

Small Residential Income Property Appraisal Report

Lechuga
File # 0610519

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

SUBJECT

Property Address	919 N Springfield Ave	City	Chicago	State	IL	Zip Code	60651-3730	
Borrower	Irma Lechuga	Owner of Public Record	Emilia Contreras	County	Cook			
Legal Description	Survey Not Provided							
Assessor's Parcel #	16-02-319-015	Tax Year	2008	R.E. Taxes \$	3,637.57			
Neighborhood Name	N/A	Map Reference	16974	Census Tract	2307.00			
Occupant	<input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant	Special Assessments \$	Unknown	<input type="checkbox"/> PUD	HOA \$	<input type="checkbox"/> per year <input type="checkbox"/> per month		
Property Rights Appraised	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)							
Assignment Type	<input checked="" type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)							
Lender/Client	Anthony Brummel	Address	2015 US Route 34, Oswego, IL 60543					Monica Hernandez
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No								
Report data source(s) used, offering price(s), and date(s). MLSNI/Assessor/Current Owner								

CONTRACT

I did did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. The subject property is currently under contract for purchase.

Contract Price \$ 272,000 Date of Contract 06/08/2010 Is the property seller the owner of public record? Yes No Data Source(s) County Assessor

Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? Yes No
If Yes, report the total dollar amount and describe the items to be paid.

NEIGHBORHOOD

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics	2-4 Unit Housing Trends	2-4 Unit Housing	Present Land Use %
Location <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE AGE	One-Unit 50 %
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	\$ (000) (yrs)	2-4 Unit 20 %
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	5+ Low New	Multi-Family 10 %
Neighborhood Boundaries	The neighborhood is bounded by North Avenue to the north, Western Avenue to the east, Washington Blvd to the south and Pulaski Road to the west.	617+ High 130+	Commercial 10 %
		90+ Pred. 105+	Other 10 %

Neighborhood Description Subject 's neighborhood appears to have good market appeal. Visual appeal of the subject property is good for the neighborhood. Generals accepted amenities such as public/private schools, shopping needs, banking, place of worship, parks, and recreation, health care providers, are located within 5-20 miles of the subject property. Based on my personal inspection and investigation of the subject's neighborhood, there were no visible signs of any adverse neighborhood factors that are likely to negatively affect the marketability of multi family Market Conditions (including support for the above conclusions) The market appears to be near stable at this time with prices level to slightly declining. There is an adequate supply of financing from local lenders at competitive rates. There is an approximate balance between buyers and sellers with an average market time of 60 to 360 days for homes that are prices within 5% of value. Seller concessions have not been a market consideration.

SITE

Dimensions Survey not provided Area 4,375 SqFt +- Shape About Rectangular View Similar Properties

Specific Zoning Classification RS-3 Zoning Description On Line per the City of Chicago Zoning Department.

Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)

Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water	<input checked="" type="checkbox"/>	Street Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer	<input checked="" type="checkbox"/>	Alley Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>

FEMA Special Flood Hazard Area Yes No FEMA Flood Zone X FEMA Map # 17031C0415J FEMA Map Date 8/19/2008

Are the utilities and/or off-site improvements typical for the market area? Yes No If No, describe

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe

IMPROVEMENTS

General Description	Foundation	Exterior Description	materials/condition	Interior	materials/condition
Units <input checked="" type="checkbox"/> Two <input type="checkbox"/> Three <input type="checkbox"/> Four	<input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	Con Blk/Concr/Gd	Floors	Hrdwd/Cpt/Cer/Gd
<input type="checkbox"/> Accessory Unit (describe below)	<input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	Brick/Good	Walls	Dryw/Plast/Gd
# of Stories Two S: # of bldgs. 1	Basement Area 1,123 sq.ft.	Roof Surface	Asphalt/Good	Trim/Finish	Stained Trim/Gd
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Finish 90 %	Gutters & Downspouts	Aluminum/Good	Bath Floor	Ceramic/Gd
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	<input checked="" type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	Double Hung/Gd	Bath Wainscot	Ceramic/Gd
Design (Style) 2 Story	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated	Yes/Good	Car Storage	
Year Built 1908	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	Aluminum/Good	<input type="checkbox"/> None	
Effective Age (Yrs) 15 Years +-	Heating/Cooling		Amenities		<input checked="" type="checkbox"/> Driveway # of Cars 2
Attic <input type="checkbox"/> None	<input checked="" type="checkbox"/> FWA <input checked="" type="checkbox"/> HWBB <input type="checkbox"/> Radiant	<input type="checkbox"/> Fireplace(s) #	<input type="checkbox"/> Woodstove(s) #	Driveway Surface	Asphalt
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel Gas	<input type="checkbox"/> Patio/Deck	<input checked="" type="checkbox"/> Fence Wrt Iron	<input checked="" type="checkbox"/> Garage # of Cars 2	
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Pool	<input checked="" type="checkbox"/> Porch Enclosed	<input type="checkbox"/> Carport # of Cars	
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Other OMP		<input type="checkbox"/> Att. <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Built-in	
# of Appliances Refrigerator 2 Range/Oven 2 Dishwasher Disposal Microwave Washer/Dryer				Other (describe)	
Unit # 1 contains: 5 Rooms 2 Bedrooms 1 Bath(s) 1,123 Square Feet of Gross Living Area					
Unit # 2 contains: 6 Rooms 3 Bedrooms 1 Bath(s) 1,123 Square Feet of Gross Living Area					
Unit # 3 contains: Rooms Bedrooms Bath(s) Square Feet of Gross Living Area					
Unit # 4 contains: Rooms Bedrooms Bath(s) Square Feet of Gross Living Area					

Additional features (special energy efficient items, etc.). See attached addenda.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The improvements are in good overall condition inside and outside with no major items of deferred maintenance observed. The exterior is brick. The carpeting, hardwood flooring and ceramic tile, interior walls and ceilings are all in overall good condition. Each unit has hot water or gas forced hot air heat. There is a 2 car detached garage.

