



SUMMARY APPRAISAL OF REAL PROPERTY

LOCATED AT

**XXXXXXXXXXXXX
West Islip, NY XXXXX**

for

**confidential
confidential
confidential**

as of

February 15, 2002

by

**Kenneth M Rossman
2953 Kinloch Road
Wantagh, NY 11793**

Appraiser, Kenneth M. Rossman Inc.

SUMMARY APPRAISAL REPORT OF A COMPLETE APPRAISAL

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No. URARDEMA

Property Description

Property Address: XXXXXXXXXXXX City: West Islip State: NY Zip Code: XXXXX
 Legal Description: Tax Map # - District: XXXX, Section: XXX, Block: X, Lot(s): XX. //SM/ SMA: 5380 County: Suffolk
 Assessor's Parcel No.: N/A Tax Year: 2002 R.E. Taxes \$: 11,124 Special Assessments \$: none
 Borrower: XXXXXXXX Current Owner: XXXXXXXXXX Occupant: Owner Tenant Vacant
 Property rights appraised: Fee Simple Leasehold Project Type: PUD Condominium (HUD/VA only) HOA\$: N/A /Mo.
 Neighborhood or Project Name: XXXXXXXXXXXXXXXXXXXX Map Reference: Hagstrom map XXX Census Tract: 1469.02
 Sale Price \$: N/A Date of Sale: N/A Description and \$ amount of loan charges/concessions to be paid by seller: None Known
 Lender/Client: confidential Address: confidential
 Appraiser: Kenneth M Rossman Address: 2953 Kinloch Rd, Wantagh, NY 11793

Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Predominant occupancy	Single family housing	Present land use %	Land use change
Built up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%		PRICE \$ (000)	AGE (yrs)	
Growth rate	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Slow	<input checked="" type="checkbox"/> Owner	250 Low new	2-4 fam	<input checked="" type="checkbox"/> Not Likely <input type="checkbox"/> Likely
Property values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	<input type="checkbox"/> Tenant	900 High 75+	Multi-family	<input type="checkbox"/> In process
Demand/supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In balance	<input type="checkbox"/> Over supply	<input checked="" type="checkbox"/> Vacant (0-5%)	Predominant	Commercial	To: _____
Marketing time	<input type="checkbox"/> Under 3 mos.	<input checked="" type="checkbox"/> 3-6 mos.	<input type="checkbox"/> Over 6 mos.	<input type="checkbox"/> Vacant (over 5%)	550		

Note: Race and the racial composition of the neighborhood are not appraisal factors.
 Neighborhood boundaries and characteristics: The subject neighborhood is bounded to the north by XXXXX Highway, to the east by Gardiner Park, to the south by Great South Bay, and to the west by Good Samaritan Hospital.
 Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):
There are no apparent adverse factors, except as noted herein, which would affect the subjects future marketability. Stable to slightly upward trending market values and an abundance of potential purchasers demonstrate an excellent market demand for this neighborhood.
Employment is stable. Unemployment has remained relatively low. The subject has access to all necessary supporting facilities including schools, local and regional shopping, recreation, transportation, police, fire/emergency services, hospitals, and employment. The subject improvements conform well to the surrounding homes.
 Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time - such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.):
The real estate market in the subject neighborhood had been escalating in value over the last few years at a moderate to sometimes rapid pace, as per recorded mls statistical data, local builders and local real estate brokers. Currently, available housing inventory is in balance with potential buyers seeking to purchase. Marketing time is typically less than 180 days. The outlook for the foreseeable future is for continued strength and stability. Most home purchases are generally financed with conventional or fha fixed rate mortgages. Mortgage discount points (1-5) are usually paid by the purchasers. Buy downs and other sales concessions are rare.
 Project Information for PUDs (If applicable) -- Is the developer/builder in control of the Home Owners' Association (HOA)? Yes No
 Approximate total number of units in the subject project: N/A Approximate total number of units for sale in the subject project: N/A
 Describe common elements and recreational facilities: N/A

