

INVOICE**FROM:**

Barenthin Appraisals
 Kurt Barenthin
 1264 2nd Avenue
 Newport, MN 55055

Telephone Number: 651-387-0277

Fax Number: 651-458-8626

INVOICE NUMBER

10,100

DATE**REFERENCE**

Internal Order #: 10,100

Lender Case #:

Client File #:

Main File # on form: 10,100

Other File # on form:

Federal Tax ID:

Employer ID:

TO:

Larry Loanofficer
 Generic Mortgage Co.
 1313 Money Lane
 Downtown, MN 55033

Telephone Number: 444-444-4444

Fax Number: 444-444-4445

Alternate Number:

E-Mail: larry@genericmortgage.com

DESCRIPTION

Lender: Generic Mortgage Co. **Client:**
Purchaser/Borrower: Sam & Suzy Homemaker
Property Address: 419 Tiffany Dr
 City: Hastings
 County: Dakota **State:** MN **Zip:** 55033
Legal Description: L 13, B 2 Cari Park

FEES**AMOUNT**

Standard appraisal fee

325.00

SUBTOTAL

325.00

PAYMENTS**AMOUNT****Check #:** **Date:** **Description:****Check #:** **Date:** **Description:****Check #:** **Date:** **Description:****SUBTOTAL****TOTAL DUE**

\$

325.00



APPRAISAL OF REAL PROPERTY

LOCATED AT:

419 Tiffany Dr
L 13, B 2 Cari Park
Hastings, MN 55033

FOR:

Generic Mortgage Co.
1313 Money Lane
Downtown, MN 55033

AS OF:

10/04/03

BY:

Kurt Barenthin
Lic. #20297304 exp. 8/31/05
Minnesota Licensed Appraiser

Kurt Barenthin
Barenthin Appraisals
1264 2nd Ave
Newport, MN 55055

Generic Mortgage Co.
1313 Money Lane
Downtown, MN 55033

Re: Property: 419 Tiffany Dr
Hastings, MN 55033
Borrower: Sam & Suzy Homemaker
File No.: 10,100

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,

Kurt Barenthin
Barenthin Appraisals
Lic # 20297304

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No. 10,100

Property Description

Property Address 419 Tiffany Dr City Hastings State MN Zip Code 55033
Legal Description L 13, B 2 Cari Park County Dakota
Assessor's Parcel No. 19-16400-130-02 Tax Year 2003 R.E. Taxes \$ 1,077.40 Special Assessments \$ 0.00
Borrower Sam & Suzy Homemaker Current Owner Sid & Sally Seller Occupant: [X] Owner [] Tenant [] Vacant
Property rights appraised [X] Fee Simple [] Leasehold Project Type [] PUD [] Condominium (HUD/VA only) HOA \$ /Mo.
Neighborhood or Project Name Cari Park Map Reference 166-D3 Census Tract 0611.08
Sale Price \$ 159,800 Date of Sale 10/03/03 Description and \$ amount of loan charges/concessions to be paid by seller \$4800.00
Lender/Client Generic Mortgage Co. Address 1313 Money Lane suite # 103, Downtown, MN 55033
Appraiser Kurt Barenthin Address 1264 2nd Avenue, Newport, MN 55055

SUBJECT

Location [] Urban [X] Suburban [] Rural
Built up [] Over 75% [X] 25-75% [] Under 25%
Growth rate [X] Rapid [] Stable [] Slow
Property values [X] Increasing [] Stable [] Declining
Demand/supply [] Shortage [X] In balance [] Over supply
Marketing time [X] Under 3 mos. [] 3-6 mos. [] Over 6 mos.
Predominant occupancy [X] Owner [] Tenant [X] Vacant (0-5%) [] Vac.(over 5%)
Single family housing PRICE \$ (000) 100 Low New AGE (yrs) 65
Present land use % One family 65 2-4 family 1 Multi-family 1 Commercial 2 Vacant 31
Land use change [] Not likely [] Likely [X] In process To: Vacant to residential Lot and Block.

NEIGHBORHOOD

Note: Race and the racial composition of the neighborhood are not appraisal factors.
Neighborhood boundaries and characteristics: The subject would compete well with similar properties in the town of Hastings.
Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.): See Attached Addenda.
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.): Market conditions are stable and money supply is adequate. Typical concessions are from 1 to 3 points, interest rates in the 5.5 to 6.5 % range prevail. Current MLS statistics indicate an average market time in the subject's market area of 52 days.

