

APPRAISAL OF



Single Family Residence

LOCATED AT:

3031 Mendenhall St
Valdez, AK 99686

FOR:

Alaska USA Mortgage Company, LLC.
4000 Credit Union Dr
Anchorage, AK, 99503

BORROWER:

Cynthia S Clements

AS OF:

August 13, 2019

BY:

Randolph Seaman

Uniform Residential Appraisal Report

xx
File No. 19108

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.

Property Address	3031 Mendenhall St	City	Valdez	State	AK	Zip Code	99686
Borrower	Cynthia S Clements	Owner of Public Record	Chad R & Cynthia S Clements	County	Valdez	Cordova	
Legal Description	Lot 8A, Block 11, Corbin Creek Subdivision Phase III						
Assessor's Parcel #	7023-011-008-0	Tax Year	2019	R.E. Taxes \$	9,108		
Neighborhood Name	Corbin Creek	Map Reference	None	Census Tract	0003.00		
Occupant	<input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant		Special Assessments \$	0	<input type="checkbox"/> PUD	HOA \$	0
					<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 type="checkbox"/> Purchase Transaction <input checked="" type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)						
Lender/Client	Alaska USA Mortgage Company, LLC. Address 4000 Credit Union Dr, Anchorage, AK 99503						
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
Report data source(s) used, offering price(s), and date(s). No listing or offering for sale were found since the prior sale date. See Analysis of prior sales section on page 2 for comments.							

CONTRACT	I <input type="checkbox"/> did <input type="checkbox"/> 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.
	Contract Price \$ Date of Contract Is the property seller the owner of public record? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s)
	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? <input type="checkbox"/> Yes <input type="checkbox"/> 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		One-Unit Housing Trends			One-Unit Housing		Present Land Use %	
	Location	<input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	75% %	
	Built-Up	<input type="checkbox"/> Over 75% <input checked="" 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	%	
	Growth	<input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time	<input checked="" type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	165 Low	1	Multi-Family	%	
	Neighborhood Boundaries	North and east by mountains and large tracts of vacant land, south by the Richardson Highway, west by Valdez Glacier Stream.			460 High	45	Commercial	%	
	Neighborhood Description	See Attached Addendum.			295 Pred.	35	Other	25% %	
	Market Conditions (including support for the above conclusions) See Attached Addendum.								

SITE	Dimensions	Irregular / See attached plat	Area	1.44 ac	Shape	Roughly Pie Shaped	View	N; Woods; Mtn
	Specific Zoning Classification	RA	Zoning Description	Single Family Residential				
	Zoning Compliance	<input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)						
	Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe. See Attached Addendum.							
	Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements—Type	Public	Private
	Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water	<input type="checkbox"/> Well	Street Hard Pack Gravel	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gas	<input type="checkbox"/>	<input checked="" type="checkbox"/> Oil	Sanitary Sewer	<input type="checkbox"/> Septic	Alley None	<input type="checkbox"/>	<input type="checkbox"/>
	FEMA Special Flood Hazard Area	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	FEMA Flood Zone	C	FEMA Map #	020094 0033C	FEMA Map Date	12/01/1983
	Are the utilities and off-site improvements typical for the market area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe.							
	Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe. As-built attached shows typical utility easements which are not known to effect marketability. No adverse easements or encroachments were noted. Subject utilizes a private on site well and septic system which are assumed adequate. Well and septic systems are typical in the area, and there are no public water/sewer utilities available. See addendum for additional comments.							

IMPROVEMENTS	GENERAL DESCRIPTION		FOUNDATION		EXTERIOR DESCRIPTION materials/condition		INTERIOR materials/condition	
	Units	<input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input checked="" type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	Prd. concrete/avg	Floors	Crpt,hdwd,tile/gd	
	# of Stories	2	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	HardiBoard/avg	Walls	Drywall / gd	
	Type	<input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 0 sq. ft.	Roof Surface	Metal / avg	Trim/Finish	Wood,stain/gd	
	<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 0 %	Gutters & Downspouts	Adeq.Overhg / avg	Bath Floor	Vinyl/ gd		
	Design (Style)	Craftsman	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	Vinylcase / avg	Bath Wainscot	Fiberglass / gd	
	Year Built	2007	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated	Thermopane /gd	Car Storage	<input type="checkbox"/> None	
	Effective Age (Yrs)	6	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	None evident/gd	<input checked="" type="checkbox"/> Driveway	# of Cars 3	
	Attic	<input checked="" type="checkbox"/> None	Heating <input type="checkbox"/> FWA <input type="checkbox"/> HWBB <input checked="" type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> WoodStove(s) #0	Driveway Surface	Gravel	
	<input type="checkbox"/> Drop Stair	<input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel Oil	<input type="checkbox"/> Fireplace(s) # 0	<input type="checkbox"/> Fence None	<input checked="" type="checkbox"/> Garage	# of Cars 4	
	<input type="checkbox"/> Floor	<input type="checkbox"/> Scuttle	Cooling <input type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck LgDk	<input checked="" type="checkbox"/> Porch C/Entry	<input type="checkbox"/> Carport	# of Cars 0	
	<input type="checkbox"/> Finished	<input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input checked="" type="checkbox"/> Other None	<input type="checkbox"/> Pool None	<input type="checkbox"/> Other None	<input type="checkbox"/> Att.	<input type="checkbox"/> Det. <input checked="" type="checkbox"/> Built-in	
	Appliances	<input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input checked="" type="checkbox"/> Other (describe)	Fan/Hood					
	Finished area above grade contains:	6 Rooms	3 Bedrooms	2.1 Bath(s)	2,498 Square Feet of Gross Living Area Above Grade			
	Additional features (special energy efficient items, etc.). Tile & hardwood flooring, built in desk and cabinets, vaulted ceilings, air exchanger, large wrap deck deck, covered entry.							
	Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C3;No updates in the prior 15 years;Subject is a nice Craftsman home of above average to good quality and appeal. Home is only 11 years old with most if not all its original fixtures and decor, the home shows relatively low wear, appears to have been well maintained and shows in good overall condition. First level of the home is technically basement area, although is comprised solely of the large garage and stairs leading to the foyer, as such the stairs are included with the garage area so there is no living area in the basement level. Garage is nearly 2 < continued in addendum >							
	Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe. All utilities were on and functioning at the time of appraisal.							
	Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe.							

