. 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.
6. 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.
7. I performed this appraisal in conformity 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 as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables 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 and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of 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 the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

**SUPERVISORY APPRAISER'S CERTIFICATION:** If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

**ADDRESS OF PROPERTY APPRAISED:** 1273 Clearview Drive, Yardley, PA 19067

**APPRAISER:**

Signature:   
Name: James Dougherty  
Date Signed: 08/22/2009  
State Certification #: RL001914L  
or State License #: N/A  
State: PA  
Expiration Date of Certification or License: 06/30/2011

**SUPERVISORY APPRAISER (only if required):**

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

Did  Did Not Inspect Property

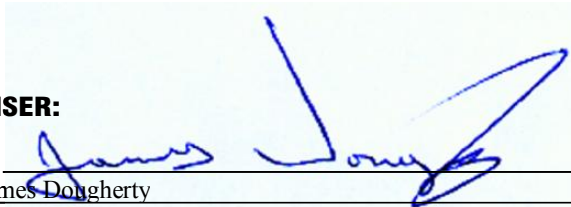
## Additional Appraiser's Certification

Borrower/Client	N/A		File No.
Property Address	1273 Clearview Drive		
City	Yardley	County	Bucks State PA Zip Code 19067
Lender			

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

- 1) The statements of fact contained in this report are true and correct.
- 2) 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.
- 3) 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.
- 4) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 5) My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 6) 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.
- 7) 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.
- 8) The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- 9) I have made a personal inspection of the property that is the subject of this report.
- 10) No one provided significant real property appraisal assistance to the person signing this certification.

**APPRAISER:**

Signature:   
 Name: James Dougherty  
 Date Signed: 08/22/2009  
 State Certification #: RL001914L  
 or State License #: N/A  
 State: PA  
 Expiration Date of Certification or License: 06/30/2011

**SUPERVISORY APPRAISER (only if required):**

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

Did  Did Not Inspect Property

### Copy of Appraiser's PA State Certification

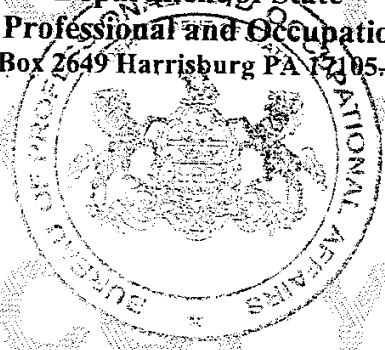
Borrower/Client	N/A			
Property Address	1273 Clearview Drive			
City	Yardley	County	Bucks	State PA Zip Code 19067
Lender				

DISPLAY THIS CERTIFICATE PROMINENTLY • NOTIFY AGENCY WITHIN 10 DAYS OF ANY CHANGE

**Commonwealth of Pennsylvania**  
**Department of State**  
**Bureau of Professional and Occupational Affairs**  
 PO Box 2649 Harrisburg PA 17105-2649

**Certificate Type**  
**Certified Residential Appraiser**

**JAMES M DOUGHERTY**  
**JAMES DOUGHERTY APPRAISERS**  
**214 N PINE STREET**  
**LANGHORNE PA 19047**



**Certificate Number**  
**RL001914L**

**08 0585481**

**Certificate Status**  
**Active**

**Initial Certification Date**  
**10/24/1994**

**Expiration Date**  
**06/30/2011**

*Basil L. Mevada*  
 Commissioner of Professional and Occupational Affairs

*[Signature]*  
 Signature

ALTERATION OF THIS DOCUMENT IS A CRIMINAL OFFENSE UNDER 18 P.A.C.S. § 4911