PUD

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

SITE

Dimensions 150' x 29' x 182' x 98' (Per County)
Site area 8,276 sf +/- Corner Lot [] Yes [X] No
Specific zoning classification and description R1- Single Family Residential
Zoning compliance [X] Legal [] Legal nonconforming (Grandfathered use) [] Illegal [] No zoning
Highest & best use as improved: [X] Present use [] Other use (explain)
Utilities Public Other
Electricity [X] 100 Amp
Gas [X] Nat Gas
Water [X] Municipal
Sanitary sewer [X] Municipal
Storm sewer [X] Municipal
Off-site Improvements Type Public Private
Street Asphalt [X] []
Curb/gutter Concrete [X] []
Sidewalk Concrete [X] []
Street lights Yes [X] []
Alley No [] []
Topography Crowns at Residence
Size Typical for area
Shape Irregular, see above
Drainage Appears adequate
View Residential
Landscaping Sod, Trees, Shrubs, Gravel
Driveway Surface Asphalt
Apparent easements Typical easements noted
FEMA Special Flood Hazard Area [] Yes [X] No
FEMA Zone C Map Date 04/01/81
FEMA Map No. 2701010175 B
Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.): No unfavorable or adverse easements, encroachments, or conditions known or noted. This is a suitable site for the improvements. Typical utility easements noted. (...See Addendum)

DESCRIPTION OF IMPROVEMENTS

GENERAL DESCRIPTION EXTERIOR DESCRIPTION FOUNDATION BASEMENT INSULATION
No. of Units One Foundation Concrete Block Slab N/A Area Sq. Ft. 822 Roof []
No. of Stories One Exterior Walls Wood Lap Crawl Space N/A % Finished 752 sf +/- Ceiling Concealed [X]
Type (Det./Att.) Detached Roof Surface Asphalt Basement Full Basement Ceiling Drywall Walls Concealed [X]
Design (Style) Twinhome Gutters & Dwnspnts. Adeq OH Sump Pump Basket Walls Drywall Floor []
Existing/Proposed Existing Window Type Casement Dampness None noted Floor Carp/Vin None []
Age (Yrs.) 12 Storm/Screens Thermo Settlement None noted Outside Entry Egress Wind Unknown []
Effective Age (Yrs.) 4-6 Manufactured House No Infestation None noted
ROOMS Foyer Living Dining Kitchen Den Family Rm. Rec. Rm. Bedrooms # Baths Laundry Other Area Sq. Ft.
Basement 1 2 .75 X Mech 822
Level 1 1 1 1 2 1
Level 2
Finished area above grade contains: 5 Rooms; 2 Bedroom(s); 1 Bath(s); 854 Square Feet of Gross Living Area
INTERIOR Materials/Condition HEATING KITCHEN EQUIP. ATTIC AMENITIES CAR STORAGE:
Floors Cpt/Vin-Avg Type FWA Refrigerator [X] None [] Fireplace(s) # None [] None []
Walls Drywall-Avg Fuel Nat Gas Range/Oven [X] Stairs [] Patio None [] Garage # of cars
Trim/Finish Oak-Avg Condition Avg Disposal [] Drop Stair [] Deck Wood [X] Attached Two
Bath Floor Vinyl-Avg COOLING Dishwasher [X] Scuttle [X] Porch None [] Detached
Bath Wainscot Fiber-Avg Central Yes Fan/Hood [X] Floor [] Fence Chain Link [X] Built-In
Doors Panel-Avg Other N/A Microwave [] Heated [] Pool None [] Carport
Condition Avg Washer/Dryer [X] Finished [] Driveway Two

COMMENTS

Additional features (special energy efficient items, etc.): No personal property or chattel is included in this appraisal. See Subject Property Comments (...See Addendum)
Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.: Physical
depreciation is limited to the normal aging process of the structure as well as any deferred maintenance. No functional or external obsolescence is known or noted. No evidence of any ownership change in the past 36 months.
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.: We were not made aware of nor do we know of any apparent adverse environmental conditions that may affect the property.

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No. 10,100

Valuation Section

COST APPROACH	ESTIMATED SITE VALUE	= \$	60,000	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): A review of available site sales in the subject's market area was used to determine site value. The land value is not excessive for the neighborhood. Marshall & Swift Cost Services and office files of new construction costs were used to estimate the cost rates. Site improvements represent depreciated values. Costs were rounded.	
	ESTIMATED REPRODUCTION COST-NEW-OF IMPROVEMENTS:				
	Dwelling	854 Sq. Ft. @\$ 100.00	= \$		85,400
		752 Sq. Ft. @\$ 15.00	=		11,280
	Appliances & Central Air		=		3,500
	Garage/Carport	378 Sq. Ft. @\$ 20.00	=		7,560
	Total Estimated Cost New		= \$		107,740
	Less	Physical	Functional		External
	Depreciation	7,186	= \$		7,186
	Depreciated Value of Improvements		= \$		100,554
"As-is" Value of Site Improvements		= \$	4,500		
INDICATED VALUE BY COST APPROACH					
		= \$	165,054		

ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	419 Tiffany Dr Hastings	501 Tiffany Dr Hastings		484 Tiffany Dr Hastings		609 Kendall Dr Hastings	
Proximity to Subject		.10 Miles		.13 Miles		.20 Miles	
Sales Price	\$ 159,800	\$ 162,637		\$ 157,000		\$ 167,900	
Price/Gross Living Area	\$ 187.12 /sf	\$ 178.33 /sf		\$ 174.83 /sf		\$ 189.93 /sf	
Data and/or Verification Source	County Records Inspection	MLS files (dom)=28 Data serv/Cty rec		MLS files (dom)=16 Data serv/Cty rec		MLS files (dom)=21 Data serv/Cty rec	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.
Sales or Financing Concessions		Conventional \$4737.00	-4,800	FHA \$4000.00	-4,800	Cash 0 points	-4,800
Date of Sale/Time		05/29/03		06/13/03		10/01/03	
Location	Suburban/Avg	Suburban/Avg		Suburban/Avg		Suburban/Avg	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	8,276 sf +/-	7,840 sf +/-		4,791 sf +/-	+6,800	4,800 sf +/-	+6,800
View	Residential	Residential		Residential		Residential	
Design and Appeal	Twin Home	Twin Home		Twin Home		Twin Home	
Quality of Construction	Average	Average		Average		Average	
Age	12	8		10		6	
Condition	Average	Average		Average		Average	
Above Grade Room Count	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
	5 2 1	5 2 1		5 2 1		5 2 1	
Gross Living Area	854 Sq. Ft.	912 Sq. Ft.	-1,740	898 Sq. Ft.	-1,320	884 Sq. Ft.	-900
Basement & Finished Rooms Below Grade	Full Basement 752 sf +/- TBa	Full Basement 792 sf FBa	-1,600	Full Basement 708 sf FBa	-300	Full Base/WO Unfinished	-2,500 +14,000
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	FA-Gas/CA-Avg	FA-Gas-CA/Avg		FA-Gas-CA/Avg		FA-Gas-CA/Avg	
Energy Efficient Items	Average E. E.	Average E. E.		Average E. E.		Average E. E.	
Garage/Carport	2 Attached	2 Attached		2 Attached		2 Attached	
Porch, Patio, Deck, Fireplace(s), etc.	Deck	Deck		Patio		Deck	
	None	None		1 Fplc	-3,000	1 Fplc	-3,000
Fence, Pool, etc.	Fence	Fence		None	+1,000	Fence	
Kitchen Appl	Typical Appl.	Typical Appl.		Typical Appl.		Typical Appl.	
Net Adj. (total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ 8,140		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ 1,620		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 9,600	
Adjusted Sales Price of Comparable		\$ 154,497		\$ 155,380		\$ 177,500	

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): (...See Addendum)

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Data Source, for prior sales within year of appraisal	No prior sales in the past 36 months.	No prior sales in the past twelve months	No prior sales in the past twelve months	No prior sales in the past twelve months

Analysis of any current agreement of sale, option, or listing of subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal: Listing agents and/or county records were utilized to confirm that the sales are closed and that the data is accurate.

INDICATED VALUE BY SALES COMPARISON APPROACH \$ 160,000

INDICATED VALUE BY INCOME APPROACH (if Applicable) Estimated Market Rent \$ N/A /Mo. x Gross Rent Multiplier N.A = \$ N/A

This appraisal is made "as is" subject to the repairs, alterations, inspections or conditions listed below subject to completion per plans & specifications.
 Conditions of Appraisal: None. Property is appraised in its "as-is" condition.

Final Reconciliation: The market approach is the most meaningful method of valuation and is given greatest consideration. It has developed an accurate and reliable indication of value. The income approach was not considered due to the limited and inconclusive 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/FNMA 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 10/04/03
 (WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 160,000

APPRaiser: Kurt Barenthin **SUPERVISORY APPRAISER (ONLY IF REQUIRED):**
 Signature _____ Signature _____ Did Did Not
 Name Kurt Barenthin Name _____ Inspect Property
 Date Report Signed October 06, 2003 Date Report Signed _____
 State Certification # _____ State State Certification # _____ State
 Or State License # 20297304 State MN Or State License # _____ State

Borrower/Client	Sam & Suzy Homemaker		
Property Address	419 Tiffany Dr		
City	Hastings	County	Dakota
State	MN	Zip Code	55033
Lender	Generic Mortgage Co.		

NEIGHBORHOOD

Hastings is the county seat of Dakota County, centered approximately 25 miles Southeast of the central business district of Saint Paul, the capitol of Minnesota.

The focus of the development of Hastings throughout its early history was the St. Croix River, which empties into The Mississippi River along the eastern border of the city. Hastings began as a small river port during the early days of Minnesota's history, which status it maintained through the days of railroad development during the 1870s through the 1890s and early years of the 20th century.

Hastings served as an area support community and an area marketing and distribution hub through the middle of the current century. Regional light industrial functions provided the primary base.

Hastings's reasonable proximity to the St. Paul Minneapolis metropolitan area and the enhanced access via good quality state highways, and the inexorable growth of the metro area has resulted in it becoming a far suburb, still considered to be within reasonable commuting proximity of the metro area and its regional employment centers.

Hastings is popular for its reasonable access to the metro center, its ready proximity to a variety of recreational options, including the St. Croix and Mississippi River, and its small town ambience.