Dimensions: 75x150
 Site area: 11250 sq. ft. Corner Lot: Yes No
 Specific zoning classification and description: Single Family Residence
 Zoning compliance: Legal Legal nonconforming (Grandfathered use) Illegal No zoning
 Highest & best use as improved: Present use Other use (explain)
 Utilities: Public Other
 Electricity: 150 amp CB
 Gas: natural gas
 Water:
 Sanitary sewer:
 Storm sewer:
 Off-site Improvements: Type Public Private
 Street: macadam/asphalt
 Curb/gutter: concrete
 Sidewalk: none
 Street lights: mercury vapor
 Alley: none
 Topography: level
 Size: average/typical
 Shape: rectangular
 Drainage: appears adequate
 View: good waterview of Great South Bay
 Landscaping: average/typical of area
 Driveway Surface: pavers
 Apparent easements: none noted
 FEMA Special Flood Hazard Area: Yes No
 FEMA Zone: n/a Map Date: n/a
 FEMA Map No.: n/a
 Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.): No known and/or apparent adverse conditions which would have a significant affect upon value or future marketability. See Firrea addendum additional comments re: Flood data. Best possible waterfront location on wide deep canal with panoramic waterview of Great South Bay.

GENERAL DESCRIPTION		EXTERIOR DESCRIPTION			FOUNDATION			BASEMENT			INSULATION		
No. of Units	one	Foundation	poured concret	Slab	yes	Area Sq. Ft.	slab	Roof				<input type="checkbox"/> U	
No. of Stories	two	Exterior Walls	vinyl siding	Crawl Space	none	% Finished	n/a	Ceiling				<input type="checkbox"/> N	
Type (Det./Att.)	detached	Roof Surface	asphalt shngle	Basement	none	Ceiling	n/a	Walls				<input type="checkbox"/> K	
Design (Style)	Contemp	Gutters & Dwnspnts.	aluminum	Sump Pump	none noted	Walls	n/a	Floor				<input type="checkbox"/> N	
Existing/Proposed	existing	Window Type	vinyl insulated	Dampness	not noted	Floor	n/a	None				<input type="checkbox"/> W	
Age (Yrs.)	35	Storm/Screens	vinyl screens	Settlement	none noted	Outside Entry	n/a	Unknown				<input type="checkbox"/> N	
Effective Age (Yrs.)	10	Manufactured House	no	Infestation	none noted								

ROOMS	Foyer	Living	Dining	Kitchen	Den	Family Rm.	Rec. Rm.	Bedrooms	# Baths	Laundry	Other	Area Sq. Ft.
Basement												slab
Level 1	x	1	1	1		1		3	2	x		1844
Level 2					1			1	1			1136

Finished area above grade contains: 9 Rooms; 4 Bedroom(s); 3.00 Bath(s); 2,980 Square Feet of Gross Living Area

INTERIOR	HEATING	KITCHEN EQUIP.	ATTIC	AMENITIES	CAR STORAGE:
Floors: hrdwd/crptng/good	Type: hot water	Refrigerator: <input checked="" type="checkbox"/>	None: <input type="checkbox"/>	Fireplace(s) #: none <input type="checkbox"/>	None: <input type="checkbox"/>
Walls: drywall/good	Fuel: natural gas	Range/oven: <input checked="" type="checkbox"/>	Stairs: <input type="checkbox"/>	Patio: pavers <input checked="" type="checkbox"/>	Garage: # of cars
Trim/Finish: wood/good	Condition: good	Disposal: <input type="checkbox"/>	Drop Stair: <input type="checkbox"/>	Deck: none <input type="checkbox"/>	Attached: _____
Bath Floor: ceramic tile-granite/gd	COOLING	Dishwasher: <input checked="" type="checkbox"/>	Scuttle: <input checked="" type="checkbox"/>	Porch: enclosed <input checked="" type="checkbox"/>	Detached: _____
Bath Wainscot: ceramic tile-granite/gd	Central: cac	Fan/Hood: <input checked="" type="checkbox"/>	Floor: <input type="checkbox"/>	Fence: <input checked="" type="checkbox"/>	Built-In: 1 1/2
Doors: solid core/good	Other: none	Microwave: <input checked="" type="checkbox"/>	Heated: <input type="checkbox"/>	Pool: inground <input checked="" type="checkbox"/>	Carport: _____
	Condition: good	Washer/Dryer: <input checked="" type="checkbox"/>	Finished: <input type="checkbox"/>	gunite freeform htd: <input checked="" type="checkbox"/>	Driveway: two car