Uniform Residential Appraisal Report

xx
File No. 19108

SALES COMPARISON APPROACH

There are 0 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 0 to \$ 0.							
There are 6 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 365,000 to \$ 500,000.							
FEATURE	SUBJECT	COMPARABLE SALE NO. 1		COMPARABLE SALE NO. 2		COMPARABLE SALE NO. 3	
3031 Mendenhall St		1620 Kotsina Ct		1693 Kotsina Court		810 Salmonberry Way	
Address Valdez, AK 99686		Valdez, AK 99686		Valdez, AK 99686		Valdez, AK 99686	
Proximity to Subject		6.14 miles NW		6.16 miles NW		6.48 miles NW	
Sale Price		\$	\$ 365,000	\$	\$ 375,000	\$	\$ 500,000
Sale Price/Gross Liv. Area		\$ 0.00 sq. ft.	\$ 175.23 sq. ft.	\$ 187.13 sq. ft.	\$ 221.24 sq. ft.		
Data Source(s)		FSBO #0;DOM 7		FSBO #0;DOM Unk		Broker #0;DOM 1	
Verification Source(s)		Purchase agreement		Purchase Agreement		Purchase agreement	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sale or Financing		ArmLth		ArmLth		ArmLth	
Concessions		VA;0		Conv;0		Conv;0	
Date of Sale/Time		s05/19;c02/19		s05/19;c03/19		s07/19;c03/19	
Location	N;Res;	N;Res;		N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee simple		Fee simple		Fee simple	
Site	1.44 ac	9440 sf	20,000	9212 sf	20,000	40429 sf	0
View	N;Woods;Mtn	N;Res;	0	N;Res;	0	B;Mtn;Wtr	-10,000
Design (Style)	DT2;Craftsman	DT2;Contemp	0	DT2;Contemp	0	DT2;Modern	0
Quality of Construction	Q3	Q4	20,000	Q4	20,000	Q3	
Actual Age	11	8	0	8	0	32	0
Condition	C3	C3		C3		C3	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths	
Room Count	6 3 2.1	7 4 2.1	0	6 3 2.1		7 3 2.1	0
Gross Living Area	60 2,498 sq. ft.	2,083 sq. ft.	24,900	2,004 sq. ft.	29,600	2,260 sq. ft.	14,300
Basement & Finished	0sf	0sf		0sf		1148sf1148sfwo	-45,900
Rooms Below Grade						1rr1br2.0ba1o	-16,000
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	Radiant Oil	HWBB Oil	0	HWBB Oil	0	HWBB Oil	0
Energy Efficient Items	None	None		None		None	
Garage/Carport	4gbi3dw	2gbi2dw	30,000	2gbi2dw	30,000	2gd2gbi3dw	0
Porch/Patio/Deck	LgDeck	2 LgDks,shed	0	2 LgDks,shed	0	C/dk,C/pto,grnhs	0
Amenities	Vltclg,tile,Bi's,	Vltclg,jettub,etc	0	1FP,Vltclg,jettub	0	1wdstv,vltclg,etc	0
	Upgrades,etc	etc.	0	etc.	0	tile,etc.	0
Effective age	Eff 6	Eff 5	-3,000	Eff 5	-3,000	Eff 15	27,000
Net Adjustment (Total)		[X] + [] -	\$ 91,900	[X] + [] -	\$ 96,600	[] + [X] -	\$ 30,600
Adjusted Sale Price		Net Adj. 25.2%		Net Adj. 25.8%		Net Adj. -6.1%%	
of Comparables		Gross Adj. 26.8%%	\$ 456,900	Gross Adj. 27.4%	\$ 471,600	Gross Adj. 22.6%%	\$ 469,400

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

My research [X] 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) Owner, files, Records Office.

My research [] did [X] 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) AMDS, AK MLS, Records office.

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 NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Date of Prior Sale/Transfer	04/29/2019			
Price of Prior Sale/Transfer	\$450,000			
Data Source(s)	Files, Records office	Owner, Records office	Files, Records office	Files, Records office
Effective Date of Data Source(s)	08/13/2019	08/13/2019	08/13/2019	08/13/2019

Analysis of prior sale or transfer history of the subject property and comparable sales Prior sale found on the subject appears to be normal arms length market transaction, was believed to have sold to a friend of the owner with no known formal exposure. Second prior sale recorded on 09/27/2018 at \$449,000, was listed with a local Broker at \$469,000 for 69 days. No prior sales or transfers were found on comparable sales within one year prior to the current sale date.

Summary of Sales Comparison Approach. There is very little sales data that is reasonably reflective of the subject. Comps 1 & 2 are located just outside the city core area on small city lots, both have smaller size with standard double garages, used for their similar age and recent sale. Comp 3 is a recent sale in a pocket area also just outside the city core area, this is an older home with full basement area and a nice view, used for its similar site, quality and overall appeal. In the final analysis, all sales are reflective in some way. Comps 1 & 2 are closest in size and age, while comp 3 has a more similar site, therefor considering the subjects prior sale history which is considered an additional value indication, a value is most fairly noted near the lower end of the range. See next page for comps 4-6 and additional comments. Based on the opinion of market value, a reasonable exposure time for the subject, analyzed independently from the stated marketing time, is estimated at 30-90 days.

Indicated Value by Sales Comparison Approach \$ 460,000

RECONCILIATION

Indicated Value by: Sales Comparison Approach \$460,000 Cost Approach (if developed) \$ Income Approach (if developed) \$

The sales comparison approach is the best indicator of value due to the amount of transactions in the market place. Cost approach is not developed as it is less reliable in the Valdez area, due to the subjective nature of calculating depreciation and determining reasonable costs. The income approach is not developed for SFR as a property's income potential does not motivate the typical buyer.

This appraisal is made [X] "as is," [] subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, [] subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or [] subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: Appliances, plumbing, heating and electrical systems are assumed safe and operable standards, and that no hazardous conditions exist. On site well/septic assumed adequate.

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 \$ 460,000 as of 08/13/2019, which is the date of inspection and the effective date of this appraisal.