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IMPROVEMENTS

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes No If Yes, describe.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? Yes No If No, describe.

Is the property subject to rent control? Yes No If Yes, describe

COMPARABLE RENTAL DATA

The following properties represent the most current, similar, and proximate comparable rental properties to the subject property. This analysis is intended to support the opinion of the market rent for the subject property.

FEATURE	SUBJECT	COMPARABLE RENTAL # 1			COMPARABLE RENTAL # 2			COMPARABLE RENTAL # 3			
Address	919 N Springfield Ave Chicago, IL 60651-3730	1438 N Central Park Avenue Chicago, IL 60651			948 Ridgeway Avenue Chicago, IL 60651			2430 W Cortez Street Chicago, IL 60651			
Proximity to Subject		0.46 miles NE			0.37 miles SE			1.84 miles E			
Current Monthly Rent	\$ 0.00	\$ 1,700			\$ 1,650			\$ 1,450			
Rent/Gross Bldg. Area	\$ sq.ft.	\$ 0.80 sq.ft.			\$ 0.64 sq.ft.			\$ 1.07 sq.ft.			
Rent Control	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Data Source(s)	Inspection	MLSNI# 07242734			MLSNI# 06686060			MLSNI# 07058852			
Date of Lease(s)	Unknown	Unknown			Unknown			Unknown			
Location	Good	Competitive			Competitive			Competitive			
Actual Age	101 Years +-	93 Years +-			81 Years +-			130 Years +-			
Condition	Good/Re-habbed	Good/Re-habbed			Good/Re-habbed			Good/Re-habbed			
Gross Building Area	2,246	2,124			2,560			1,350			
Unit Breakdown	Rm Count	Size Sq. Ft.	Rm Count	Size Sq. Ft.	Monthly Rent	Rm Count	Size Sq. Ft.	Monthly Rent	Rm Count	Size Sq. Ft.	Monthly Rent
	Tot Br Ba	2,246	Tot Br Ba	2,124	1,700	Tot Br Ba	2,560	1,650	Tot Br Ba	1,350	1,450
Unit # 1	5 2 1	1,123	5 2 1	1,062	\$ 800	6 3 1	1,280	\$ 825	4 1 1	675	\$ 750
Unit # 2	6 3 1	1,123	6 2 1	1,062	\$ 900	6 3 1	1,280	\$ 825	3 1 1	675	\$ 700
Unit # 3					\$			\$			\$
Unit # 4					\$			\$			\$
Utilities Included	Water, sewer, refuse	Water, sewer, refuse removal			Water, sewer, refuse removal			Water, sewer, refuse removal			

Analysis of rental data and support for estimated market rents for the individual subject units reported below (including the adequacy of the comparables, rental concessions, etc.) Each of the competitive rental units are competitive 2 flats located in the same community as the subject. Market rents for the subject unit are within the range of \$700.00 to \$900.00 with tenants paying all utilities with the exception of the sewer, water and refuse removal. The estimated market rent for the subject property is \$850.00

SUBJECT RENT SCHEDULE

Rent Schedule: The appraiser must reconcile the applicable indicated monthly market rents to provide an opinion of the market rent for each unit in the subject property.

Unit #	Leases		Actual Rents			Opinion of Market Rent			
	Lease Date		Per Unit		Total Rents	Per Unit		Total Rents	
	Begin Date	End Date	Unfurnished	Furnished		Unfurnished	Furnished		
1	Owner	Owner	\$ 0.00	\$	\$ 0.00	\$ 850.00	\$	\$ 850	
2	Vacant	Vacant	0.00		0.00	850.00		850	
3									
4									
Comment on lease data The first floor is owner occupied and the second floor in currently vacant			Total Actual Monthly Rent			\$ 0.00	Total Gross Monthly Rent		\$ 1,700
			Other Monthly Income (itemize)			\$ 0.00	Other Monthly Income (itemize)		\$ 0.00
			Total Actual Monthly Income			\$ 0.00	Total Estimated Monthly Income		\$ 1,700
Utilities included in estimated rents <input checked="" type="checkbox"/> Electric <input checked="" type="checkbox"/> Water <input checked="" type="checkbox"/> Sewer <input type="checkbox"/> Gas <input type="checkbox"/> Oil <input checked="" type="checkbox"/> Trash collection <input type="checkbox"/> Cable <input type="checkbox"/> Other									
Comments on actual or estimated rents and other monthly income (including personal property) Current rents appear to be at or below market rent.									

PRIOR SALE HISTORY

I did did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research did did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s) MLS/Public Record / County Assessor

My research did did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) MLS/Public Record / County Assessor

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3
Date of Prior Sale/Transfer	06/13/08 06/15/09	03/12/09	05/04/09	No Prior Sales
Price of Prior Sale/Transfer	Judicial \$45,000	64,000	235,000	Past 12 Months
Data Source(s)	MLS/Township Assessor	MLS/Township Assessor	MLS/Township Assessor	MLS/Township Assessor
Effective Date of Data Source(s)	06/10/2010	06/10/2010	06/10/2010	06/10/2010

Analysis of prior sale or transfer history of the subject property and comparable sales The subject has transferred ownership in the past 36 months and the comparables have transferred ownership in the past 12 months

