

Residential Evaluation

LRES Corporation's Residential Evaluation

LRES Corporation's residential evaluation services were developed to fully address the industry's needs and requirements for evaluation products. All evaluation solutions are fully compliant and meet or exceed the conditions of the Interagency Appraisal and Evaluation Guidelines (IAG). As a result, LRES offers a lower cost alternative valuation (saving hundreds when compared to traditional residential appraisals) without sacrificing valuation accuracy and report quality. We offer exterior and interior evaluation options coupled with a standard 5-business day turn-time or an optional 3 and 1 business day rush turn-time options.

The LRES residential evaluation reports include and address property detail information, prior transaction & listing history, line item adjustments (comparable to traditional appraisals) and market value conclusions including As-Is, As Repaired, and Quick Sale Values. Our evaluation report analyzes local market trends, and the subject's neighborhood to better understand it's positioning within the local market. Each evaluation also includes a site inspection performed by the field agent coupled with current subject photos obtained at the time of inspection.

The LRES residential evaluation products offer tremendous insight and data to assist in determining accurate credit and lending decisions.

Residential Evaluation (Interior)
1110 SAFFRON DR, MECHANICSBURG, PA 17050
Extended Users

Address: 1110 SAFFRON DR, MECHANICSBURG, PA 17050 Tracking #1: Sample
Borrower Name: SAMPLE Tracking #2: Sample
Loan #: SAMPLE Effective Date: 5/21/2013 Date of Report

Property Detail

APN: 10-16-1056-331 Lot Size (Acres): 0.27
GLA (SqFt.): 2,735 Data Source: County
Property Type: SFR Year Built: 2004
Units: 1 # Vacant Units: 0
Occupancy: Owner Est. Rent/Month: 2,000
Condition: Good Assessed Value: 363,000
Assessed Land Value: \$83,300 Taxes: 3,909

County: CUMBERLAND COUNTY
Zoning: RESIDENTIAL HIGH DENSITY
School District: Cumberland Valley School District

Negative Externalities: Subject has no negative externalities
Positive Externalities: Nice average location

Subject: 1110 SAFFRON DR



General Market Conditions and Subject Marketability

The Subject Property is an Over Under Appropriate improvement for the neighborhood.

Neighborhood Comments: Neighborhood is average with nice homes in good condition. Subject neighborhood is fair market driven with little distressed properties.

Location Type: Suburban Employment Rate Change (Last 6 months): Remained Stable
Local Economy: Stable Market Price % Change (Last 6 months): Remained Stable
Neighborhood Property Conditions: Average Listing Inventory % Change (Last 6 months): Remained Stable
Subject Area Occupancy %: Owners: 80% Tenants: 18% Vacant: 2%

Subject Area Listing Supply: Under Supply Neighborhood Property Types: Conforming
Market Sales Range: Low: \$305,000 High: \$415,000 Avg: \$350,000
Market Listing Range: Low: \$215,000 High: \$450,000 Avg: \$375,000
Listings in Subject Area: 10 # Sales in Subject Area: 3
of REO Listings: 2 # of REO Sales: 0
Is the Market REO driven? No Typical Marketing Time (Days): <180
Are all types of financing available for subject? Yes.

HOA: HOA? No HOA Fee: Assoc. Name: Assoc. Phone:

Subject Property Listing Information

Has the subject property been on the market in the past 12 months? Yes If yes, what was the Last Listing Price? 419,900
Is the subject property currently listed for sale? Yes Current Listing Price: 405,900
Agent Name: Agent Phone: 717-881-8888
Date of Price Reduction: First: 5/14/2013 Second: Third:
MLS #: Days on Market: 27
To the best of your knowledge, why did it not sell? Property has not been listed for very long, however list price may be slightly on the high end.

Subject Property Transaction History

| List Price | Date Listed | Sold Price | Date Sold | Notes |
|------------|-------------|------------|-----------|-------|
| 325,000 | | 325,000 | 7/14/2004 | |

Product Snapshot

- Robust commentary throughout the report
- Property detail and local market trends
- Subject property transaction history
- Three (3) Comparable Listings
- Three (3) Comparable Sales
- Line item adjustments
- Current subject photos and location map provided
- "As Is", "As Repaired", "Quick Sale" Value Estimate