Uniform Residential Appraisal Report

xx
File No. 19108

SALES COMPARISON APPROACH

FEATURE		SUBJECT		COMPARABLE SALE NO. 4		COMPARABLE SALE NO. 5		COMPARABLE SALE NO. 6	
3031 Mendenhall St				1155 Mineral Creek Dr		556 Cliffside Ct		385 Wood Way	
Address Valdez, AK 99686				Valdez, AK 99686		Valdez, AK 99686		Valdez, AK 99686	
Proximity to Subject				5.40 miles NW		5.46 miles NW		0.29 miles SE	
Sale Price		\$		\$ 420,000		\$ 400,000		\$ 389,000	
Sale Price/Gross Liv. Area		\$ 0.00 sq. ft.		\$ 183.65 sq. ft.		\$ 147.28 sq. ft.		\$ 141.20 sq. ft.	
Data Source(s)				Broker #0;DOM Unk		Broker #0;DOM 70		AKMLS #18-4533;DOM 3	
Verification Source(s)				Purchase agreement		Purchase agreement		Purchase agreement	
VALUE ADJUSTMENTS		DESCRIPTION		DESCRIPTION		DESCRIPTION		DESCRIPTION	
				+(-) \$ Adjustment		+(-) \$ Adjustment		+(-) \$ Adjustment	
Sale or Financing				ArmLth		Relo		ArmLth	
Concessions				Conv;0		VA;0		VA;0	
Date of Sale/Time				s05/19;c03/19		s12/18;c11/18		s06/18;c03/18	
Location		N;Res;		N;Res;		N;Res;		N;Res;	
Leasehold/Fee Simple		Fee Simple		Fee simple		Fee simple		Fee Simple	
Site		1.44 ac		15159 sf		9360 sf		1.15 ac	
View		N;Woods;Mtn		B;Mtn;CtySky		B;CtySky;Mtn		N;Res;Woods	
Design (Style)		DT2;Craftsman		DT1.5;Chalet		DT2;NeoEclectic		DT2;Craftsman	
Quality of Construction		Q3		Q4		Q3		Q3	
Actual Age		11		39		23		16	
Condition		C3				C3		C3	
Above Grade		Total	Bdrms.	Baths	Total	Bdrms.	Baths	Total	Bdrms.
Room Count		6	3	2.1	7	3	2.0	6	3
Gross Living Area		60 2,498 sq. ft.		2,287 sq. ft.		2,716 sq. ft.		2,755 sq. ft.	
Basement & Finished		0sf		1102sf1102sfwo		765sf765sfwo		0sf	
Rooms Below Grade				1rr1br1.0ba2o		1rr0br1.0ba0o			
Functional Utility		Average				Avg / Driveway		Average	
Heating/Cooling		Radiant Oil		HWBB Oil		HWBB Oil		Radiant Oil	
Energy Efficient Items		None				None		None	
Garage/Carport		4gb13dw		2gd1cp2dw		2ga2dw		2gbi3dw	
Porch/Patio/Deck		LgDeck		2decks,		C.pch,2decks		LgPch,dk,GH,shc	
Amenities		Vlftclg,tile,Bi's,		1wdstv,vlftclg,		1FP,vlftclg,jettub		1FP,jettub,tile	
		Upgrades,etc		etc.		Bi's,airexchanger		hdwd,etc.	
Effective age		Eff 6		Eff 18		Eff 18		Eff 12	
Net Adjustment (Total)				<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 55,600		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 34,300		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 42,600	
Adjusted Sale Price				Net Adj. 13.2%		Net Adj. 8.6% %		Net Adj. 11.0%	
of Comparables				Gross Adj. 42.8%		Gross Adj. 39.4%		Gross Adj. 18.9%	
				\$ 475,600		\$ 434,300		\$ 431,600	

ITEM		SUBJECT		COMPARABLE SALE NO. 4		COMPARABLE SALE NO. 5		COMPARABLE SALE NO. 6	
Date of Prior Sale/Transfer		04/29/2019							
Price of Prior Sale/Transfer		\$450,000							
Data Source(s)		Files, Records office		AKMLS, records office		Owner, Records office		Owner, Records office	
Effective Date of Data Source(s)		08/13/2019		08/13/2019		08/13/2019		08/13/2019	

Summary of Sales Comparison Approach Comps 4-6 were used for additional data in analysis. Comp 4 is a recent sale, also has some basement area and a nice view, used for its recent price indicator. Comp 5 is a Relocation sale of an older home with basement, has a nice view with more dated features and a cumbersome driveway. Comp 6 is an older sale in the subjects subdivision, this is considered a low indicator as the home was sold as the result of a divorce and had no finished kitchen counters, used for its similar site, and close proximity. Although not heavily weighted, comps 4-6 are supportive within reasonable limits.

Comments on sales comparison:

Transactions in the Valdez area typically take place in spurts, thus there can be periods during the year which have minimal sales. In addition there has been little activity in the subject neighborhood, this, combined with the small number of total properties, wide range of style and quality of homes makes it necessary to exceed guidelines for date of sale and normally desired gross and/or net adjustments. This is typical for the Valdez area, and is not felt to affect the validity of the sales comparison approach. This situation was unavoidable, although each sale is felt to be reflective of the subject in some way and form a relatively close indication of value. The somewhat low turnover of homes in the Valdez area also constitutes the necessity to use older sales. Thus sales up to 2+ years old are often considered recent and acceptable to use.

The appraiser searched the entire Valdez market area back over 2 years to try and find sales that bracket the subjects size and age to satisfy lender guidelines, and no other comparable sales were found that were considered more reflective There limited comparable listings found in the entire Valdez market area, for additional information on available homes for sale in the area please go to www.soundrealty.net this is the web site for the only active Broker in the Valdez area.

Age adjustments are based on \$3,000/year of effective age. Condition adjustment is used to compensate for differences in wear and tear on floor covering, paint, deferred maintenance and such things. Based on market evidence and/or cost to cure, supported by cost and depreciation of short lived components of the home.

Square footage differentials are calculated at \$60/sqft for above grade levels, \$40/sqft for basement area and \$15/sqft for unfinished areas.

Based on the opinion of market value, a reasonable exposure time for the subject, analyzed independently from the stated marketing time, is estimated at 30-90 days.

With the lack of abundancy and reporting consistency within the sale data, not all adjustments in the sales comparison approach can be directly extracted or supported with a high degree of accuracy and typically are derived from an extracted value range. Finally adjustments are refined using sensitivity analysis within the grid and tested for reasonableness with the selected comparable sales. The subject and comparable sales have variances in regard to amenities; ie, fireplace, woodstove, interior features, etc., which certainly incur cost & add market appeal; however, considering the lack of data to make a reasonably supported adjustment; in this case, are more prudently considered in the final analysis.

Uniform Residential Appraisal Report

XX
File No. 19108

ADDITIONAL COMMENTS

UAD Comments:

At the request of the client, this appraisal report has been prepared in compliance with the Uniform Appraisal Dataset (UAD) from Fannie Mae and Freddie Mac. The UAD requires the appraiser to use standardized responses that include specific formats, definitions, abbreviations, and acronyms. See "Uniform Appraisal Dataset Definitions" pages for explanations.

The appraiser attempted to obtain an adequate amount of information in the normal course of business regarding the subject and comparable properties. Some of the standardized responses required by the UAD, especially those in which the appraiser has not had the opportunity to verify personally or measure, could mistakenly imply greater precision and reliability in the data than is factually correct or typical in the normal course of business. Examples include condition and quality ratings as well as comparable sales and listing data. Comparable property data was generally obtained from third-party sources; municipal tax records, with verification from homeowners, listing & selling agents, lenders & appraisers, AMDS (Alaska Market Data System) when available. Consequently, this information should be considered an "estimate" unless otherwise noted by the appraiser.