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There are 228 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 9,900 to \$ 1,410,000							
There are 179 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 5,000 to \$ 617,500							
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3			
Address	919 N Springfield Ave Chicago, IL 60651-3730	1227 N Rockwell Street Chicago, IL 60651	3315 W Evergreen Street Chicago, IL 60651	1725 N Montecello Avenue Chicago, IL 60651			
Proximity to Subject		1.65 miles E	0.73 miles E	0.70 miles NE			
Sale Price	\$ 272,000	\$ 300,000	\$ 275,000	\$ 255,000			
Sale Price/Gross Bldg. Area	\$ 121.10 sq.ft.	\$ 128.98 sq.ft.	\$ 116.13 sq.ft.	\$ 128.40 sq.ft.			
Gross Monthly Rent	\$ 1,700	\$ 1,100.00	\$ 2,400	\$ 1,720			
Gross Rent Multiplier	160.00	272.73	114.58	148.26			
Price per Unit	\$ 136,000	\$ 150,000	\$ 137,500	\$ 127,500			
Price per Room	\$ 24,727	\$ 25,000	\$ 22,917	\$ 23,182			
Price per Bedroom	\$ 54,400	\$ 50,000	\$ 45,833	\$ 51,000			
Rent Control	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Data Source(s)		MLSNI # 07212955	MLSNI # 07248257	MLSNI # 07017971			
Verification Source(s)		Public Records/Township Assessc	Public Records/Township Assessc	Public Records/Township Assessc			
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) Adjustment	DESCRIPTION	+(-) Adjustment	DESCRIPTION	+(-) Adjustment
Sale or Financing Concessions		Unknown Unknown		Unknown Unknown		Unknown Unknown	
Date of Sale/Time		11/20/2009	No Adj	10/15/2009	No Adj	11/03/2009	No Adj
Location	Good	Competitive		Competitive		Competitive	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	4,375 SqFt +-	3,024 SqFt +-		3,100 SqFt +-		3,150 SqFt +-	
View	Similar Properties	Similar Properties		Similar Properties		Similar Properties	
Design (Style)	2 Story	2 Story		2 Story		2 Story	
Quality of Construction	Brick	Brick/Stone		Brick		AVS	+10,000
Actual Age	101 Years +-	122 Years +-		99 Years +-		112 Years +-	See Cond
Condition	Good/Re-habbed	Good		Good/Rehab		Good/Rehab	
Gross Building Area	2,246	2,326	0	2,368	-3,700	1,986	+7,800
Unit Breakdown	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Unit # 1	5 2 1	6 3 1	-5,000	6 3 1	-5,000	5 2 1	
Unit # 2	6 3 1	6 3 1		6 3 1		6 3 1	
Unit # 3							
Unit # 4							
Basement Description	1,123 Sq.Ft.	Full Basement		Full Basement		Full Basement	
Basement Finished Rooms	Bsmnt Aptmnt	Unfinished	+8,000	Bsmnt Apartmnt		Bsmnt Apartmnt	
Functional Utility	2 Flat Average	2 Flat Average		2 Flat Average		2 Flat Average	
Heating/Cooling	GFHA/H2O	GFHA	+3,000	GFHA	+3,000	GFHA	+3,000
Energy Efficient Items	Typical	Typical		Typical		Typical	
Parking On/Off Site	2 Car Garage	2 Car Garage		1 Car Garage	+3,000	2 Car Garage	
Porch/Patio/Deck	Omp/Encl Porch	OMP (2)		OMP	+3,000	OFF	+3,000
Fence	Fence	Fence		Fence		Fence	
Days On Market	Unknown	88 DOM		63 DOM		303 DOM	
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 6,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 300	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 23,800
Adjusted Sale Price of Comparables		Net Adj. 2.0 % Gross Adj. 5.3 %	\$ 306,000	Net Adj. 0.1 % Gross Adj. 6.4 %	\$ 275,300	Net Adj. 9.3 % Gross Adj. 9.3 %	\$ 278,800
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		\$ 153,000		\$ 137,650		\$ 139,400	
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		\$ 25,500		\$ 22,942		\$ 25,345	
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)		\$ 51,000		\$ 45,883		\$ 55,760	
Value per Unit	\$ 139,000 X 2	Units = \$ 278,000		Value per GBA \$ 123.78 X 2,246	GBA = \$ 278,010		
Value per Rm.	\$ 25,272.73 X 11	Rooms = \$ 278,000		Value per Bdrms. \$ 55,600 X 5	Bdrms. = \$ 278,000		
Summary of Sales Comparison Approach including reconciliation of the above indicators of value. See attached addenda.							
Indicated Value by Sales Comparison Approach \$ 278,000							
INCOME	Total gross monthly rent \$ 1,700 X gross rent multiplier (GRM) 163.53 = \$ 278,001		Indicated value by the Income Approach				
	Comments on income approach including reconciliation of the GRM The GRM was derived from the market						
RECONCILIATION	Indicated Value by: Sales Comparison Approach \$ 278,000 Income Approach \$ 278,001 Cost Approach (if developed) \$ 278,998						
	Each of the three approaches to value has been considered with the greatest weight given to the sales comparison and the income approach. The final estimate of value is \$278,000.						
	This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: Appraised "AS-IS" Personal property not included						
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 278,000 , as of 06/10/2010 , which is the date of inspection and the effective date of this appraisal.							

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This report form is designed to report an appraisal of a two- to four-unit property, including a two- to four-unit property in a planned unit development (PUD). A two- to four-unit property located in either a condominium or cooperative project requires the appraiser to inspect the project and complete the project information section of the Individual Condominium Unit Appraisal Report or the Individual Cooperative Interest Appraisal Report and attach it as an addendum to this report.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements, including each of the units. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

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

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property, including all units. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison and income approaches to value. I have adequate market data to develop reliable sales comparison and income approaches to value for this appraisal assignment. I further certify that I considered the cost approach to value but did not develop it, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

Small Residential Income Property Appraisal Report

Lechuga
File # 0610519

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

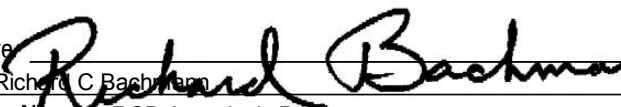
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

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

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER Illinois Certified Residential Real Estate Appraiser

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature 
 Name Richard C. Bachmann
 Company Name RCB Appraisals, P.C.
 Company Address 244 Sterling Court, Bloomingdale, IL 60108