Employment in Hastings is provided by the area manufacturing options, state and local government, the local merchants, and the nearby major employment centers of the metro area.

Recreation is provided by nearby lakes and rivers, area recreational facilities, and also by the regional recreational and leisure facilities of the metro area."

The service needs and amenities of a far suburban lifestyle is met by area merchants, nearby regional shopping malls and centers, and again by the regional options provided by the metro area.

No single style of residence predominates in Hastings. The oldest residences are the earliest farm residences, and large Victorian Mansions those residences built around the original business center of the town. Residential styles range from those through the various popular styles from the Civil War forward, with the most recent residences encompassing the variety of styles common since the mid 1950s-ramblers, split entries, multi levels, two stories, and the now ubiquitous modified two story.

The subject's immediate neighborhood consists of a variety of residences built since the mid 1970s, well built and generally well maintained. The area is a blend of rambler, split entry, two story and multi level residences, sited on city lot and block sites, served by all municipal utilities. A survey of MLS data for the Hastings area indicates a price range of \$85,000 to \$325,000 in the past year, with an average sales price of \$175,400, and an average market time of 37 days.

SUBJECT SITE

The subject site is of a size and configuration typical for the area. Landscaping is commensurate for the area and value of the residences and consists of maturing trees, shrubs, foundation plantings, perimeter gravel, and sod.

The grade of the subject site, the bordering sites, and the area in general is such as to enhance drainage. Storm sewers are present in the area to handle excessive runoff of spring melt. A review of FEMA maps indicate the subject is not in a flood prone area.

The site rises gradually and steadily from the street to the residence, crowns at the residence, and from the rear of the residence top the arar of the site falls gradually but steadily.

A review of applicable zoning code indicates the subject is a compatible and conforming use within its zoning district.

No apparent adverse environmental conditions known or note during the inspection. The subject property is not in ready proximity to any known environmental hazard sites, based on available EPA and MPCA data.

There are no apparent adverse conditions effecting the site.

SUBJECT PROPERTY

The subject is a 1991 built split entry style twin home residence an area of similar value and vintage properties, well built and generally well maintained. Overall condition of the property is commensurate with its age.

The subjects full basement has approximately 730 sf finished into a family room, two bedrooms with egress windows and a 3/4 bath. The unfinished area is the laundry/mechanical room.

The subjects two car attached garage has direct access to the gross living area.

The electrical service is 100 amperes, and appears to be in sound condition. Its overall efficacy was not evaluated, but was assumed to be typical of the age of the property.

The main level consists of a living room, dining room, kitchen, two bedrooms and a full bath.

The kitchen, dining room and bath have vinyl floors.

The living room and bedrooms have carpeted floors.

The kitchen has a typical complement of appliances and adequate cupboard and cabinet space

The above description of amenities and features is not considered to be all inclusive, but is provided to suggest the overall quality and detail work present in the subject property.

Borrower/Client	Sam & Suzy Homemaker		
Property Address	419 Tiffany Dr		
City	Hastings	County	Dakota
State	MN	Zip Code	55033
Lender	Generic Mortgage Co.		

SALES COMPARISON

This appraisal report is prepared for the sole and exclusive use of Generic Mortgage Co. to assist with the mortgage lending decision. The appraiser is not a home inspector and does not present himself as one. This report should not be relied upon to disclose any conditions present in the subject property. The appraisal report does not guarantee that the property is free of defects. A professional home inspection is recommended if so desired.

NOTE THAT THE SUBJECT PROPERTY, COMPARABLE SALES, AND ANY OTHER PHOTOS INCLUDED IN THIS REPORT WERE TAKEN WITH A DIGITAL CAMERA, LOADED ON OUR DATA BASE, AND PRINTED THROUGH OUR APPRAISAL SOFTWARE. THE PHOTOS INCLUDED IN THIS REPORT ARE CONSIDERED TO BE TRUE AND ACCURATE REPRESENTATIONS, AND HAVE NOT BEEN ALTERED.

The comparable sales chosen are believed to be the best available at the time of the appraisal and provide a supportable range of value, and adequately support the indicated value of the subject property.

All sales were closed sales and were so verified through one or more of the following: listing agents, county records, or other readily available data sources deemed reliable.

Adjustments were based on comments and information received from one or more of the following: listing agents, external inspection of the comparables, data retrieval services, county records, or other readily available data sources deemed reliable.

Zoning, tax, and related data was obtained from readily available county records and data retrieval services available to our firm, and was assumed accurate.

Adjustments were subject to rounding.

Interior and exterior inspection of a residence similar to the subject takes approximately ninety minutes to complete. Inspection is for valuation purposes and is not intended for code compliance. Unfinished attic areas accessed via scuttles were not inspected, nor were foundation crawl spaces, if such areas were not readily accessible. I did not verify the presence of amount of insulation in the ceiling or walls unless the insulation was readily visible from the gross living area or specified in the plans and specifications of new construction. Insulation was assumed adequate and typical for properties of the vintage or condition of the subject or to current code in the case of new construction.