The address reported in the appraisal form is according to then US Postal Service records as required by UAD format. The title company reports the city of county address and the title report may or may not match USPS records.

The subject and all the comparable sales have valid street address as verified by city tax records and are valid for mapping purposes and emergency response. However, the USPS does not deliver mail to individual properties in the Valdez area, but rather to PO boxes only. As such street addresses may not show as valid USPS addresses for the UAD appraisal format.

Note: All the comparable sale pictures were taken by the appraiser, most were not taken on the effective date of this appraisal, yet all were taken since the sale took place. With Valdez being being a small community with limited sale data, comparable sales are used many times before new sales take place. Since the appraiser has to travel (fly) to Valdez it is impractical and often not possible to retake comparable sale pictures every time since the appraiser is unsure at the time which sales will be used for each appraisal, as such file copies of pictures are often used.

Prior Services - The appraiser of the report, as indicated in the signature section, has provided prior services for the subject property in the 36 months prior to accepting this assignment. Subject was appraised in 04/2019 and 08/2018, both for the prior sale transactions.

Subject being above predominant price is not considered an over-improvement as there are many other homes in the area of similar and greater value, which is evident by the comparable sales.

COST APPROACH

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)

ESTIMATED	<input type="checkbox"/> REPRODUCTION OR	<input type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$
Source of cost data			Dwelling	2,498 Sq. Ft. @ \$ = \$
Quality rating from cost service	Effective date of cost data			Sq. Ft. @ \$ = \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)			Porch	
Cost approach is not developed as it is less reliable in the Valdez area, due to the subjective nature of calculating depreciation and estimating land value.			Garage/Carport	1,240 Sq. Ft. @ \$ = \$
			Total Estimate of Cost-New = \$	
			Less	75 Physical Functional External = \$ ()
			Depreciation	
			Depreciated Cost of Improvements = \$	
			"As-is" Value of Site Improvements = \$	
Estimated Remaining Economic Life (HUD and VA only)			69 Years	INDICATED VALUE BY COST APPROACH..Rounded..... = \$

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ X Gross Rent Multiplier = \$ Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM) The income approach is not developed for single family residences, as the typical buyer in the local market is not motivated by a properties income potential.

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal name of project

Total number of phases Total number of units Total number of units sold

Total number of units rented Total number of units for sale Data source(s)

Was the project created by the conversion of an existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion.

Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data source(s)

Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.

Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.

Describe common elements and recreational facilities.

Uniform Residential Appraisal Report

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

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. 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.

Uniform Residential Appraisal Report

XX
File No. 19108**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. 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 approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, 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.
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).

Uniform Residential Appraisal Report

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.

26. Prior Services - The appraiser of the report, as indicated in the signature section, has provided prior services for the subject property in the 36 months prior to accepting this assignment. Subject was appraised in 04/2019 and 08/2018, both for the prior sale transactions.

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

Signature 
Name Randolph Seaman
Company Name Frontier Appraisal Service, Inc.
Company Address 750 E. Fireweed Lane, #102
Anchorage, AK 99503
Telephone Number 907-276-4663
Email Address frontier.appraisal@acsalaska.net
Date of Signature and Report 08/21/2019
Effective Date of Appraisal 08/13/2019
State Certification # 73
or State License # _____
or Other (describe) _____ State # _____
State AK
Expiration Date of Certification or License 06/30/2021

ADDRESS OF PROPERTY APPRAISED

3031 Mendenhall St
Valdez, AK 99686

APPRAISED VALUE OF SUBJECT PROPERTY \$ 460,000

LENDER/CLIENT

Name No AMC
Company Name Alaska USA Mortgage Company, LLC.
Company Address 4000 Credit Union Dr
Anchorage, AK 99503
Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

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

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 _____

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
Date of Inspection _____

Condition Ratings and Definitions

C1 The improvements have been very recently constructed and have not previously been occupied. The entire structure and all components are new and the dwelling features no physical depreciation.*

**Note: Newly constructed improvements that feature recycled materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100% new foundation and the recycled materials and the recycled components have been rehabilitated/re-manufactured into like-new condition. Recently constructed improvements that have not been previously occupied are not considered "new" if they have any significant physical depreciation (i.e., newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep).*

C2 The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category either are almost new or have been recently completely renovated and are similar in condition to new construction.

**Note: The improvements represent a relatively new property that is well maintained with no deferred maintenance and little or no physical depreciation, or an older property that has been recently completely renovated.*

C3 The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

**Note: The improvement is in its first-cycle of replacing short-lived building components (appliances, floor coverings, HVAC, etc.) and is being well maintained. Its estimated effective age is less than its actual age. It also may reflect a property in which the majority of short-lived building components have been replaced but not to the level of a complete renovation.*

C4 The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

**Note: The estimated effective age may be close to or equal to its actual age. It reflects a property in which some of the short-lived building components have been replaced, and some short-lived building components are at or near the end of their physical life expectancy; however, they still function adequately. Most minor repairs have been addressed on an ongoing basis resulting in an adequately maintained property.*

C5 The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

**Note: Some significant repairs are needed to the improvements due to the lack of adequate maintenance. It reflects a property in which many of its short-lived building components are at the end of or have exceeded their physical life expectancy but remain functional.*

C6 The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

**Note: Substantial repairs are needed to the improvements due to the lack of adequate maintenance or property damage. It reflects a property with conditions severe enough to affect the safety, soundness, or structural integrity of the improvements.*

Quality Ratings and Definitions

Q1 Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

Q2 Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residences constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high-quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

Q3 Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

Q4 Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

Q5 Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

Q6 Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure.

Definitions of Not Updated, Updated, and Remodeled

Not Updated

Little or no updating or modernization. This description includes, but is not limited to, new homes.

Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is 'Not Updated' may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical /functional deterioration.

Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.

An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

Remodeled

Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion.

A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls, and/or the addition of square footage). This would include a complete gutting and rebuild.

Explanation of Bathroom Count

The number of full and half baths is reported by separating the two values by a period. The full bath is represented to the left of the period. The half bath count is represented to the right of the period. Three-quarter baths are to be counted as a full bath in all cases. Quarter baths (baths that feature only toilet) are not to be included in the bathroom count.

ADDENDUM

Borrower: Cynthia S Clements		File No.: 19108
Property Address: 3031 Mendenhall St		Case No.: xx
City: Valdez	State: AK	Zip: 99686
Lender: Alaska USA Mortgage Company, LLC.		

Scope Of Work:

As part of the Scope of Work, the appraisal was developed by gathering information on the subject from the City of Valdez public records, Alaska Department of Natural Resources Recorder's Office website, and the local Multiple Listing Service (MLS). This includes the legal description, owner of record, zoning data, sales or transfers of the subject within the past three years and current or past listings within the past 12 months of the date of this appraisal. This Appraisal Report sets forth only a summary of the comparable sales and their comparability to the subject and the appraiser's conclusion. Supporting documentation is retained in the appraiser's work file or located in the appraiser's office.