Additional features (special energy efficient items, etc.): Entertainment center with wet bar, navy bulkhead (10 yrs old), 75 gallon hot water heater, 20' granite bath with sauna and spa tub. Architectural grade roof.
 Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.: The subject property was in good/typical condition for its area at the time of inspection., external obsolescence: none noted., functional obsolescence: none noted, repairs/modernization: none noted., the subjects construction quality was good/typical for its neighborhood.
 Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property.: Your appraiser is not an expert on environmental issues. However, upon inspection of the subject property & immediate vicinity, no adverse environmental conditions were noted. See limiting conditions addendum item #6.

**SUMMARY APPRAISAL REPORT OF A COMPLETE APPRAISAL
UNIFORM RESIDENTIAL APPRAISAL REPORT**

File No. **URARDEMA**

Valuation Section

COST APPROACH	ESTIMATED SITE VALUE	= \$ 375,000	Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property): No external or functional obsolescence noted. The land value exceeds 30% of market value. This is common to the area and has no adverse affect on the subjects value or future marketability. site improvements includes 75' of navy bulkheading, paver driveway and stoop, etc.
	ESTIMATED REPRODUCTION COST-NEW-OF IMPROVEMENTS:		
	Dwelling 2,980 Sq. Ft @ \$ 115 = \$ 342,700		
	BSMT slab Sq. Ft @ \$ =		
	ig ff htd pl,encl pch,sauna,spa,patio,shed = 55,000		
	Garage/Carport 262 Sq. Ft @ \$ 40 = 10,480		
	Total Estimated Cost New = \$ 408,180		
	Less 14.3 Physical Functional External		
	Depreciation 58,370 = \$ 58,370		
	Depreciated Value of Improvements = \$ 349,810		
"As-is" Value of Site Improvements = \$ 30,000			
INDICATED VALUE BY COST APPROACH 755,000 = \$ +755,000		Remaining Economic Life: 60 Remaining Physical Life: 60	

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
XXXXXXXXXXXX		192 Anchorage La	19 Viking Dr	19 Shoal Dr
Address West Islip		West Islip	West Islip	West Islip
Proximity to Subject		three blocks north	one block west	four blocks east
Sales Price	\$ N/A	\$ 750,000	\$ 689,000	\$ 750,000
Price/Gross Liv. Area	\$ 0	\$ 273.82	\$ 260.79	\$ 250.00
Data and/or Verification Source	complete inspection	MLS closed # *714389 public record closed sale	MLS closed # 1402125 public record closed sale	MLS closed # *711197 public record closed sale
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION + (-) \$ Adjustment	DESCRIPTION + (-) \$ Adjustment	DESCRIPTION + (-) \$ Adjustment
Sales or Financing Concessions		conventional none known	conventional none known	conventional none known
Date of Sale/Time		7/12/01 CD 5/01	6/4/01 CD 4/01	10/1/01 CD 6/01
Location	waterfront-canal	waterfront-canal	waterfront-canal	waterfront-canal
Leasehold/Fee Simple	fee simple	fee simple	fee simple	fee simple
Site	11250 sf	11326 sf	11326 sf	20038 sf -26,000
View	waterview-bay	waterview-canal +15,000	waterview-bay	waterview-bay
Design and Appeal	Contemp ex rch/gd	Contemp H/R/good	Splanch/good	Splanch/good
Quality of Construction	vinyl sidng/average	vertical cedar/good -10,000	dryvet/average	wsh-brk/aver +7,000
Age	A35/E10	A35/E5 -15,000	A34/E15 +15,000	A30/E15 +15,000
Condition	good maintenance	good maintenance	good maintenance	average maint +10,000
Above Grade	Total Bdms Baths	Total Bdms Baths	Total Bdms Baths	Total Bdms Baths
Room Count	9 4 3.00	8 3 3.00	9 5 2.50 +3,000	8 4 2.50 +3,000
Gross Living Area	2,980 Sq. Ft.	2,739 Sq. Ft. 18,000	2,642 Sq. Ft. 25,500	3,000 Sq. Ft.
Basement & Finished Rooms Below Grade	slab sauna, spa	slab similar	unfin prtl bsmnt spa -5,000 +3,000	pt fin prtl bsmnt none -7,500 +6,000
Functional Utility	average/typical	average/typical	average/typical	average/typical
Heating/Cooling	ghw/cac/good	ghw/cac/good	ghw/cac/good	ghw/cac/good
Energy Efficient Items	insultd wndws/drs	insultd wndws/drs	insultd wndws/drs	insultd wndws/drs
Garage/Carport	1.5 car garage	2 car garage -2,500	2 car garage -2,500	2 car garage -2,500
Porch, Patio, Deck, Fireplace(s), etc.	enclsd pch, pvr pat none	deck,cnc patio +4,000 1 fireplace -8,000	deck +5,000 1 fireplace -8,000	deck,cnc patio +4,000 1 fireplace -8,000
Fence, Pool, etc.	ig gunite htd FF pl remodeling	htd ig pl -similar	ig gunite htd FF pl inf kitchn,bths,eqp +15,000	htd ig pl -similar inf kitchn,bths,eqp +15,000
Net Adj. (total)		X + - \$ 1,500	X + - \$ 51,000	X + - \$ 16,000
Adjusted Sales Price of Comparable		Gross 9.7% Net 0.2% \$ 751,500	Gross 11.9% Net 7.4% \$ 740,000	Gross 13.9% Net 2.1% \$ 766,000