Signature _____
 Name _____
 Company Name _____
 Company Address _____

Telephone Number (630) 341-1900
 Email Address rickbachmann@yahoo.com
 Date of Signature and Report 06/12/2010
 Effective Date of Appraisal 06/10/2010
 State Certification # 556.004557
 or State License # _____
 or Other (describe) _____ State # _____
 State IL
 Expiration Date of Certification or License 9/30/2011

Telephone Number _____
 Email Address _____
 Date of Signature _____
 State Certification # _____
 or State License # _____
 State _____
 Expiration Date of Certification or License _____

ADDRESS OF PROPERTY APPRAISED
919 N Springfield Ave
Chicago, IL 60651-3730

- SUBJECT PROPERTY**
- Did not inspect subject property
 - Did inspect exterior of subject property from street
Date of Inspection _____
 - Did inspect interior and exterior of subject property
Date of Inspection _____

APPRAISED VALUE OF SUBJECT PROPERTY \$ 278,000

- COMPARABLE SALES**
- Did not inspect exterior of comparable sales from street
 - Did inspect exterior of comparable sales from street
Date of Inspection _____

LENDER/CLIENT
 Name Monica Hernandez
 Company Name Anthony Brummel
 Company Address 2015 US Route 34, Oswego, IL 60543
Monica Hernandez
 Email Address sellurhm@hotmail.com

Small Residential Income Property Appraisal Report

Lechuga
File # 0610519

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address	919 N Springfield Ave Chicago, IL 60651-3730	2729 W Potomac Avenue Chicago, IL 60651			1438 N Central Park Avenue Chicago, IL 60651			903 N Harding Avenue Chicago, IL 60657		
Proximity to Subject		1.47 miles E			0.46 miles NE			0.41 miles S		
Sale Price	\$ 272,000	\$ 337,000			\$ 240,000			\$ 349,000		
Sale Price/Gross Bldg. Area	\$ 121.10 sq.ft.	\$ 122.81 sq.ft.			\$ 112.99 sq.ft.			\$ 219.77 sq.ft.		
Gross Monthly Rent	\$ 1,700	\$ 0.00			\$ 1,700			\$ 0.00		
Gross Rent Multiplier	160.00				141.18					
Price per Unit	\$ 136,000	\$ 168,500			\$ 120,000			\$ 174,500		
Price per Room	\$ 24,727	\$ 30,636			\$ 21,818			\$ 34,900		
Price per Bedroom	\$ 54,400	\$ 67,400			\$ 60,000			\$ 87,250		
Rent Control	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Data Source(s)		MLSNI # 07242601			MLSNI # 07242735			MLSNI # 07323270		
Verification Source(s)		Public record			Public record			Public Records/Township Assessc		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION		+(-) Adjustment	DESCRIPTION		+(-) Adjustment	DESCRIPTION		+(-) Adjustment
Sale or Financing Concessions		Unknown			Unknown			Unknown		
Date of Sale/Time		Unknown			Unknown			Unknown		
Location	Good	Competitive			Competitive			Competitive		
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Site	4,375 SqFt +-	3,004 SqFt+-			3,100 SqFt +-			3,125 SqFt +-		
View	Similar Properties	Similar Properties			Similar Properties			Similar properties		
Design (Style)	2 Story	2 Story			2 Story			2 Story		
Quality of Construction	Brick	Brick			Brick			Brick		
Actual Age	101 Years +-	6 Years +-		-25,000	94 Years +-			102 Years+-		
Condition	Good/Re-habbed	Good			Good/Rehab			Good/Rehab		
Gross Building Area	2,246	2,744		-14,900	2,124		+3,700	1,588		+19,700
Unit Breakdown	Total Bdrms Baths	Total Bdrms Baths			Total Bdrms Baths			Total Bdrms Baths		
Unit # 1	5 2 1	5 2 1			5 2 1			5 2 1		
Unit # 2	6 3 1	6 3 1.1		-2,000	6 2 1		+5,000	5 2 1		+5,000
Unit # 3										
Unit # 4										
Basement Description	1,123 Sq.Ft.	Full Basement			Full Basement			Full Basement		
Basement Finished Rooms	Bsmnt Aptmnt	Fam/Rec		+4,000	Rec/Bar/Bath		+2,000	Rec-Rm/Bath		+4,000
Functional Utility	2 Flat Average	2 Flat Average			2 Flat Average			2 Flat Average		
Heating/Cooling	GFHA/H2O	GFHA		+2,000	GFHA (2) CAC(2)		-4,000	GFHA		+2,000
Energy Efficient Items	Typical	Typical			Typical			Typical		
Parking On/Off Site	2 Car Garage	2 Car Garage			2 Car Garage			2 Car Garage		
Porch/Patio/Deck	Omp/Encl Porch	Decks (2)			OMP		+3,000	OMP		+3,000
Fence	Fence	Fence			Fence			Fence		
Days On Market	Unknown	63 DOM			84 DOM			176 DOM		
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -		\$ -42,700	<input checked="" type="checkbox"/> + <input type="checkbox"/> -		\$ 4,900	<input checked="" type="checkbox"/> + <input type="checkbox"/> -		\$ 26,700
Adjusted Sale Price of Comparables		Net Adj. 12.7 %			Net Adj. 2.0 %			Net Adj. 7.7 %		
		Gross Adj. 16.2 %		\$ 294,300	Gross Adj. 9.4 %		\$ 244,900	Gross Adj. 11.7 %		\$ 375,700
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		\$ 147,150			\$ 122,450			\$ 187,850		
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		\$ 26,755			\$ 22,264			\$ 37,570		
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)		\$ 58,860			\$ 61,225			\$ 93,925		
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).										
ITEM	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Date of Prior Sale/Transfer	06/13/08 06/15/09	No Previous sales			No Previous sales			No Previous sales		
Price of Prior Sale/Transfer	Judicial \$45,000	Past 12 Months			Past 12 Months			Past 12 Months		
Data Source(s)	MLS/Township Assessor	MLSNI/TwnShp/CntyAssess			MLSNI/TwnShp/CntyAssess			MLS/Township Assessor		
Effective Date of Data Source(s)	06/10/2010	06/10/2010			06/10/2010			06/10/2010		
Analysis of prior sale or transfer history of the subject property and comparable sales See Urar										
Analysis/Comments To whom it may concern,										
Comparables #1 through # 3 were not adjusted for within the Date of sale/Time column due to the results obtained from the Form 1004MC revealing the percentage of the median list price to the median sales price for the past three months was over 100% and suggesting no adjustment was required.										