An interior and exterior viewing of the property was made on the date noted herein only for the purpose of gathering data necessary for use in the appraisal analysis and photos were taken specific to the requirements of the assignment. The gross living area for the subject was based on appraiser's exterior measurements (rounded). The collected data was used to develop a profile of the subject and to perform a search of the market for the most similar closed comparable sales, pending and active listings. These sales, pending and active listings were viewed from the street and photos taken. The sales were confirmed and verified from public records, various data services, AKMLS, and when available an agent, owner, or lending institution. The sales data was analyzed and an opinion of value conclusion derived. The approach to value considered relevant to this assignment is the Sales Comparison Approach. The cost approach is not developed as it is less reliable due to the subjective nature in estimating accrued depreciation as the building ages & best estimation of land value based on limited land sales, especially in areas with near total build-up. The subject is a single family residence. The income approach is not developed for single family residences, as the typical buyer in the local market is not motivated by a properties income potential.

In the Sales Comparison Approach, closed sales were utilized in comparison to the subject property. This would include sales outside of the subject neighborhood if deemed necessary. Adjustments were made for any significant differences between the comparables and subject. Information on the comparable sales was based on a cross section of the Alaska Market Data System, City of Valdez public records, Multiple Listing Service (MLS), an exterior observation from the street and if possible, verification with the listing agent or other parties to the sale. Alaska Market Data System is an appraiser only membership for data sharing due to Alaska being a non-disclosure state. The gross living area for the comparables was obtained from Alaska Market Data System or Municipality of Anchorage public records when AMDS data is not available.

Intended Use And Intended Users:

The intended user of this appraisal report is the lender/client. No additional Intended Users are identified by the appraiser. This report contains sufficient information to enable the lender/client to understand the report. Any other party receiving a copy of this report for any reason is not an intended user; nor does receiving a copy of this report result in an appraiser-client relationship. Use of this report by any other party(ies) is not intended by the appraiser. The Intended Use is to evaluate the property that is the subject of this appraisal for mortgage lending decisions only, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and the Definition of Market Value. The appraisal report should not be considered as complete without all addendum pages and exhibits.

Inspection Or Inspect:

The scope of this assignment is based on a visual inspection of the subject property and a measurement of the property exterior. Appraiser notes that appraiser's measurements & municipal tax records have minor differences with respect to the square footage of the building structure which may be as a result of rounding, calculating open areas & the fact that tax assessors rarely have access to interior of homes. Appraiser's measurement is approximate.

This appraisal report is not a home inspection report and should not be relied upon to disclose conditions of the subject property that would not be a part of the appraisal process. Inspect and inspection terms pertaining to the appraiser are used generically and are not meant to imply that the appraiser is a home inspector or that the appraisal process involves analyzing the subject property to that level of detail. The appraiser is not a home inspector and does not possess this expertise. A more appropriate term that will be used for the purposes of this assignment is "view" or "viewing".

Complete Visual Inspection:

For the purposes of this assignment, the term "complete visual inspection" is defined as a cursory observation of the subject property by the appraiser used to describe in general terms the relevant physical characteristics such as features, size and condition of the subject property. The appraiser has noted the items considered to be relevant, including items that may or may not affect the value of the subject property. The appraiser has viewed the subject property from the interior and exterior as part of the scope of work for this assignment. This viewing is not intended to discover or note every minute detail (including unapparent physical deficiencies) regarding the subject property. Subject's foundation could not be completely viewed due to wall finish and a portion being below grade. Based on the limited viewing foundation is assumed adequate. Some areas of the garage could not be completely viewed due to personal items. The appraiser will not move any personal items in order to view an area due to liability concerns. The user of this report is encouraged to retain experts in their respective fields for inspection(s) concerning potential physical deficiencies, subsoil conditions, environmental issues and other concerns about the subject property, as the appraiser is only an expert in the valuation of real estate.

NEIGHBORHOOD DESCRIPTION

The subject immediate subdivision is located approximately 4-5 miles east of the city center of Valdez. The area is newly developing with average to good quality homes in the mid to upper price ranges. Nearest residential area is about a mile away and shows a compatible mixture of single family homes and mobile homes which is trending more towards typical wood frame homes and away from mobile homes, yet mobile homes still continue to influence marketability. Schools, shopping and employment are all located in the city center of Valdez and the Alyeska Terminal/Tank farm. Marketability is average compared to the greater Valdez area.

Neighborhood Market Conditions

Market conditions have been slow but stable over the last several years with seasonal highs in the spring and summer months, and lows in the slower winter months. Prices have not followed national trends and have been stable with steady sale activity as many residents have taken advantage of first time home buyer programs and low interest rates by upsizing. Historical sale activity suggests market time is in the 3-6 month range for modest and mid priced homes and 6+ months for upper priced homes. However, in recent months there has been a flurry of activity(at least by Valdez standards) through all price ranges which has absorbed nearly all the inventory of decent available homes from the local Broker, and many Sale by

ADDENDUM

Borrower: Cynthia S Clements		File No.: 19108
Property Address: 3031 Mendenhall St		Case No.: xx
City: Valdez	State: AK	Zip: 99686
Lender: Alaska USA Mortgage Company, LLC.		

owner transactions. Home prices have been all over the board over the last year as some of the nicer properties are receiving offers over market value (which could be contributed to buyers who are new to the area), and others had remain on the market until asking prices are reduced. This fluctuation in prices make it difficult to support or warrant time adjustments in either direction as the market appears to be trying to stabilize. While there are other factors effecting the Valdez economy, it is heavily dependent on oil sector jobs and related contract labor. Oil sector companies tend to have a higher job movement, however, there is currently minimal job movement activity taking place, and a newly rebuilt oil refinery will be coming on line shortly and adding more jobs than there are homes for sale. Inventory is low, in fact there may be a shortage of homes in the next 6 months as one the predominant property managers indicated a zero vacancy of rentals, and, there is expected to be in the range of 25 full time positions at the local refinery coming in line and reportedly close to 300 contractors expected to start various construction jobs over the next year. With the number of residents projected to increase on the coming months, priced could very well begin to rise with the expected demand for housing.

Loan concessions (sellers paying buyers closing costs) have been more prominent over the last year and are adjusted when know and verified. Buydowns have not been an issue as interest rates are still favorable.