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): **The comparable sales utilized were the best that were available. Based upon MLS statistical data, local brokers and paired sales analysis, no time adjustment was deemed to be necessary.**

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Data	none known	none known	none known	none known
Source, for prior sales within year of appraisal				

Analysis of any current agreement of sale, option, or listing of the subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal: **A thorough search of the public record (Compsearch) did not reveal any known sales of the subject or any of the comparable sales utilized herein within the last 12 months. Subject was listed 12/10/00 to 6/10/01, LP\$ 769,990 and expired unsold. No longer on the market.**

INDICATED VALUE BY SALES COMPARISON APPROACH = \$ **750,000**
 INDICATED VALUE BY INCOME APPROACH (If Applicable) Estimated Market Rent \$ /Mo. x Gross Rent Multiplier = \$ **N/A**

This appraisal is made "as is" subject to the repairs, alterations, inspections or conditions listed below subject to completion per plans and specifications.
 Conditions of Appraisal: **All factors affecting value have been carefully considered and reflected in value. Subject should be reasonably marketable at value found.**

Final Reconciliation: **The direct sales comparison approach reflects the actions of market participants and is considered to be most persuasive. The market value is supported by the cost approach. The income is deemed not applicable due to the lack of sufficient meaningful rental and/or GRM data**

The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/Fannie Mae Form 1004B (Revised **6/93**).
 I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF **February 15, 2002** (WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ **750,000**

APPRaiser: **Kenneth M Rossman** Signature: _____ Date Report Signed: **February 16, 2002** State Certification # **General #463195** State **NY**
 SUPERVISORY APPRAISER (ONLY IF REQUIRED): Signature: _____ Date Report Signed: _____ State Certification # _____ State _____
 Did Did Not Inspect Property
 Or State License # _____ State _____

F.I.R.R.E.A. ADDENDUMBorrower or Owner **XXXXXXXX**Property Address **XXXXXXXXXXXX**City **West Islip** County **Suffolk** State **NY** Zip Code **XXXXX**Lender or Client **confidential****Purpose of the Appraisal**

The purpose of this appraisal is to estimate the market value of the subject property as defined within this report. The function of this appraisal is to assist the identified lender or assignee in collateral valuation and/or portfolio management.

Scope of the Appraisal

The scope of this appraisal encompasses the necessary research and analysis to prepare a report, in accordance with the intended use, and conforming to the Uniform Standards of Professional Practice of the Appraisal Foundation. The data contained in this report has been compiled by the appraiser from the following sources: inspection/research of the subject property to identify dimensions, nature of construction, physical condition and any other physical factors; research of assessors records, zoning maps and/or manuals, FEMA flood maps, MLS and the public record via Stratus to identify assessments, transfer activity, site parameters etc.; reproduction cost is based upon the appraiser and/or supervisory appraiser's knowledge of the local market, surveys of local developers/contractors & the Means Square Foot Cost Manual. All forms of depreciation and/or obsolescence (Physical, functional, and external/economic) are specifically addressed in the attached report and/or other addenda. Physical depreciation is based on the estimated effective age of the subject property by the age/life method. The site value estimate is based on analysis of site sales or abstraction of site value from sales of improved properties.