MLS file numbers of the comparable sales area as follows:

Comparable #1
 MLS file # 2139504
 Comparable #2
 MLS file # 2121621
 Comparable #3
 MLS file # 2176540

The past 36 month listing history of the subject property is as follows:

The property was listed for sale 09/14/03.

And is subject to a purchase agreement dated 10/03/03 between Sam and Suzy Homemaker as buyers and Sid and Sally Seller as sellers.

NOTE: MLS files and various data retrieval services and/or available assessor's data was utilized in the preparation of this report.

An adjustment was made to Comparable Sales # 1, #2 and #3 for seller concessions at a dollar for dollar rate.

Site and view adjustments were taken together and considered size view, topography, site utility, aesthetic appeal, and overall value. Specific adjustments were based on a review and analysis of available site sales of sites considered comparable to the subject in the subject's broad market area.

Gross living adjustments were calculated at a per square foot amount of \$30.00

Basement finish adjustments considered amount and quality of finish, its value as reflected in the broad price range of the subject property and Comparable Sales and the presence, number, and configuration of bathrooms.

Basement adjustments considered the cost to construct a walkout basement, enhanced utility, enhanced market appeal of a walkout basement and relative value as reflected in the market in the subject's general price range.

Fireplace adjustments considered the cost to construct a fireplace itself and the relative market value in the subject's broad market area and general price range.

Fence adjustments considered the depreciated value and the value as reflected in the market of the various fencing present in either the subject property or Comparable Sales. Adjustment amount was based on data derived from Marshall and Swift Residential Cost guidelines and appraiser's estimate of age and condition of fencing.

Data retrieval services available to the appraiser indicate that the current property taxes for the subject are "homestead" classification.

NOTE that no plat map is included with this report. The subject is on a city lot and block site in an area of similar configuration and size sites. The site dimensions as provided by data retrieval services deemed reliable were considered accurate.

County records indicate the owners of the subject property are Sid and Sally Seller.

Supplemental Addendum

Borrower/Client Sam & Suzy Homemaker			
Property Address 419 Tiffany Dr			
City Hastings	County Dakota	State MN	Zip Code 55033
Lender Generic Mortgage Co.			

Equal consideration was given to all Comparable Sales.

Distance from the subject to the Comparable Sales was calculated via a computer base mapping system is considered accurate, reliable, and repeatable.

This appraisal may be used for its intended purpose as of the effective date of this appraisal, 04, September, 2003. Any use for any other purpose is not within the purview of this report as of its effective date and may not be used without the express written permission of the appraiser noted elsewhere in this report. Any use other than the intended use or use without the written permission of the appraiser renders this appraisal null and void, with the appraiser having no responsibility for its application for other purposes.

NOTE NOTE: The software that is used for this report allows me to use digital signatures. The signatures are scanned into the Alamode software and digitally encrypted and password protected. Also when this file is E-Mailed to someone, the file is sent using Adobe Acrobat and is encoded again for protection.

Subject Photo Page

Borrower/Client Sam & Suzy Homemaker			
Property Address 419 Tiffany Dr			
City Hastings	County Dakota	State MN	Zip Code 55033
Lender Generic Mortgage Co.			

**Subject Front**

419 Tiffany Dr
 Sales Price 159,800
 Gross Living Area 854
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1
 Location Suburban/Avg
 View Residential
 Site 8,276 sf +/-
 Quality Average
 Age 12

**Subject Rear****Subject Street**

Comparable Photo Page

Borrower/Client Sam & Suzy Homemaker			
Property Address 419 Tiffany Dr			
City Hastings	County Dakota	State MN	Zip Code 55033
Lender Generic Mortgage Co.			

**Comparable 1**

501 Tiffany Dr
 Prox. to Subject .10 Miles
 Sale Price 162,637
 Gross Living Area 912
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1
 Location Suburban/Avg
 View Residential
 Site 7,840 sf +/-
 Quality Average
 Age 8