Local Brokers in the Valdez area do not utilize and MLS system. With Valdez being a small community with no MLS data, and few sales in each price range or style of home from year to year, there is insufficient available data to produce credible stats in analyzing market trends. As such the appraiser relies on sporadic sales from year to year when occasionally there is a paired sale, but more commonly, homes that tend to resell after a short holding period

- The following are homes throughout the greater Valdez market area, that resold over the last couple years:
1. 472 Wortmanns Lane, Valdez. (attached home), Sold 02/17/2010 @ \$170,000. Resold 02/11/2011 for \$180,000.
 2. 469 Shoup Lane, Valdez. (attached home), Sold 05/04/2009 @ \$176,000. Resold 02/23/2011 for \$180,000.
 3. 1553 Dewey Court, Valdez. (2 story log home), Sold 11/2005 @ \$375,000. Resold 01/15/2010 for \$390,000.
 4. 414 W. Oumalik St, Valdez. (2 story log home), Sold 08/05/09 @ \$170,000. Resold 06/22/10 for \$185,000.
 5. 652 Fiddlehead Lane, Valdez. (Hillside Ranch home), Sold 07/04/07 @ \$369,000 (relocation sale). Resold 09/10/10 @ \$460,000, and resold again 05/31/2016 @ \$460,000.
 6. 405 W. Oumalik Street, Valdez (1.5 sty log home), Sold 8/5/09 @ \$192,000, Resold 4/22/11 for \$196,500.
 7. 1503 Dewey Court, Valdez (2 story home), sold 07/27/2009 @ \$245,000, Resold 05/23/2011 for \$286,500.
 8. 482 Resurrection Lp, Valdez. 2 story (attached home), sold 04/23/2010 @ \$184,500, resold 01/2011 for \$205,000.
 9. 724 Copper St, Valdez (Split entry home), sold 04/30/2009 @ \$210,000, resold 09/2011 @ \$229,000.
 10. 482 Resurrection Lp, Valdez. 2 story (attached home), sold 04/23/2010 @ \$184,500, resold 11/01/2011 for \$205,000.
 11. 3048 Fairweather St, Valdez (Traditional Home), sold 10/5/07 for \$251,000, resold 03/2012 for \$281,000.
 12. 500 Resurrection Loop, Valdez. 2 story (attached home), sold 7/3/2012 @ \$240,335, resold 6/11/2013 for \$245,000.
 13. 3047 Childs St, Valdez. Rambler style home, sold 06/10/2010 @ \$250,000, resold 06/13/2013 @ \$260,000.
 14. 405 W Oumalik St, Valdez. Chalet style home, sold 06/24/2011 @ \$196,500, resold 06/07/2013 @ \$214,000.
 15. 3054 Black Rapids St, Valdez. Large home, sold 07/08/2013 @380,000, resold 09/09/14 @ \$385,000.
 16. 3059 Black Rapids St, Valdez. Large home, sold 04/23/13 @ \$348,500, resold @ \$375,000.
 17. 555 Valhalla Lane, Valdez. ZLL home, sold 11/09/2012 @ \$165,000, resold 07/27/2015 @ \$178,600.
 18. 502 Resurrection Dr, Valdez, ZLL home, sold 07/09/2012 @ \$240,335, resold 05/27/2015 @ \$ 249,000.
 19. 500 Resurrection Dr, Valdez, ZLL home, sold 09/12/2013 @ \$245,000 resold 09/28/2015 @ \$253,000.
 20. 112 Dadina St, Valdez, sold 11/02/2015 \$239,500, resold 11/2016 @ \$240,000.
 21. 421 W Oumalik St, Valdez, sold 08/14/15 @ \$231,500, resold 06/2017 @ \$260,000.
 22. 113 Ptarmigan Place, Valdez, sold 01/06/2014 \$290,000, resold 05/01/2017 \$333,000.
 23. 5450 Chalet Dr, Valdez, sold 08/09/16 @ \$194,000, resold 07/13/2018 @ \$207,500.
 24. 869 Cottonwood Dr, Valdez, sold 10/01/14 @ \$259,000, resold 06/12/2018 @ \$289,000
 25. 421 W Oumalik St, Valdez, sold 02/01/2017 @ \$260,000. resold 04/20/2018 @ \$265,000.
 26. 1193 Mineral Creek Dr, Valdez, sold 07/11/2014 @ \$265,000, resold 12/29/2017 @ \$280,000.
 27. 3264 Falcon Ave, Valdez, sold 04/24/2013 @ \$220,000, resold 06/29/2018 @ \$265,000.

Based on the above homes that have resold after a 1-4 year holding period, it is overwhelmingly evident that home sale prices have been stable, over the last 2 years. In fact, it could even be argued that there has been some modest increases. As such, the appraiser has concluded that the overall market conditions for the Valdez area, are stable.

Highest and Best Use

The relevant legal, physical, and economic factors were analyzed to the extent necessary and resulted in a conclusion that the current use of the subject property is the highest and best use. Because of the existing use, zoning, and current market demands no alternate use is likely, and the highest and best use, as if vacant, would be to construct single family residence.

Site Comments

Subject utilizes a private on site well and septic system which are assumed adequate. Well and septic systems are typical in the area, and there are no public water/sewer utilities available.

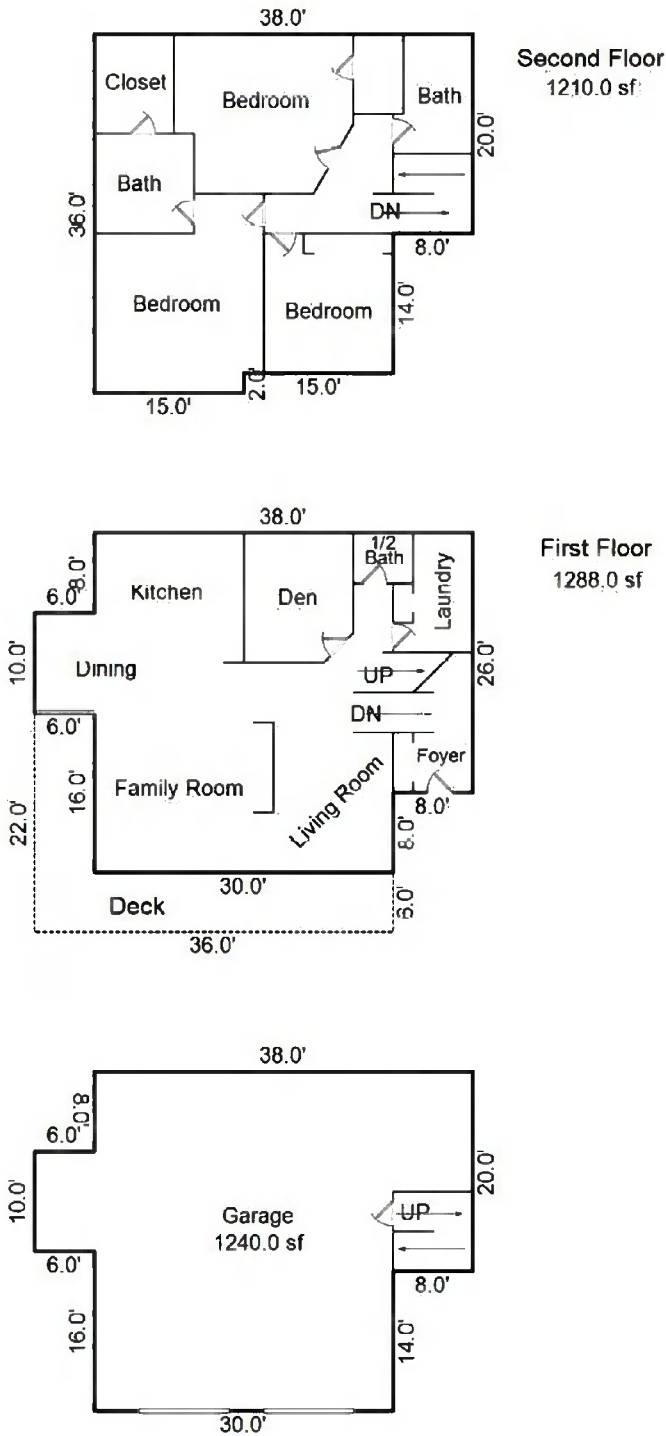
Stand pipes for a buried fuel tank was noted at the south side of the home. The appraiser is not an environmental expert, however, there were no obvious visible signs of hazardous conditions. Above ground and buried fuel tanks are typical in the Valdez area, and no adverse influences on marketability are evident. Final value assumes no hazardous conditions exist.