Report of the prior year sales history for the subject propertyIs the subject property currently listed? Yes No List Price: \$ _____Has the property sold during the prior year? Yes No If yes, describe below

If applicable, I have considered and analyzed any current agreement of sale, option, or listing of the property being appraised, if the information was available in the normal course of business. Unless otherwise noted herein, all reported sale dates are closing dates from records of the appropriate assessor or as indicated by the local Multiple Listing Service. Subject was listed 12/10/00 to 6/10/01, LP\$ 769,990 and expired unsold. No longer on the market. Market is up somewhat now + listing was out of area broker.

Marketing TimeWhat is your estimate of marketing time for the subject property? 2 to 4 months Describe below the basis (rationale) for your estimate?

Based upon MLS statistical data, published articles as well information obtained from local real estate brokers and developers.

Non-real property transfersDoes the transaction involve the transfer of personal property, fixtures, or intangibles that are not real property? Yes No

If yes, provide description and valuation below.

none known

Additional Comments

The subject is a single family residence located in predominately owner-occupied area. The lack of rental data and the lack of sales of rented dwellings make meaningful rental and gross rent multiplier conclusions impossible, therefore the income approach was not applied. All sources and data utilized are considered accurate and reliable. Unreliable data has been disregarded. All sources have been noted where appropriate, and all data has been verified wherever possible. The flood zone maps provided by FEMA are of poor detail and definition.

The only way to make certain of the subject location in relation to any identified FEMA/HUD flood plain is to have a survey of the property conducted. The appraiser is not qualified to make a survey or flood determination. Please see Statement of Limiting Conditions and Appraisers Certification Page 1 paragraph marked Number 3.

Additional Certification

1. The acceptance of this appraisal assignment by the appraiser was not based on a requested minimum valuation, a specified valuation, or an approval of the loan.
2. The appraiser certifies that the compensation for this appraisal is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result of the occurrence of a subsequent event.
3. This appraisal has been prepared to conform with the Uniform Standards of Professional Appraisal practice ("USPAP") adopted by the Appraisal Standards Board of the Appraisal foundation, except the Departure Provision, unless otherwise stated below.
4. The appraiser has disclosed within this appraisal report, or below, all steps taken that were necessary or appropriate to comply with the Competency provision of the USPAP.

This appraisal is intended to comply with the reporting requirements set forth under Standards Rule 2-2 (b) of USPAP and Fannie Mae bulletin #111-94, and is deemed a "summary appraisal report" of a complete appraisal. As such, it presents only summary discussions of the data reasoning, and analysis that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation that is not provided with the report concerning the field notes, data, reasoning, and analyses is retained in the appraiser's file. The departure provision has not been invoked. The depth of the discussion contained in this report is specific to the needs of the client and for the intended use stated herein. The appraiser is not responsible for unauthorized use of this report. The appraiser has inspected the interior and exterior of the subject property and the exterior of all of the comparable sales.

Date: **February 16, 2002** Appraiser(s):**Kenneth M Rossman**

Date: _____ Review Appraiser(s): _____

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

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

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. The separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