SALES COMPARISON APPROACH

SALE HISTORY

ANALYSIS / COMMENTS

Operating Income Statement

One- to Four-Family Investment Property and Two- to Four-Family Owner-Occupied Property

Property Address

Street **919 N Springfield Ave** City **Chicago** State **IL** Zip Code **60651-3730**

General Instructions: This form is to be prepared jointly by the loan applicant, the appraiser, and the lender's underwriter. The applicant must complete the following schedule indicating each unit's rental status, lease expiration date, current rent, market rent, and the responsibility for utility expenses. Rental figures must be based on the rent for an "unfurnished" unit.

	Currently Rented	Expiration Date	Current Rent Per Month	Market Rent Per Month	Utility Expense	Paid By Owner	Paid By Tenant
Unit No. 1	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Unknown	\$ 0.00	\$ 850.00	Electricity	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Unit No. 2	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Unknown	\$ 0.00	\$ 850.00	Gas	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Unit No. 3	Yes <input type="checkbox"/> No <input type="checkbox"/>		\$	\$	Fuel Oil	<input type="checkbox"/>	<input type="checkbox"/>
Unit No. 4	Yes <input type="checkbox"/> No <input type="checkbox"/>		\$	\$	Fuel (Other)	<input type="checkbox"/>	<input type="checkbox"/>
Total			\$	\$ 1,700	Water/Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>
					Trash Removal	<input checked="" type="checkbox"/>	<input type="checkbox"/>

The applicant should complete all of the income and expense projections and for existing properties provide actual year-end operating statements for the past two years (for new properties the applicant's projected income and expenses must be provided). This Operating Income Statement and any previous operating statements the applicant provides must then be sent to the appraiser for review, comment, and/or adjustments next to the applicant's figures (e.g. Applicant/Appraiser 288/300). If the appraiser is retained to complete the form instead of the applicant, the lender must provide to the appraiser the aforementioned operating statements, mortgage insurance premium, HOA dues, leasehold payments, subordinate financing, and/or any other relevant information as to the income and expenses of the subject property received from the applicant to substantiate the projections. The underwriter should carefully review the applicant's/appraiser's projections and the appraiser's comments concerning those projections. The underwriter should make any final adjustments that are necessary to more accurately reflect any income or expense items that appear unreasonable for the market. (Real estate taxes and insurance on these types of properties are included in PITI and not calculated as an annual expense item.) Income should be based on the current rents, but should not exceed market rents. When there are no current rents because the property is proposed, new, or currently vacant, market rents should be used.

Annual Income and Expense Projection for Next 12 months

	By Applicant/Appraiser	Adjustments by Lender's Underwriter
Income (Do not include income for owner-occupied units)		
Gross Annual Rental (from unit(s) to be rented)	\$ 20,400	\$
Other Income (include sources)	+ 0.00	+
Total	\$ 20,400	\$
Less Vacancy/Rent Loss	- 612 (3%)	- (%)
Effective Gross Income	\$ 19,388	\$
Expenses (Do not include expenses for owner-occupied units)		
Electricity		
Gas		
Fuel Oil		
Fuel (Type - Gas)		
Water/Sewer	500	
Trash Removal	500	
Pest Control		
Other Taxes or Licenses		
Casual Labor	500	
This includes the costs for public area cleaning, snow removal, etc., even though the applicant may not elect to contract for such services.		
Interior Paint/Decorating		
This includes the costs of contract labor and materials that are required to maintain the interiors of the living unit.		
General Repairs/Maintenance	1,000	
This includes the costs of contract labor and materials that are required to maintain the public corridors, stairways, roofs, mechanical systems, grounds, etc.		
Management Expenses		
These are the customary expenses that a professional management company would charge to manage the property.		
Supplies		
This includes the costs of items like light bulbs, janitorial supplies, etc.		
Total Replacement Reserves - See Schedule on Pg. 2	1,153	
Miscellaneous		
Total Operating Expenses	\$ 3,653	\$

Replacement Reserve Schedule

Adequate replacement reserves must be calculated regardless of whether actual reserves are provided for on the owner's operating statements or are customary in the local market. This represents the total average yearly reserves. Generally, all equipment and components that have a remaining life of more than one year-such as refrigerators, stoves, clothes washers/dryers, trash compactors, furnaces, roofs, and carpeting, etc. - should be expensed on a replacement cost basis.

Equipment	Replacement Cost	Remaining Life	By Applicant/ Appraiser	Lender Adjustments
Stoves/Ranges	@ \$ 500 ea. /	10 Yrs. x	2 Units = \$ 100.00	\$
Refrigerators	@ \$ 700 ea. /	10 Yrs. x	2 Units = \$ 140.00	\$
Dishwashers	@ \$ ea. /	Yrs. x	Units = \$	\$
A/C Units	@ \$ ea. /	Yrs. x	Units = \$	\$
C. Washer/Dryers	@ \$ ea. /	Yrs. x	Units = \$	\$
HW Heaters	@ \$ 700 ea. /	10 Yrs. x	1 Units = \$ 70.00	\$
Furnace(s)	@ \$ 4,000 ea. /	15 Yrs. x	2 Units = \$ 533.33	\$
(Other)	@ \$ ea. /	Yrs. x	Units = \$	\$
Roof	@ \$ 5,000 /	20 Yrs. x One Bldg. =	\$ 250	\$
Carpeting (Wall to Wall)		Remaining Life		
(Units) 40 Total Sq. Yds. @ \$ 15.00 Per Sq. Yd. / 10 Yrs. =			\$ 60	\$
(Public Areas) Total Sq. Yds. @ \$ Per Sq. Yd. / Yrs. =			\$	\$
Total Replacement Reserves. (Enter on Pg. 1)			\$ 1,153.33	\$

Operating Income Reconciliation

\$ 19,388	-	\$ 3,653	=	\$ 15,735	/ 12 =	\$ 1,311
Effective Gross Income		Total Operating Expenses		Operating Income		Monthly Operating Income
\$ 1,311	-	\$	=	\$		
Monthly Operating Income		Monthly Housing Expense		Net Cash Flow		

(Note: Monthly Housing Expense includes principal and interest on the mortgage, hazard insurance premiums, real estate taxes, mortgage insurance premiums, HOA dues, leasehold payments, and subordinate financing payments.)