**Comparable 2**

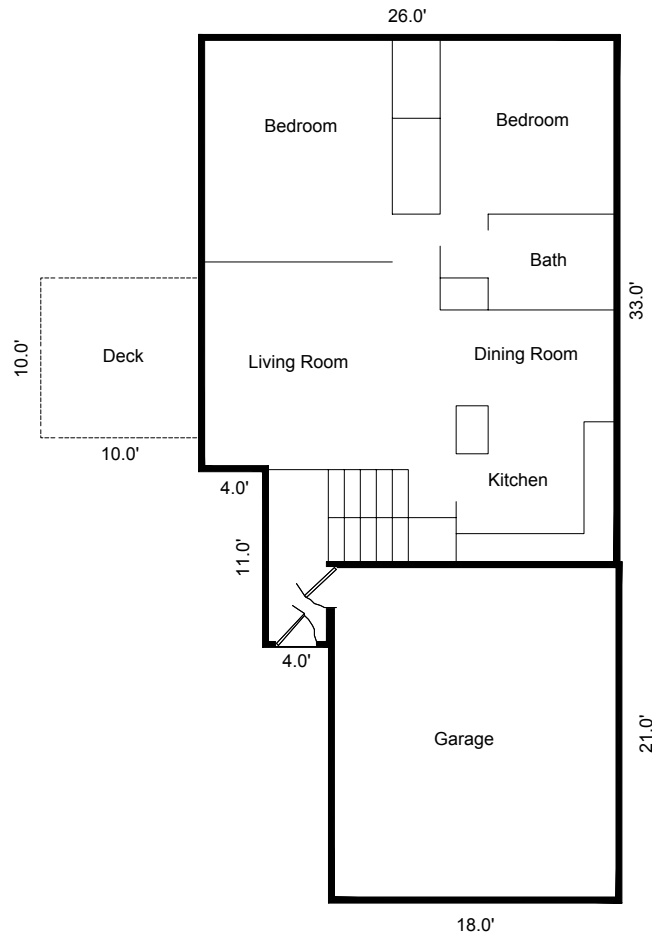
484 Tiffany Dr
 Prox. to Subject .13 Miles
 Sale Price 157,000
 Gross Living Area 898
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1
 Location Suburban/Avg
 View Residential
 Site 4,791 sf +/-
 Quality Average
 Age 10

**Comparable 3**

609 Kendall Dr
 Prox. to Subject .20 Miles
 Sale Price 167,900
 Gross Living Area 884
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1
 Location Suburban/Avg
 View Residential
 Site 4,800 sf +/-
 Quality Average
 Age 6

Building Sketch (Page - 1)

Borrower/Client Sam & Suzy Homemaker			
Property Address 419 Tiffany Dr			
City Hastings	County Dakota	State MN	Zip Code 55033
Lender Generic Mortgage Co.			



Sketch by Apex IV™

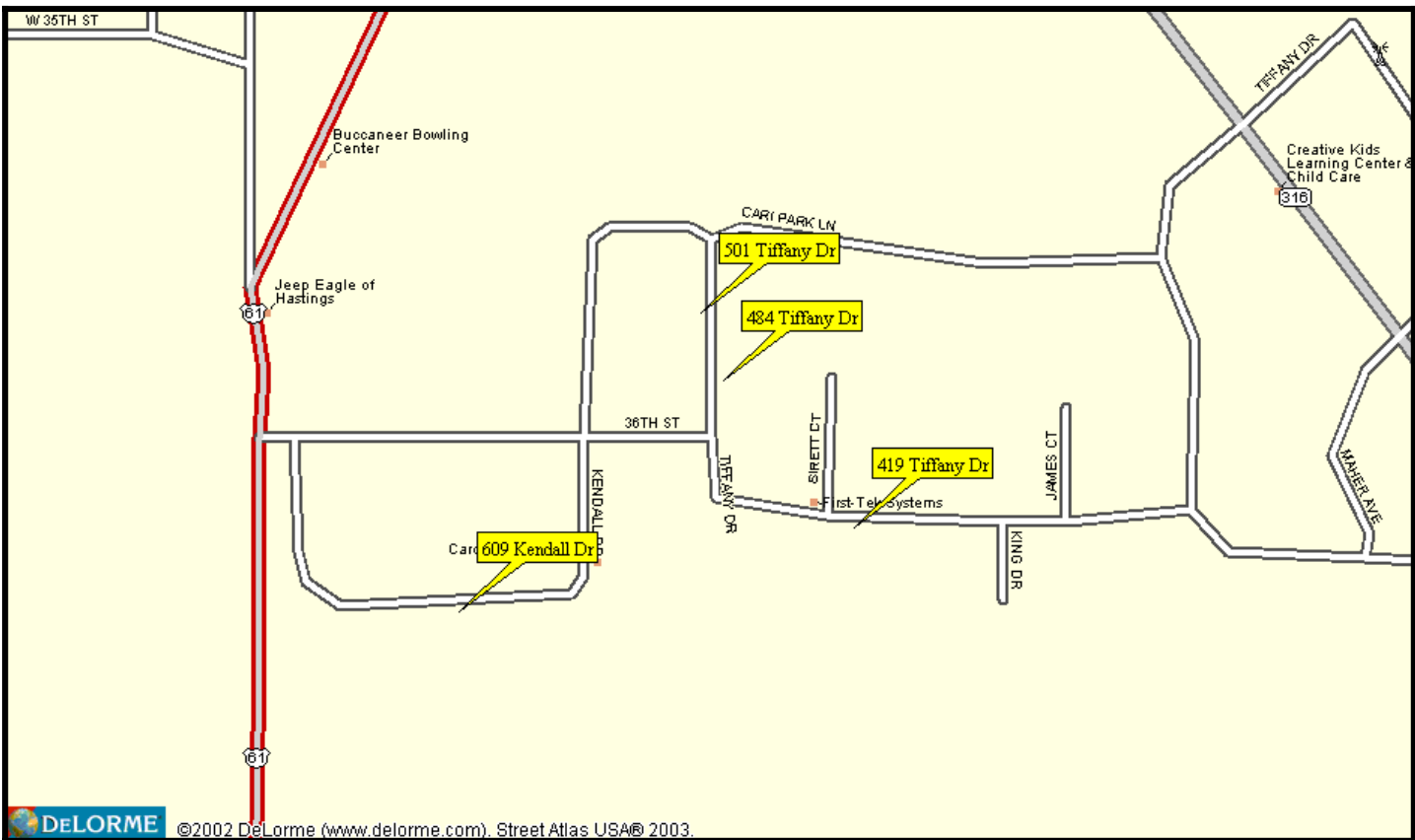
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Size	Net Totals
GLA1	First Floor	854.00	854.00
BSMT	Basement	822.00	822.00
P/P	Deck	100.00	100.00
GAR	Garage	378.00	378.00
TOTAL LIVABLE (rounded)			854

