

APPRAISAL OF PROPERTY

LOCATED AT:

**Canyon Ridge Lot 21
Rising Fawn, GA 30738**

FOR:

**Federal Home Loans Corporation
5540 Ruffin Road
San Diego, CA 92123**

BORROWER:

Randy Baker

AS OF:

March 16, 2010

BY:

**E. Wells Blake, Jr.
ED BLAKE COMPANY**

**- SUMMARY APPRAISAL -
LAND APPRAISAL REPORT**

File No. 7101111303

SUBJECT	Property Address Canyon Ridge Lot 21	Census Tract 208.00	LENDER DISCRETIONARY USE
	City Rising Fawn County Walker State GA Zip Code 30738		
	Legal Description LOT 21 CANYON RIDGE		Date _____
	Owner/Occupant Randy Baker	Map Reference Area 11	Mortgage Amount \$ _____
	Sale Price \$ N/A Date of Sale N/A	Property Rights Appraised	Mortgage Type _____
	Loan charges/concessions to be paid by seller \$ N/A	<input checked="" type="checkbox"/> Fee Simple	Discount Points and Other Concessions _____
R.E. Taxes \$ Not asstd. Tax Year 2008 HOA \$/Mo. N/A	<input type="checkbox"/> Leashold	Paid by Seller \$ _____	
Lender/Client Federal Home Loans Corporation	<input type="checkbox"/> Condominium (HUD/VA)	Source _____	
5540 Ruffin Road, San Diego, CA 92123	<input type="checkbox"/> PUD		

NEIGHBORHOOD	LOCATION	<input type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input checked="" type="checkbox"/> Rural	NEIGHBORHOOD ANALYSIS	Good	Avg.	Fair	Poor	
	BUILT UP	<input type="checkbox"/> Over 75%	<input checked="" type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%		Employment Stability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	GROWTH RATE	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Slow		Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	PROPERTY VALUES	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining		Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	DEMAND/SUPPLY	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply		Convenience to Schools	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	MARKETING TIME	<input type="checkbox"/> Under 3 Mos.	<input checked="" type="checkbox"/> 3-6 Mos.	<input type="checkbox"/> Over 6 Mos.		Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	PRESENT LAND USE %	LAND USE CHANGE	PREDOMINANT OCCUPANCY	SINGLEFAMILYHOUSING PRICE AGE		Recreation Facilities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Single Family 50%	Not Likely <input checked="" type="checkbox"/>	Owner <input checked="" type="checkbox"/>	\$(000) (yrs)		Adequacy of Facilities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2-4 Family _____	Likely <input type="checkbox"/>	Tenant <input type="checkbox"/>	55 Low 0		Property Compatibility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Multi-Family _____	In process <input type="checkbox"/>	Vacant (0-5%) <input checked="" type="checkbox"/>	1000 High 55		Protection from Detrimental Cond.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Note: Race or the racial composition of the neighborhood are not considered reliable appraisal factors. COMMENTS: **The subject site is located approximately 20 miles south of downtown Chattanooga atop Lookout Mountain in Rising Fawn in a golf course community known as Canyon Ridge. There is average access to schools, shopping and employment. Past demand has been average.**

SITE	Dimensions .53 acres	Topography Gently Sloping
	Site Area .53 ac/Good	Size .53 ac/Good
	Zoning Classification None	Shape Irregular
	HIGHEST & BEST USE: Present Use Vacant	Drainage Good
	Other Use Single family home site	View Good-Golf
	UTILITIES Public Other	Landscaping None
	Electricity <input checked="" type="checkbox"/> _____	Driveway None
	Gas <input type="checkbox"/> None	Apparent Easements None Noted
	Water <input checked="" type="checkbox"/> _____	FEMA Flood Hazard Yes* _____ No <input checked="" type="checkbox"/>
	Sanitary Sewer <input type="checkbox"/> Septic	FEMA* Map/Zone 130180 0050 B Zone: C

Comments (Apparent adverse easements, encroachments, special assessments, slide areas, etc.): **Septic systems are normal for the area, as sewer is not available. Normal drainage and utility easements. No apparent adverse easements or encroachments present.**