Underwriter's instructions for 2-4 Family Owner-Occupied Properties

- If Monthly Operating Income is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Monthly Operating Income is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total Monthly Housing Expense for the **subject property** to the borrower's stable monthly income.

Underwriter's instructions for 1-4 Family Investment Properties

- If Net Cash Flow is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Net Cash Flow is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total monthly housing expense for the borrower's **primary residence** to the borrower's stable monthly income.

Appraiser's Comments (Including sources for data and rationale for the projections)

All information was supplied by the current owner or derived from the appraisers knowledge.

Richard C Bachmann
Appraiser Name

Richard Bachmann
Appraiser Signature

June 12, 2010
Date

Underwriter's Comments and Rationale for Adjustments

Underwriter Name

Underwriter Signature

Date

Supplemental Addendum

File No. 0610519

Borrower/Client	Irma Lechuga			
Property Address	919 N Springfield Ave			
City	Chicago	County	Cook	State IL Zip Code 60651-3730
Lender	Anthony Brummel			

• **Small Income : Improvements - Additional Features**

The subject property is a two story brick two flat apartment building with a finished basement and a detached two car garage. The home has two 100 amp electrical services and a 40 gallon hot water heater. The first floor has hot water heat and the second floor has a separate gas forced hot air furnace. The interior walls were painted in a neutral color and are in good condition. The trim is stained to match the interior doors. The bathrooms have been remodeled with new fixtures, lighting and ceramic tile flooring and surrounds. Each bathroom has a whirlpool tub. Due to a freezing pipe issue during a recent cold spell, the first floor and the basement bathroom require some pipe repair and the replacement of the missing newer ceramic tile within the tub surround and bathroom wall. The kitchens have newer stained hardwood cabinets, ceramic tile flooring and laminate counter tops. The living room and dining room on both levels have recently stained hardwood flooring. The upper level has three bedrooms with recently stained hardwood flooring. The bedrooms on the first level have carpeting. The basement is finished with ceramic tile flooring, a kitchenette, family room, two bedrooms and one full bath with a whirlpool tub. Each apartment has stained flush doors. Each apartment has an enclosed porch. There is an open masonry front porch and a wrought iron fence. There is a garage in the rear of the home.

• **Small Income : Sales Comparison - Summary**

All Sales are reported closed Comparables are all located within the subject's neighborhood. Comparables chosen are the best indicator of value. All comparables have sold within the past 7 months, with all sales selling beyond five months ago and any active listings adjusted for within the Date of Sale/Time column located within the grid. The property located at 2552 W Iowa Street was identified as sold on 01/29/2010, two flat brick, each apartment having two bedrooms and one bathroom with an unfinished basement. The above grade living space was only 1,368 square feet and had lesser recent remodeling than the subject and was considerably smaller than the subject and for those reasons was not included within the report. Age adjustments reflect the buyer's preference to purchase a newer home. Room count adjustments reflect lesser and or additional bedrooms and or additional bathroom facilities to those of the subject. Size adjustments are made at the rate of \$ 30.00 per square foot for homes that vary more than 100 square feet. The range of value is from \$244,900 to \$375,700, with a final estimated value of \$278,000.

Market Conditions Addendum to the Appraisal Report

Lechuga
File No. 0610519

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

Property Address **919 N Springfield Ave** City **Chicago** State **IL** ZIP Code **60651-3730**

Borrower **Irma Lechuga**

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

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	233	127	66	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	38.83	42.33	22.00	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Total # of Comparable Active Listings	217	217	217	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	5.6	5.1	9.9	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Median Comparable Sale Price	40,900	43,500	44,900	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	165	156	122	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	41,200	44,900	44,400	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	247	247	247	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	99%	97%	101%	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.). **There were 23 out of the 233 sales identified as sold within the subject's neighborhood within the past 12 months that were sold with sales concessions ranging from three to five percent.**

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

There were only 165 foreclosures out of the 233 sales identified as sold within the subject's neighborhood. There were an additional 27 short sales identified within the subject's neighborhood that have sold within the past 12 months. The majority of the foreclosures and short sales were sold in poor to average AS-IS condition. All recently rehabbed conditioned homes were selling for full market value within the subject's neighborhood.

Cite data sources for above information. **MLSNI/Public Record**

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

The subject property is located within a neighborhood with limited sales of apartment buildings sold in a conventional manor, with many foreclosures and The median list prices and median sales prices slightly rising within the past 12 months, and the percentage of median list price to median sale price remaining stable.