LIVING AREA BREAKDOWN		
Breakdown		Subtotals
First Floor		
4.0	x 38.0	152.00
4.0	x 27.0	108.00
18.0	x 33.0	594.00
3 Calculations Total (rounded)		854

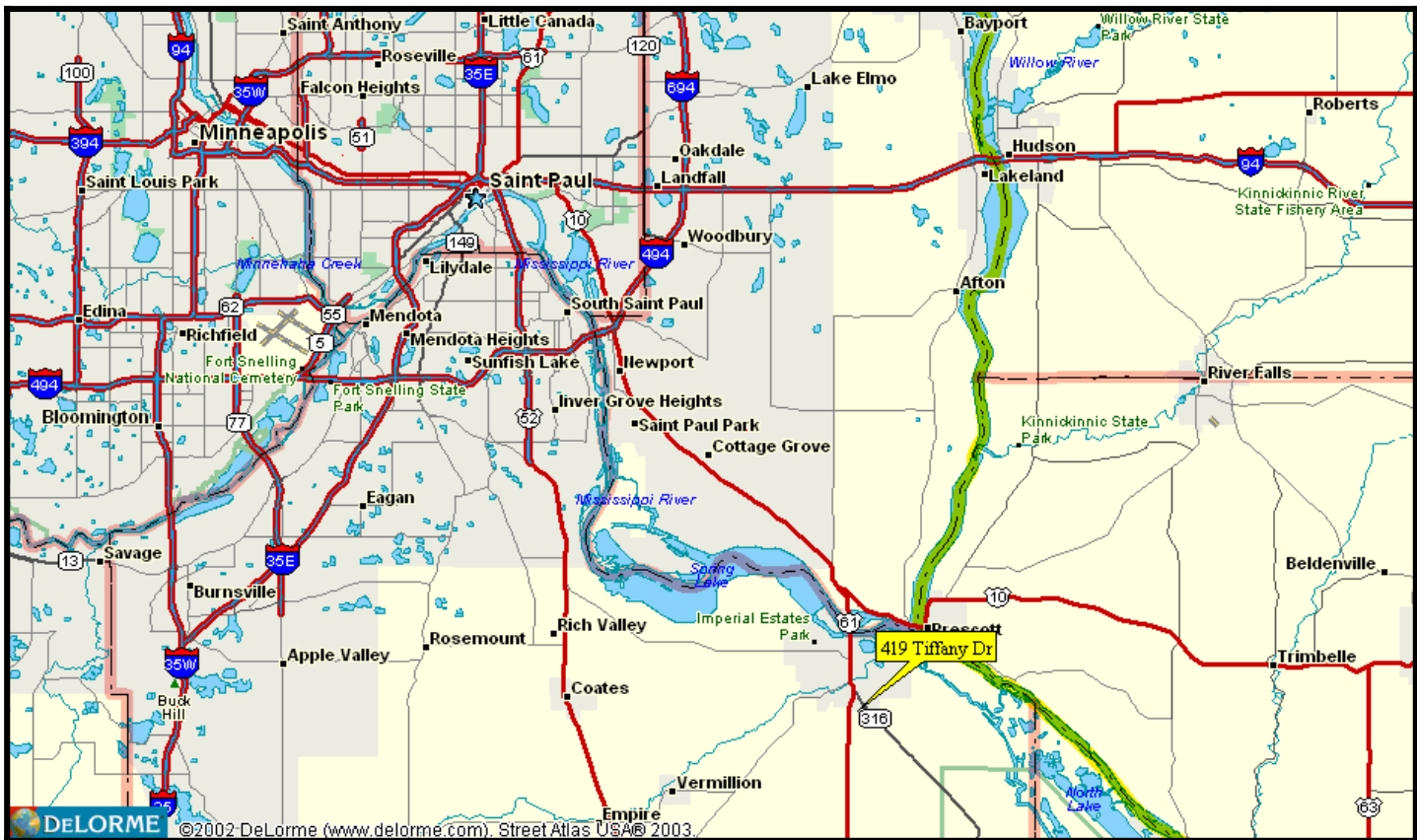
Location Map

Borrower/Client Sam & Suzy Homemaker			
Property Address 419 Tiffany Dr			
City Hastings	County Dakota	State MN	Zip Code 55033
Lender Generic Mortgage Co.			