Condition of the Property

Continued from Condition of the Property: vehicles deep and extra wide, could fit up to 4 cars in tandem and is considered as such for appraisal purposes. No home inspection report was supplied and no immediate required repairs were noted.

FLOORPLAN SKETCH

Borrower: Cynthia S Clements		File No.: 19108
Property Address: 3031 Mendenhall St		Case No.: xx
City: Valdez	State: AK	Zip: 99686
Lender: Alaska USA Mortgage Company, LLC.		



Not To Scale

AREA CALCULATIONS SUMMARY						Sketch by Apex Sketch				
Code	Description	Factor	Net Size	Perimeter	Net Totals	Name	Base x	Height x	Width =	Area
GLA1	First Floor	1.0	1288.0	156.0	1288.0	First Floor		10.0 x	6.0 =	60.0
GLA2	Second Floor	1.0	1210.0	148.0	1210.0			34.0 x	30.0 =	1020.0
GAR	Garage	1.0	1240.0	156.0	1240.0			26.0 x	8.0 =	208.0
P/P	Deck	1.0	312.0	116.0	312.0	Second Floor		34.0 x	30.0 =	1020.0
								15.0 x	2.0 =	30.0
								20.0 x	8.0 =	160.0
Net LIVABLE			(rounded)		2,498	6 total items	(rounded)		2,498	

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Cynthia S Clements		File No.: 19108
Property Address: 3031 Mendenhall St		Case No.: xx
City: Valdez	State: AK	Zip: 99686
Lender: Alaska USA Mortgage Company, LLC.		



FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: August 13, 2019
Appraised Value: \$ 460,000



REAR VIEW OF
SUBJECT PROPERTY



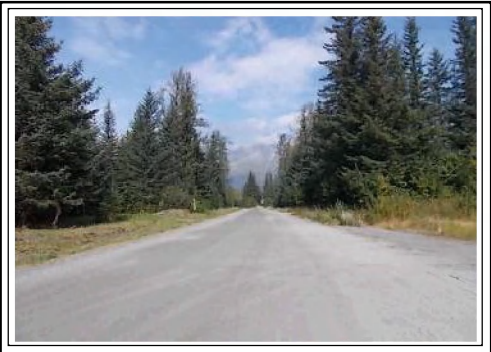
STREET SCENE

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Cynthia S Clements		File No.: 19108
Property Address: 3031 Mendenhall St		Case No.: xx
City: Valdez	State: AK	Zip: 99686
Lender: Alaska USA Mortgage Company, LLC.		



Side view



Street scene in opposite direction



Mechanical in Garage



Kitchen



Dining



Family room



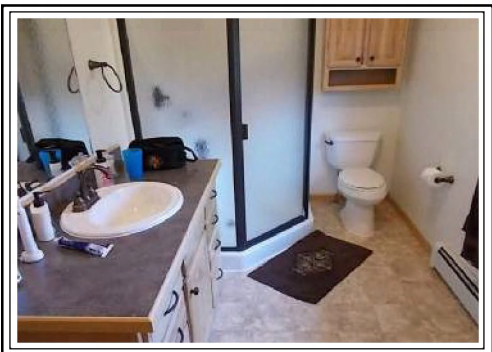
Living room



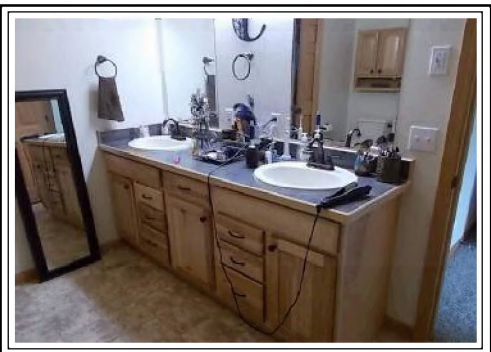
Den with built in desk & cabinets.



1/2 Bath



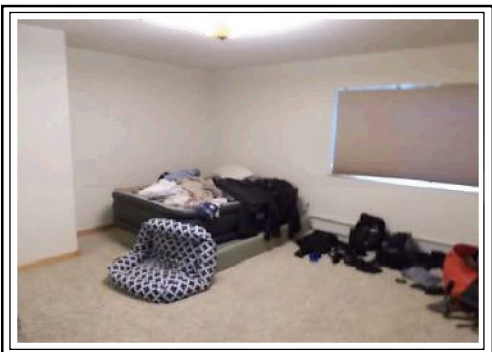
Upper Hall bathroom



Private Bathroom



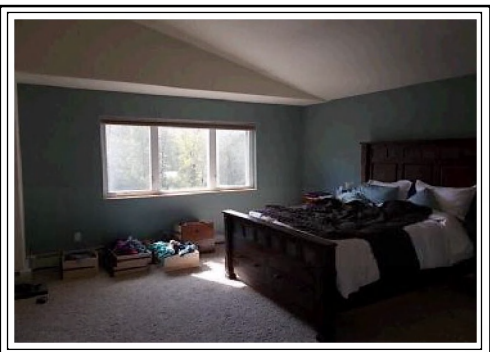
Private Bathroom shower & commode.