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

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

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

ADDRESS OF PROPERTY APPRAISED: XXXXXXXXXXXX, West Islip, NY XXXXX

<p>APPRAISER:</p> <p>Signature: _____</p> <p>Name: <u>Kenneth M Rossman</u></p> <p>Date Signed: <u>February 16, 2002</u></p> <p>State Certification #: <u>General #463195</u></p> <p>or State License #: _____</p> <p>State: <u>NY</u></p> <p>Expiration Date of Certification or License: <u>12/2/03</u></p>	<p>SUPERVISORY APPRAISER (only if required):</p> <p>Signature: _____</p> <p>Name: _____</p> <p>Date Signed: _____</p> <p>State Certification #: _____</p> <p>or State License #: _____</p> <p>State: _____</p> <p>Expiration Date of Certification or License: _____</p> <p><input type="checkbox"/> Did <input type="checkbox"/> Did Not Inspect Property</p>
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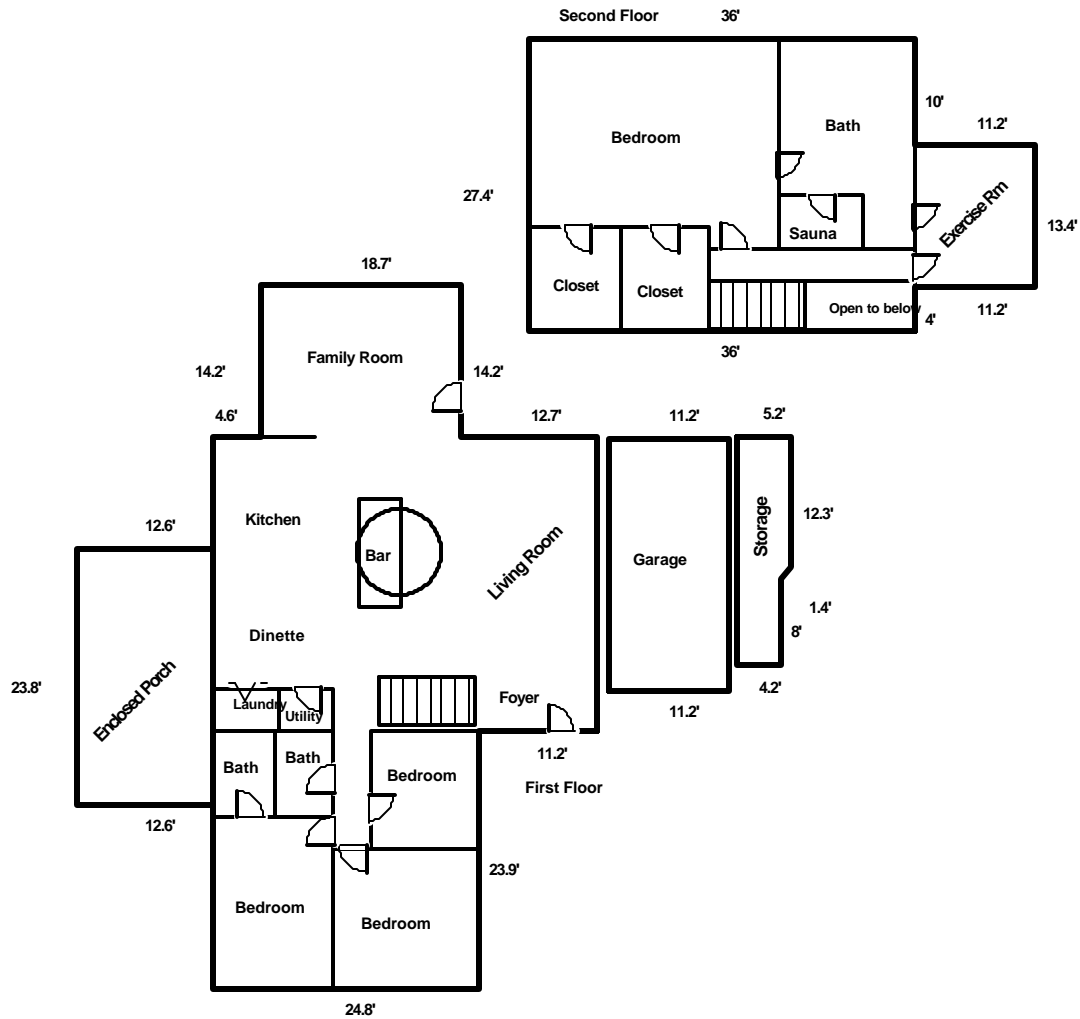
Borrower or Owner **XXXXXXXXXX**Property Address **XXXXXXXXXXXXXX**City **West Islip**County **Suffolk**State **NY**Zip Code **XXXXXX**Lender or Client **confidential****CERTIFICATION:**

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. Our analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
8. We have made a personal inspection of the property that is the subject of this report.
9. No one provided significant professional assistance to the persons signing this report.
10. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