Comparable Resales

| ITEM | SUBJECT | COMPARABLE SALE #1 | COMPARABLE SALE #2 | COMPARABLE SALE #3 | | | | | |
|------------------------------------|---|--|---|---|-----------------|----------------|-----------------|-------|-------|
| |  |  |  |  | | | | | |
| Address | 1110 SAFFRON DR MECHANICSBURG, PA 17050 | 1116 TUNBRIDGE LN MECHANICSBURG, PA 17050-7691 | 3607 WEYMOUTH DR MECHANICSBURG, PA 17050-7613 | 1222 KINGS CIR MECHANICSBURG, PA 17050-7673 | | | | | |
| Distance to Subject | | 0.06 | 0.14 | 0.48 | | | | | |
| Sale Price | 325,000 | 355,000 | 368,000 | 338,200 | | | | | |
| Price Over Listing Area | 137.11/ Sq. Ft. | 130.42/ Sq. Ft. | 143.25/ Sq. Ft. | 96.60/ Sq. Ft. | | | | | |
| Sale Date | | 4/1/2013 | 9/7/2012 | 11/2/2012 | | | | | |
| Days on Market | 27 | 77 | 104 | 220 | | | | | |
| Original List Price | | 349,900 | 370,000 | 384,900 | | | | | |
| Original List Date | | 1/14/2013 | 5/26/2012 | 3/27/2012 | | | | | |
| Data Source | | MLS | MLS | MLS | | | | | |
| MLS # | | | | | | | | | |
| Transaction Type | FAIR MARKET/NO DISTRESS | FAIR MARKET/NO DISTRESS | FAIR MARKET/NO DISTRESS | FAIR MARKET/NO DISTRESS | | | | | |
| School District | Cumberland Valley School District | Cumberland Valley School District | Cumberland Valley School District | Cumberland Valley School District | | | | | |
| VALUE ADJUSTMENTS | Description | Description | +(-) Adjustment | Description | +(-) Adjustment | Description | +(-) Adjustment | | |
| Property Type | SFR | SFR | | SFR | | SFR | | | |
| Style/Design | TRADITIONAL | TRADITIONAL | | TRADITIONAL | | TRADITIONAL | | | |
| # Units | 1 | 1 | | 1 | | 1 | | | |
| # Stories | 2 | 2.00 | | 2.00 | | 2.00 | | | |
| Year Built | 2004 | 1997 | | 1990 | | 1994 | | | |
| Lot Size | 0.27 | 0.25 | 1,524 | 0.30 | -2,286 | 0.31 | -3,048 | | |
| Location | Average | Average | | Average | | Average | | | |
| View | NEIGHBORHOOD | NEIGHBORHOOD | | NEIGHBORHOOD | | NEIGHBORHOOD | | | |
| Condition | Good | Good | | Good | | Good | | | |
| Above Grade Room Count | Total | above | below | Total | above | below | Total | above | below |
| | 9 | 4 | 2.5 | 9 | 4 | 2.5 | 9 | 4 | 2.5 |
| Above Grade Living Area | 2,735 | 2,722 | | 2,569 | 7,012 | 3,501 | -32,359 | | |
| Below Grade Living Area | 1,165 | | 15,000 | | 15,000 | | 15,000 | | |
| Garage/Carport | 3 CAR ATTACHED | 2 CAR ATTACHED | 5,000 | 2 CAR ATTACHED | 5,000 | 2 CAR ATTACHED | 5,000 | | |
| Porches, Patio, Deck, etc. | Patio | PATIO, DECK | -1,000 | PATIO, DECK | -1,000 | DECK | | | |
| Pool/Spa | No / Yes | No / No | | No / No | | No / No | | | |
| Other | | | | | | | | | |
| Net Adj. (total) | | | +20,524 | | +23,726 | | -17,407 | | |
| Adjusted Sales Price of Comparable | | | 375,524 | | 391,726 | | 320,793 | | |

What are our Value Propositions?

- **We can reduce valuation costs by 70%.**
Residential appraisals typically cost \$400 and our average residential evaluation costs \$125, which is a savings of 70%.
- **We can reduce turn time by as much as 50%.**
Our residential evaluations have five and three business day rush options (exterior or interior).
- **We can reduce your compliance risk and enhance valuation accuracy.**
As evidenced by our <2% kickback rate, our quality control processes demonstrate valuation compliance and accuracy.

Residential Field Agent Panel

Brokers and state licensed real estate agents apply to become an approved field agent through the LRES web portal and robust application process. Detailed information including prior experience, market expertise, service area, and licensure is required. The field agent panel is vetted monthly for license verification (by contacting state licensure agencies and boards). All un-renewed, revoked or suspended licenses result in immediate removal from the field agent panel.

To ensure LRES maintains a best in class panel of field agents, individual agent scorecards are maintained and consistently updated on all agents and brokers. The scorecard tracks individual agent performance and is updated after each completed assignment. This rating is used to calculate individual agent performance. The rating identifies potential training/coaching opportunities, overall strength of field agent, and is one tool leveraged in identifying the best agent for assignment.

Field Agent Information

| | | | | |
|----------------------------|--|-------------------------------|---------------------------------------|--|
| Name: John Smith | Company: ABC Real Estate Company | Phone: 555-123-4567 | Email: JSmith@ABCREComp.com | Dist. to Subject: 6.18 Miles |
|----------------------------|--|-------------------------------|---------------------------------------|--|

The Quality Difference

Superior quality assurance is the cornerstone in creating an accurate evaluation report. LRES has developed robust internal quality control processes and procedures to ensure reliable evaluations. LRES does not outsource or off-shore any aspect of our services and tremendous care and pride is taken by our in-house team in performing all elements of the quality review process. As a result of our focused dedication to quality assurance, LRES is able to consistently produce reliable and accurate evaluation reports to our clients and valued business partners.

To ensure the highest levels of quality in all reports provided by LRES, a robust two-tier analysis leveraged blending automated technology and manual review practices. All evaluation reports receive a manual line-item quality assurance review to ensure the report meets or exceeds industry guidelines, customer expectations and internal requirements.

Upon passing the quality assurance process, all reports are digitally encrypted and signed by the reviewer, per Interagency Guidelines. The reviewer's and field agent's information is also provided with each completed evaluation.

About LRES Corporation

Founded in 2001, LRES Corporation is a Residential and Commercial Real Estate Services Company providing valuations, REO asset management, HOA and technology solutions for the mortgage and real estate industry. With more than 15 years of continued growth, LRES specializes in helping our customers effectively manage compliance and financial risks associated with property valuation matters in the mortgage origination and default markets. Our passion is to be your Business Partner of Choice. That's why we have had the pleasure to serve a number of our clients for well over a decade. LRES strives to understand your requirements, business hurdles and market pressures to deliver regulatory-compliant real estate solutions.

Contact Information

Thank you for your time and interest in LRES Corporation. Please contact us for further information.

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