Bedroom



Bedroom



Bedroom

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Cynthia S Clements		File No.: 19108
Property Address: 3031 Mendenhall St		Case No.: xx
City: Valdez	State: AK	Zip: 99686
Lender: Alaska USA Mortgage Company, LLC.		



COMPARABLE SALE #1

1620 Kotsina Ct
Valdez, AK 99686
Sale Date: s05/19;c02/19
Sale Price: \$ 365,000



COMPARABLE SALE #2

1693 Kotsina Court
Valdez, AK 99686
Sale Date: s05/19;c03/19
Sale Price: \$ 375,000



COMPARABLE SALE #3

810 Salmonberry Way
Valdez, AK 99686
Sale Date: s07/19;c03/19
Sale Price: \$ 500,000

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Cynthia S Clements		File No.: 19108
Property Address: 3031 Mendenhall St		Case No.: xx
City: Valdez	State: AK	Zip: 99686
Lender: Alaska USA Mortgage Company, LLC.		



COMPARABLE SALE #4

1155 Mineral Creek Dr
Valdez, AK 99686
Sale Date: s05/19;c03/19
Sale Price: \$ 420,000



COMPARABLE SALE #5

556 Cliffside Ct
Valdez, AK 99686
Sale Date: s12/18;c11/18
Sale Price: \$ 400,000



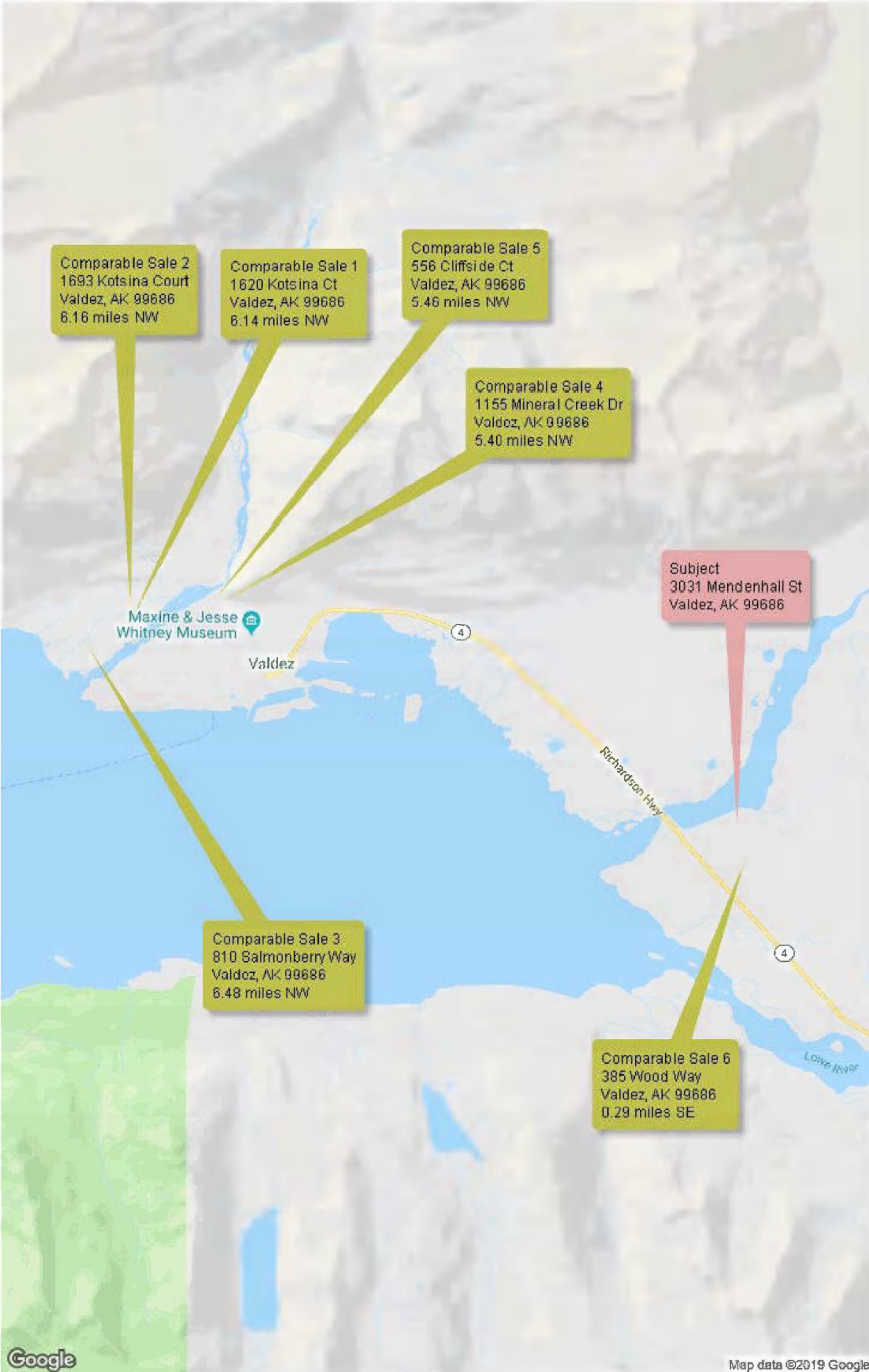
COMPARABLE SALE #6

385 Wood Way
Valdez, AK 99686
Sale Date: s06/18;c03/18
Sale Price: \$ 389,000

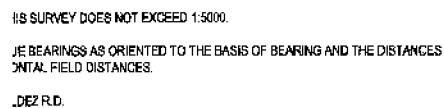
LOCATION MAP

Borrower: Cynthia S Clements		File No.: 19108
Property Address: 3031 Mendenhall St		Case No.: xx
City: Valdez	State: AK	Zip: 99686
Lender: Alaska USA Mortgage Company, LLC.		





Borrower: Cynthia S Clements		File No.: 19108
Property Address: 3031 Mendenhall St		Case No.: xx
City: Valdez	State: AK	Zip: 99686
Lender: Alaska USA Mortgage Company, LLC.		



Borrower: Cynthia S Clements		File No.: 19108
Property Address: 3031 Mendenhall St		Case No.: xx
City: Valdez	State: AK	Zip: 99686
Lender: Alaska USA Mortgage Company, LLC.		

Appraiser License/Certification

Borrower: Cynthia S Clements		File No.: 19108
Property Address: 3031 Mendenhall St		Case No.: xx
City: Valdez	State: AK	Zip: 99686
Lender: Alaska USA Mortgage Company, LLC.		

License #: APRR73
Effective: 05/29/2019
Expires: 06/30/2021

STATE OF ALASKA
Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
Board of Certified Real Estate Appraisers

Licensee: **RANDOLPH S. SEAMAN**
License Type: **Certified Residential Real Estate Appraiser**
Status: **Active**

Commissioner: Julie Anderson