SKETCH ADDENDUM

Borrower or Owner	XXXXXXXXXX						
Property Address	XXXXXXXXXXXXXX						
City	West Islip	County	Suffolk	State	NY	Zip Code	XXXXXX
Lender or Client	confidential						



SUMMARY	SQ FT AREA	PERIMETER	AREA CALCULATION DETAILS
Living Area			First Floor
First Floor	1844	203	18.7 X 65.5 = 1224.8
Second Floor	1136	149	4.6 X 51.3 = 235.9
Total	2980	352	12.7 X 27.4 = 347.9
			1.5 X 23.9 = 35.8
Porches/Patios			Total 1844.4
Enclosed Porch	300	73	Second Floor
Garage/Carport			36.0 X 27.4 = 986.4
Attached Garage	262	69	11.2 X 13.4 = 150.0
Storage			Total 1136.4
Storage	102	52	

Appraiser, Kenneth M. Rossman Inc. Kenneth M. Rossman

LOCATION MAP

Borrower or Owner	XXXXXXXX						
Property Address	XXXXXXXXXXXX						
City	West Islip	County	Suffolk	State	NY	Zip Code	XXXXX
Lender or Client	confidential						



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PHOTOGRAPH ADDENDUM

Borrower or Owner	XXXXXXXX						
Property Address	XXXXXXXXXXXX						
City	West Islip	County	Suffolk	State	NY	Zip Code	XXXXX
Lender or Client	confidential						



**FRONT VIEW OF
SUBJECT PROPERTY**



**REAR VIEW OF
SUBJECT PROPERTY**



**STREET SCENE OF
SUBJECT PROPERTY**

PHOTOGRAPH ADDENDUMBorrower or Owner **XXXXXXXXX**Property Address **XXXXXXXXXXXXX**City **West Islip**County **Suffolk**State **NY**Zip Code **XXXXXX**Lender or Client **confidential****COMPARABLE #1****192 Anchorage La
West Islip**

Price	\$750,000
Price/SF	273.82
Date	7/12/01 CD 5/01
Age	A35/E5
Room Count	8-3-3.00
Living Area	2,739
Value Indication	\$751,500

**COMPARABLE #2****19 Viking Dr
West Islip**

Price	\$689,000
Price/SF	260.79
Date	6/4/01 CD 4/01
Age	A34/E15
Room Count	9-5-2.50
Living Area	2,642
Value Indication	\$740,000

**COMPARABLE #3****19 Shoal Dr
West Islip**

Price	\$750,000
Price/SF	250.00
Date	10/1/01 CD 6/01
Age	A30/E15
Room Count	8-4-2.50
Living Area	3,000
Value Indication	\$766,000

PHOTOGRAPH ADDENDUM

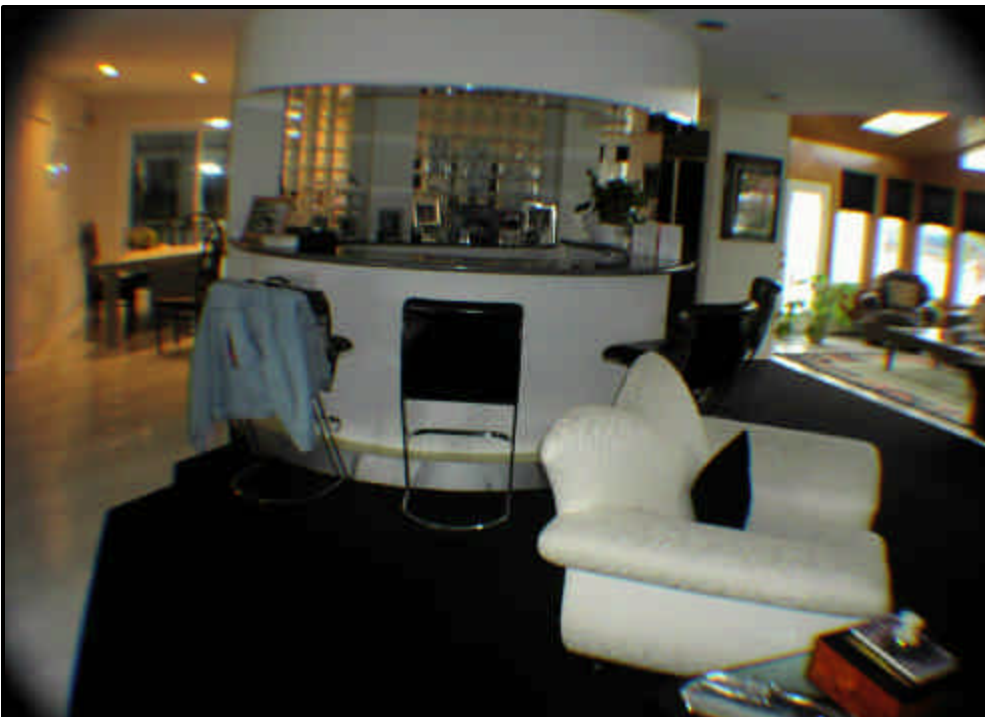
Borrower or Owner	XXXXXXXX				
Property Address	XXXXXXXXXXXX				
City	West Islip	County	Suffolk	State	NY
Zip Code	XXXXX				
Lender or Client	confidential				