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

Project Name:

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

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

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

Signature 	Signature
Appraiser Name Richard Bachmann	Supervisory Appraiser Name
Company Name RCB Appraisals, P.C.	Company Name
Company Address 244 Sterling Court, Bloomingdale, IL 60108	Company Address
State License/Certification # 556.004557 State IL	State License/Certification # State
Email Address rickbachmann@yahoo.com	Email Address

MARKET RESEARCH & ANALYSIS

CONDO/CO-OP PROJECTS

APPRAISER

Subject Photo Page

Borrower/Client	Irma Lechuga						
Property Address	919 N Springfield Ave						
City	Chicago	County	Cook	State	IL	Zip Code	60651-3730
Lender	Anthony Brummel						



Subject Front

919 N Springfield Ave
Sales Price 272,000
G.B.A. 2,246
Age/Yr.Blt. 101 Years +-



Subject Rear



Subject Street

Subject Interior Photo Page

Borrower/Client	Irma Lechuga						
Property Address	919 N Springfield Ave						
City	Chicago	County	Cook	State	IL	Zip Code	60651-3730
Lender	Anthony Brummel						



Subject Street

919 N Springfield Ave
Sales Price 272,000
Gross Building Area 2,246
Age 101 Years +/-



Subject Interior



Subject Interior

Subject Interior Photo Page

Borrower/Client	Irma Lechuga						
Property Address	919 N Springfield Ave						
City	Chicago	County	Cook	State	IL	Zip Code	60651-3730
Lender	Anthony Brummel						



Subject Interior

919 N Springfield Ave
Sales Price 272,000
Gross Building Area 2,246
Age 101 Years +-



Subject Interior



Subject Interior

Subject Interior Photo Page

Borrower/Client	Irma Lechuga						
Property Address	919 N Springfield Ave						
City	Chicago	County	Cook	State	IL	Zip Code	60651-3730
Lender	Anthony Brummel						

**Subject Interior**

919 N Springfield Ave
Sales Price 272,000
Gross Building Area 2,246
Age 101 Years +/-

**Subject Interior****Subject Interior**

Comparable Photo Page

Borrower/Client	Irma Lechuga			
Property Address	919 N Springfield Ave			
City	Chicago	County	Cook	State IL Zip Code 60651-3730
Lender	Anthony Brummel			



Comparable 1

1227 N Rockwell Street
 Sales Price 300,000
 G.B.A. 2,326
 Age/Yr. Blt. 122 Years +-



Comparable 2

3315 W Evergreen Street
 Sales Price 275,000
 G.B.A. 2,368
 Age/Yr. Blt. 99 Years +-

Photo is from MLSNI



Comparable 3

1725 N Montecello Avenue
 Sales Price 255,000
 G.B.A. 1,986
 Age/Yr. Blt. 112 Years +-

Photo is from MLSNI

Comparable Photo Page

Borrower/Client	Irma Lechuga			
Property Address	919 N Springfield Ave			
City	Chicago	County	Cook	State IL Zip Code 60651-3730
Lender	Anthony Brummel			

**Comparable 4**

2729 W Potomac Avenue
Sales Price 337,000
Gross Building Area 2,744
Age 6 Years +-

**Comparable 5**

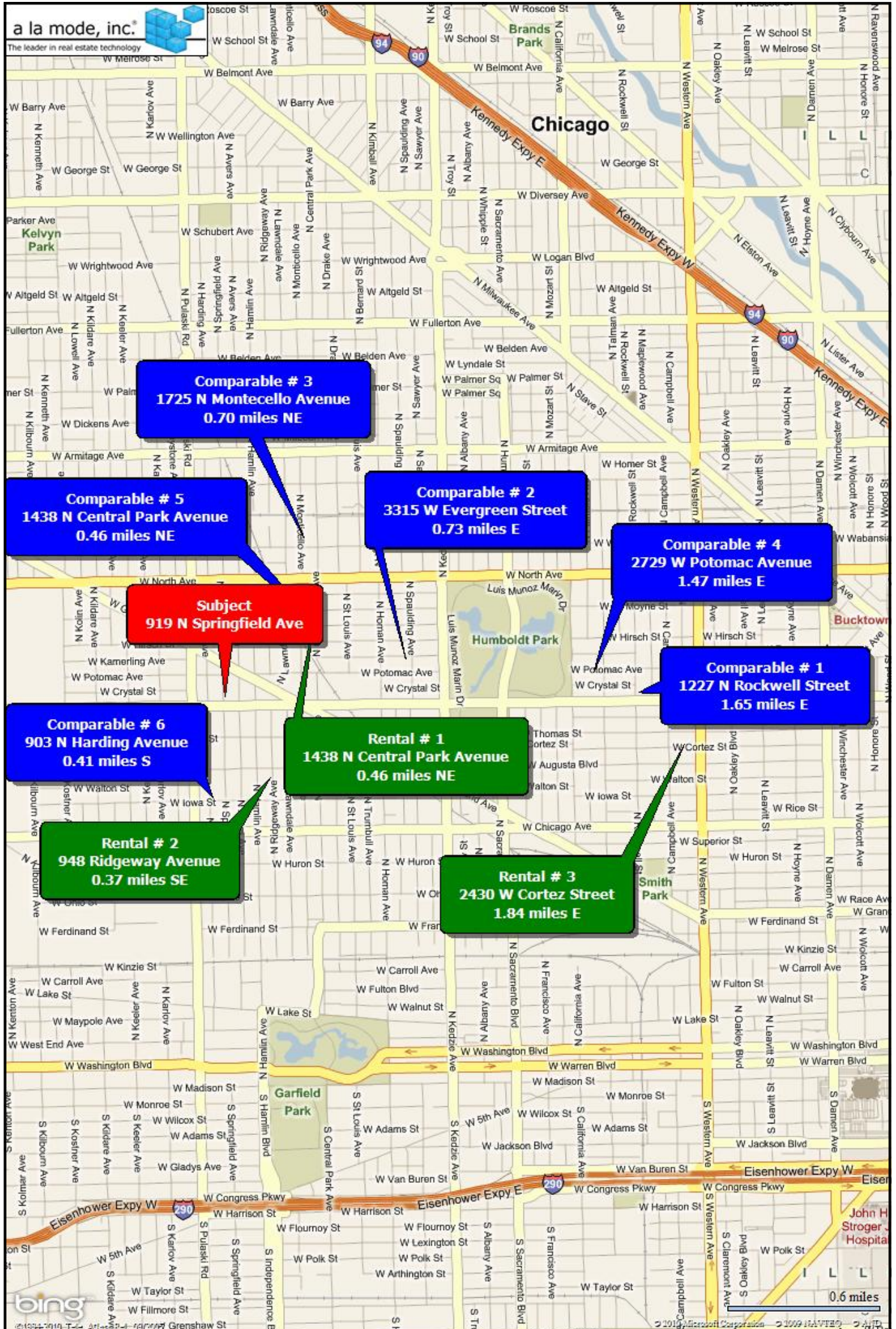
1438 N Central Park Avenue
Sales Price 240,000
Gross Building Area 2,124
Age 94 Years +-