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject; if a significant item in the comparable is inferior to, or less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	Canyon Ridge Lot 21 Rising Fawn	Canyon Ridge Lot H3 Rising Fawn	Canyon Ridge, Lot 1 FM Rising Fawn	Canyon Ridge, Lot 5, FM Rising Fawn
Proximity to Subject		Same development	Same development	Same development
Sales Price	\$ N/A	\$ 200,000	\$ 425,000	\$ 400,000
Price/ Site	\$ _____	\$ 200,000	\$ 425,000	\$ 400,000
Data Source	Inspection	Tax Records	Tax Records	Tax Records
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION
Sales or Financing		Conv.	Conv.	Conv.
Concessions		None	None	None
Date of Sale/Time		06/17/2009	05/31/2006 -50,000	03/13/2006 -50,000
Location	Rural	Rural	Rural	Rural
Site/View	.53 ac/Golf	1.47 ac/Golf	.26 ac/Golf	.26 ac/Golf
Topography	Gently sloping	Gently sloping	Gently sloping	Gently sloping
Net Adj. (total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 0	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ 50,000	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ 50,000
Indicated Value of Subject		Gross: 0.0 Net: 0.0 \$ 200,000	Gross: 11.8 Net: -11.8 \$ 375,000	Gross: 12.5 Net: -12.5 \$ 350,000

Comments of Sales Comparison: **See Attached Addendum.**

Comments and Conditions of Appraisal: **The Sales Comparison Approach was used, as the Cost and Income Approaches do not apply.**

Final Reconciliation: **The Sales Comparison Approach is used, as it reflects the buyer's and seller's actions. Lot values have decreased in the subject area due to the slowing real estate market. Several homes are currently under construction in the area.**

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE SUBJECT PROPERTY AS OF **March 16, 2010** to be \$ **350,000**

I (We) certify: that to the best of my (our) knowledge and belief, the facts and data used herein are true and correct; that I (we) personally inspected the subject property and inspected all comparable sales cited in this report; and that I (we) have no undisclosed interest, present or prospective therein.

Appraiser(s) **E. Wells Blake, Jr.** Review Appraiser _____ Did Did Not Inspect Property (if applicable)

ADDENDUM

Borrower: Randy Baker	File No.: 7101111303	
Property Address: Canyon Ridge Lot 21	Case No.:	
City: Rising Fawn	State: GA	Zip: 30738
Lender: Federal Home Loans Corporation		

Comments on Sales Comparison

All comps used are vacant land sales located nearby in the subject development. Most weight is given to comp #1, as it is the most recent sale and it is located on the subject street. Large time adjustments were made, as the market has slowed considerably in the past year. There are plans for a hotel to be constructed in the development which would considerably increase property values.

APPRAISAL DEVELOPMENT AND REPORTING PROCESS:

This is a Summary Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Practice for a Summary Appraisal Report. As such, it presents only summary discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation not provided with the report concerning the data, reasoning and analyses is retained in the appraiser's files. The depth of the discussion contained in this report is specific to the needs of the client and for the intended use stated in the report. The appraiser is not responsible for unauthorized use of this report.

To develop the opinion of value, the appraiser performed a complete appraisal process, as defined by the Uniform Standards of Professional Appraisal Practice. This means that no departures from Standard 1 were invoked.

COMMENTS ON COST APPROACH:

Recent sales of vacant sites were considered in estimating the site value of the subject.

COMMENTS ON SALES COMPARISON APPROACH:

All comparable sales are settled to the best of the appraiser's knowledge. Verification is with public records, REALTORS®, the multiple listing service, sellers or buyers.

Gross living areas shown for the comparable sales are estimates based on information from the multiple listing service, tax records, REALTORS®, buyers, sellers, an in-office data bank or actual measurement. Slight variations in size will not affect the estimate of value.

Adjustments for various items were made on the comparables to the subject, to give an adjusted sales price to the comparables.

INTENDED USER:

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

SUPPLEMENTAL CERTIFICATION:

I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly-authorized representatives.

In addition, I certify that, to the best of my knowledge and belief, the reported analysis, opinions, and conclusions were developed, and this report was prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

As of the date of this report, E. Wells Blake, Jr. has completed the requirements of the continuing education program of the Appraisal Institute.

ADDITIONAL COMMENTS:

Digitized signatures in the appraisal, when used, are true representations of the appraiser's signature and are password protected.

INTENDED USER:

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

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Randy Baker	File No.: 7101111303
Property Address: Canyon Ridge Lot 21	Case No.:
City: Rising Fawn	State: GA Zip: 30738
Lender: Federal Home Loans Corporation	



FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: March 16, 2010
Appraised Value: \$ 350,000



REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE

Borrower: Randy Baker	File No.: 7101111303	
Property Address: Canyon Ridge Lot 21	Case No.:	
City: Rising Fawn	State: GA	Zip: 30738
Lender: Federal Home Loans Corporation		