22 PIPER CT
LIVING ROOM



22 PIPER CT
FAMILY ROOM



22 PIPER CT
BAR

PHOTOGRAPH ADDENDUM

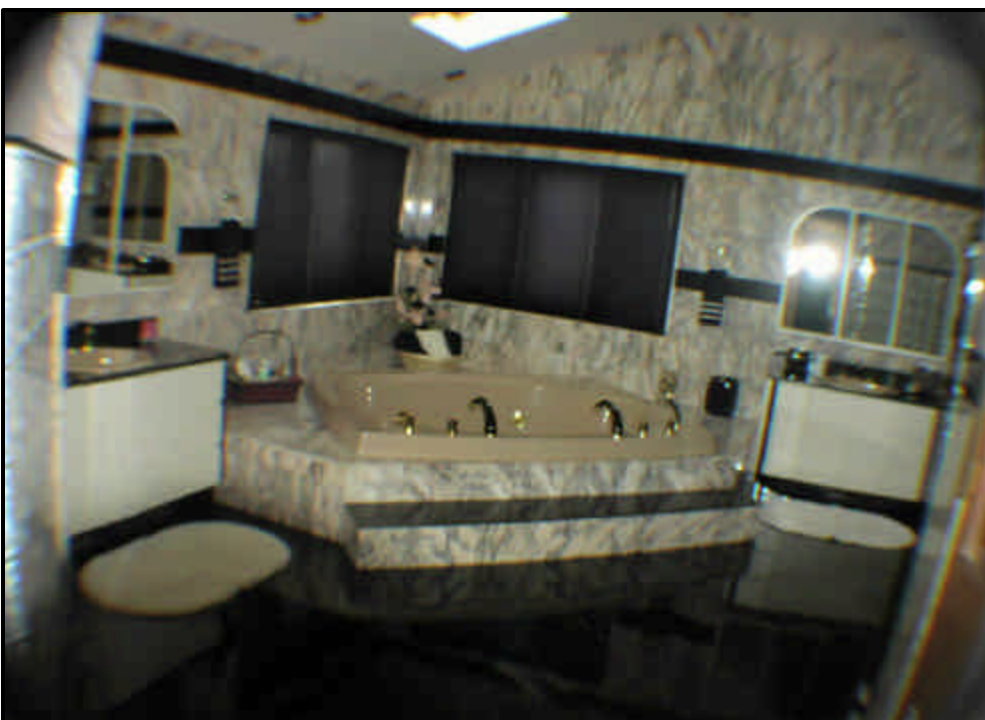
Borrower or Owner	XXXXXXXX				
Property Address	XXXXXXXXXXXX				
City	West Islip	County	Suffolk	State	NY
Zip Code	XXXXX				
Lender or Client	confidential				



BATH 1 22 PIPER CT



BATH 2 22 PIPER CT



BATH 3 22 PIPER CT

PHOTOGRAPH ADDENDUM

Borrower or Owner	XXXXXXXX						
Property Address	XXXXXXXXXXXX						
City	West Islip	County	Suffolk	State	NY	Zip Code	XXXXX
Lender or Client	confidential						



22 PIPER CT
IG POOL



22 PIPER CT
SAUNA



22 PIPER CT
WATERVIEW FROM MASTE