**Comparable 6**

903 N Harding Avenue
Sales Price 349,000
Gross Building Area 1,588
Age 102 Years+-

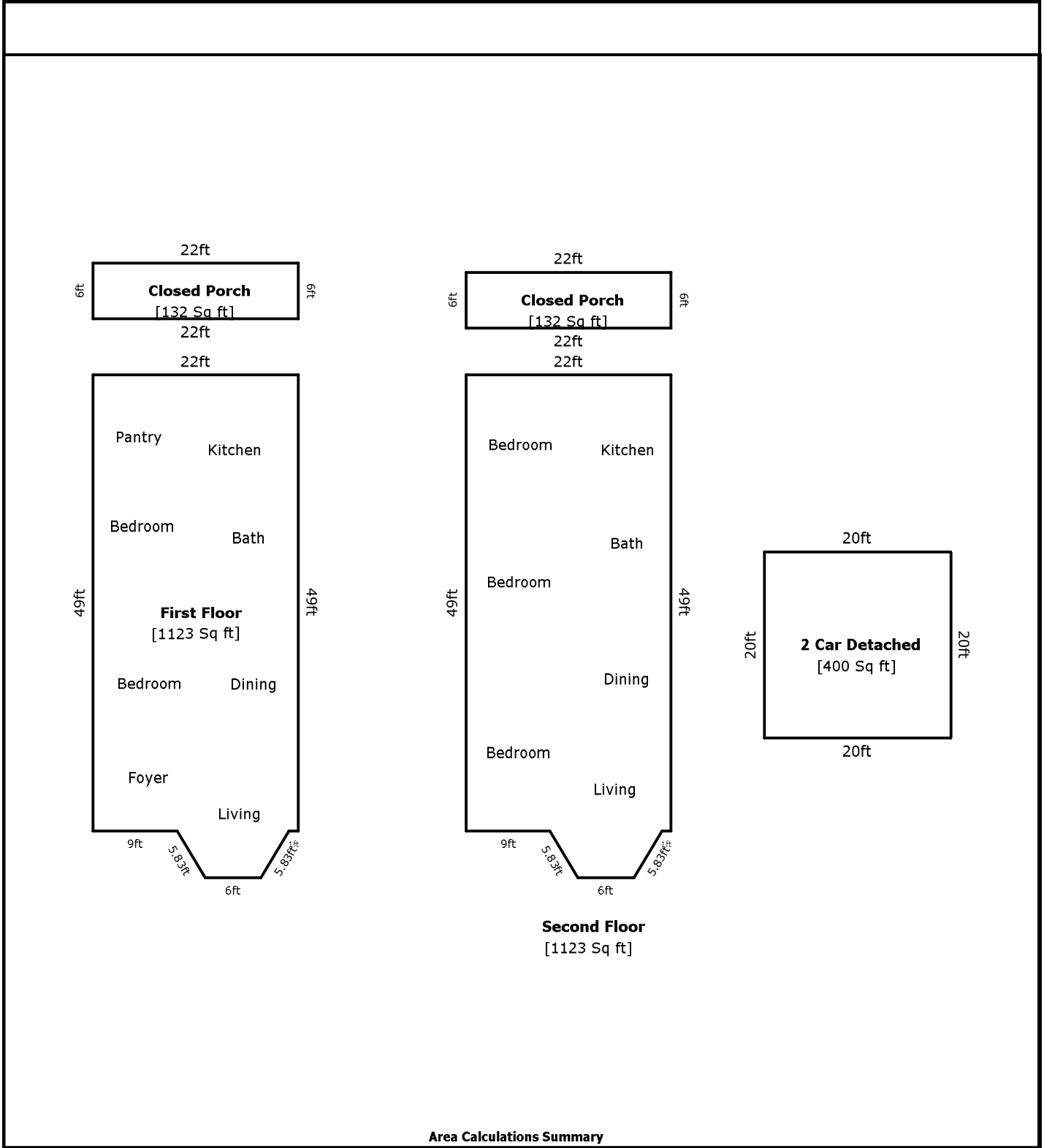
Location Map

Borrower/Client	Irma Lechuga			
Property Address	919 N Springfield Ave			
City	Chicago	County	Cook	State IL Zip Code 60651-3730
Lender	Anthony Brummel			



Building Sketch

Borrower/Client	Irma Lechuga			
Property Address	919 N Springfield Ave			
City	Chicago	County	Cook	State IL Zip Code 60651-3730
Lender	Anthony Brummel			



Area Calculations Summary

Living Area		Calculation Details
First Floor	1123 Sq ft	$0.5 \times 3 \times 5 = 7.5$ $0.5 \times 5 \times 3 = 7.5$ $6 \times 5 = 30$ $49 \times 22 = 1078$
Second Floor	1123 Sq ft	$0.5 \times 3 \times 5 = 7.5$ $0.5 \times 5 \times 3 = 7.5$ $6 \times 5 = 30$ $49 \times 22 = 1078$
Total Living Area (Rounded):		2246 Sq ft
Non-living Area		
2 Car Detached	400 Sq ft	$20 \times 20 = 400$
Closed Porch	132 Sq ft	$6 \times 22 = 132$
Closed Porch	132 Sq ft	$6 \times 22 = 132$

License Addendum

Borrower/Client	Irma Lechuga			
Property Address	919 N Springfield Ave			
City	Chicago	County Cook	State IL	Zip Code 60651-3730
Lender	Anthony Brummel			