STREET SCENE

LOCATION MAP

Borrower: Randy Baker

File No.: 710111303

Property Address: Canyon Ridge Lot 21

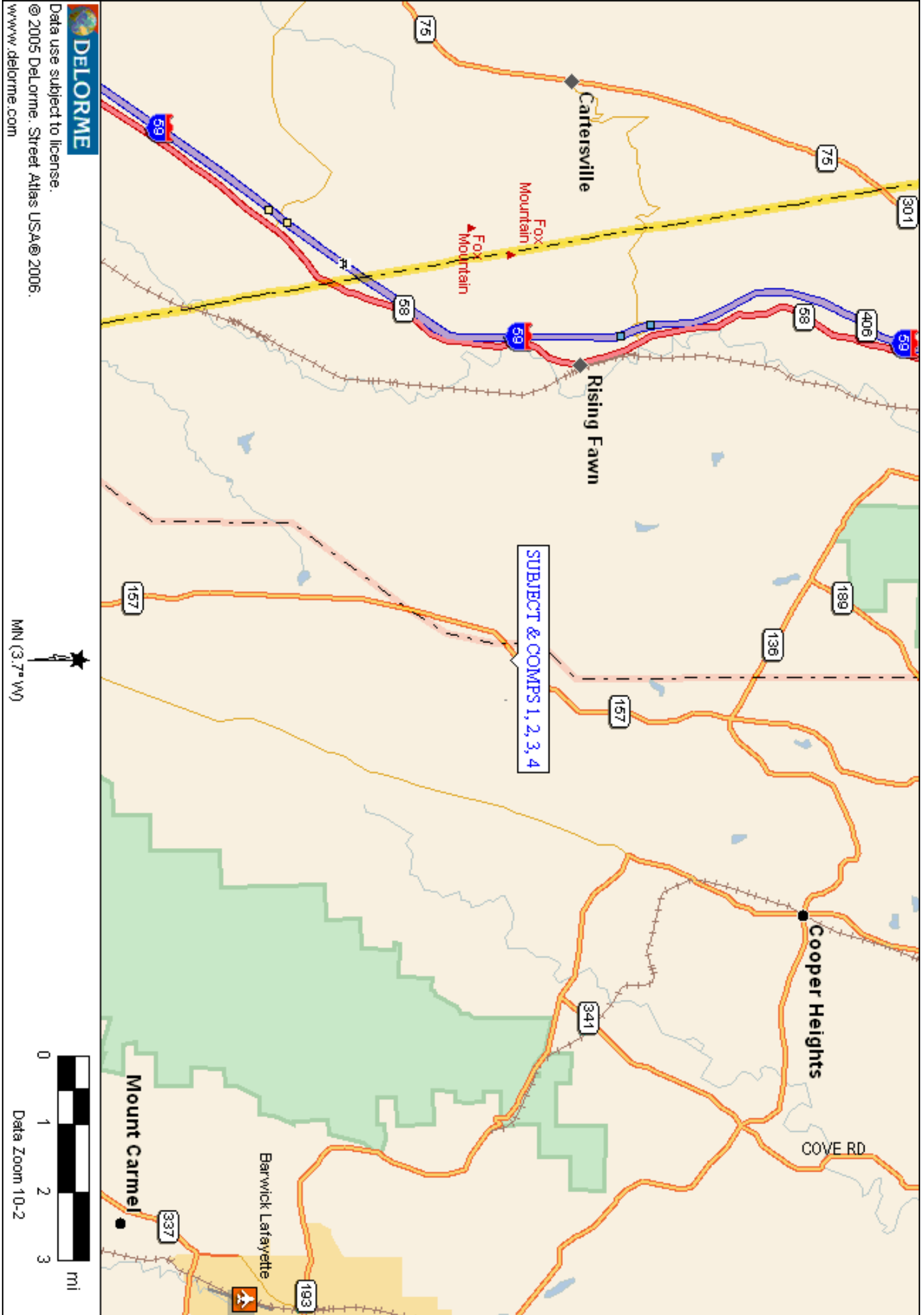
Case No.:

City: Rising Fawn

State: GA

Zip: 30738

Lender: Federal Home Loans Corporation



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www.delorme.com

MN (3.7" W)

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mi
Data Zoom 10-2

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 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.

APPRAISERS CERTIFICATION: The Appraiser certifies and agrees that:

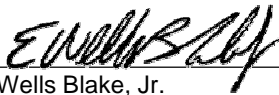
1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those 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 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: Canyon Ridge Lot 21, Rising Fawn, GA, 30738

APPRAISER:

SUPERVISORY APPRAISER (only if required)

Signature: 
 Name: E. Wells Blake, Jr.
 Date Signed: August 11, 2006
 State Certification #: CG-5421
 or State License #: _____
 State: GA
 Expiration Date of Certification or License: 04/30/2010

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

Did Did Not Inspect Property

ED BLAKE COMPANY