Location Map

Borrower/Client Sam & Suzy Homemaker			
Property Address 419 Tiffany Dr			
City Hastings	County Dakota	State MN	Zip Code 55033
Lender Generic Mortgage Co.			



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

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

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

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

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

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: 419 Tiffany Dr, Hastings, MN 55033

APPRAISER:

Signature: _____
 Name: Kurt Barentin
 Date Signed: October 06, 2003
 State Certification #: _____
 or State License #: 20297304
 State: MN
 Expiration Date of Certification or License: 08/31/05

SUPERVISORY APPRAISER (only if required):

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

Did Did Not Inspect Property

APPRAISER RESUME

PERSONAL DATA

Name: Kurt Barenthin	Phone Number: 651-387-0277
Company Name: Barenthin Appraisals	Fax Number: 651-485-8626
Address: 1264 2nd Ave Newport, MN 55055	Certifications: Licensed Appraiser

PROFESSIONAL MEMBERSHIPS

EDUCATION

Name of Institution (HS, College, University, etc.)	Dates Attended	Type of Degree or Certificate
Healy Memorial High School	1964-1968	Diploma
Control Data Institute	1972-1973	Computer Technician
Prosource Training	2001	Registered Real Property Appraiser

Professional/Technical Courses (Appraisal Related)	Date Completed	Sponsoring Organization
Legal Issues in Valuation	2003	University of St Thomas
USPAP Standards and Ethics Update	2003	Prosource Training

Seminars, Conferences, Clinics Attended	Date Completed	Sponsoring Organization

EMPLOYMENT HISTORY

Employer's Name and Address	Business Title	Dates of Employment	% of Time Dedicated to Appraising
Todd Bates and Associates	Senior staff Appraiser	08/2001-05/2003	
Barenthin Appraisals	Senior Appraiser	05/2003-Present	

EXPERIENCE SUMMARY

Appraisal experience:

- Single family residential
- Multi-unit residential dwellings
- Vacant land
- New and proposed construction
- Rural, suburban and urban properties, done in a variety of settings throughout Minnesota and Western Wisconsin

APPRAISAL COVERAGE AREAS

MARKET AND COST DATA SOURCES

REFERENCES

SIGNATURE OF APPRAISER: _____

DATE: _____

Borrower Sam & Suzy Homemaker File No. 10,100
 Property Address 419 Tiffany Dr
 City Hastings County Dakota State MN Zip Code 55033
 Lender Generic Mortgage Co.

APPRAISAL AND REPORT IDENTIFICATION

This appraisal conforms to **one** of the following definitions:

- Complete Appraisal** (The act or process of estimating value, or an opinion of value, performed without invoking the Departure Rule.)
- Limited Appraisal** (The act or process of estimating value, or an opinion of value, performed under and resulting from invoking the Departure Rule.)

This report is **one** of the following types:

- Self Contained** (A written report prepared under Standards Rule 2-2(a) of a Complete or Limited Appraisal performed under STANDARD 1.)
- Summary** (A written report prepared under Standards Rule 2-2(b) of a Complete or Limited Appraisal performed under STANDARD 1.)
- Restricted** (A written report prepared under Standards Rule 2-2(c) of a Complete or Limited Appraisal performed under STANDARD 1, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no (or the specified) present or prospective interest in the property that is the subject of this report, and no (or the specified) personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My 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.
- My analyses, opinions and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have (or have not) made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated.)

Comments on Appraisal and Report Identification

Note any departures from Standards Rules 1-3 and 1-4, plus any USPAP-related issues requiring disclosure:

APPRAISER:

Signature: _____
 Name: Kurt Barenthin
 Date Signed: October 06, 2003
 State Certification #: _____
 or State License #: 20297304
 State: MN
 Expiration Date of Certification or License: 08/31/05

SUPERVISORY APPRAISER (only if required):

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

- Did Did Not Inspect Property

ADDITIONAL CERTIFICATION

Borrower Sam & Suzy Homemaker		File No. 10,100	
Property Address 419 Tiffany Dr			
City Hastings	County Dakota	State MN	Zip Code 55033
Lender Generic Mortgage Co.			

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 or 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, professional analyses, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form. I certify that, to the best of my knowledge and belief: The statements of fact contained in this report are true and correct. The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
4. I 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. 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 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. My engagement in this assignment was not contingent upon developing or reporting predetermined results. My 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. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice 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 the 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 made a personal inspection of the property that is the subject of this 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. No one provided significant professional assistance to the person signing this report.

If I relied on significant professional assistance from any 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.

APPRAISER:

Signature: _____
Name: Kurt Barenthin
Date Signed: October 06, 2003
State Certification #: _____
or State License #: 20297304
State: MN
Expiration Date of Certification or License: 08/31/05

SUPERVISORY APPRAISER (only if required):

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

Did Did Not Inspect Property