

BLACK HAWK COUNTY ASSESSOR
Notice to Property Owner as to Assessment
Sections 441.35 – 441.39, Code of Iowa

Parcel Number 8913-18-153-004
DEED HOLDER HEISTAD,CHRISTOPHER A
ADDRESS 1715 BIRCH ST
CEDAR FALLS, IA 50613
Petition number S201500387

You are hereby notified that the Board of Review acted on the assessed value of your property as follows:

Date of Action MAY 26, 2015.

	<u>Land</u>	<u>MR Land</u>	<u>Building</u>	<u>Dwelling</u>	<u>Total</u>
Prior assessed value	28370	0	0	267550	295920
New assessed value	28370	0	0	267550	295920

Class RESIDENTIAL

Reason

1A STATED PROPERTIES WERE NOT SUFFICIENTLY COMPARABLE TO PROVE INEQUITY.

The Board of Review has taken final action on your above described property and has adjourned 5/28/2015

Appeals to the property assessment appeal board may be taken from the board of review action within 20 days after the adjournment date of the board of review or May 31, whichever is later. You may bypass the property assessment appeal board and appeal to district court. Sections 441.37A, 441.38, and 441.39, Code of Iowa.

Appeals to the district court may be taken from their action within 20 days after adjournment, or May 31st, whichever is the latest. Section 441.38, 441.39 Code of Iowa.

Signed , Clerk of said Board of Review

NOTICE – In odd numbered years the foregoing assessments are subject to equalization pursuant to an order issued by the Director of Revenue. The County Auditor shall give notice on or before October 15 by publication in an official newspaper of general circulation of any class of property affected by an equalization order. The Board of Review shall be in session from October 15 to November 15 to hear protests of affected property owners or taxpayers whose valuations have been increased by an equalization order. You may file a protest from October 16 to October 25 if your property valuations have been adjusted by the equalization order.

INVOICE

Company Rally Appraisal, LLC
 Appraiser Clinton C. Cota
 Address 2535 Tech Dr. Suite 102
 City, State, Zip Bettendorf, IA 52722

Contract Information

Accounts Receivable
 563-332-6261
 TX ID# 42-1526444

BILL TO

Chris Heistad
 1715 Birch St
 Cedar Falls, IA 50613

PROPERTY

Heistad, Chris
 1715 Birch St Unit No. _____
 Cedar Falls, IA 50613-4325

LENDER NO.	LOAN NO.	LOAN OFFICER	INVOICE DATE	INVOICE NO.
10116	Not provided		06/17/2015	L15F2WC17

DESCRIPTION	PRICE INFO.	MISC INFO.	INVOICE AMOUNT
Tax Appeal			\$375.00
PAID CASH			-375.00

Comments/Notes

Subtotal	\$	0.00
Shipping & Handling	\$	
Sales Tax @	%	
Total	\$	0.00

(Office Copy - Clients Copy - Lenders Copy)

LENDER. NO.	LOAN NO.	LOAN OFFICER	INVOICE DATE	INVOICE NO.
10116	Not provided	No AMC	06/17/2015	L15F2WC17

Borrower: Heistad, Chris Property Address: 1715 Birch St, Cedar Falls, IA 50613-4325

Billed To: Chris Heistad
 1715 Birch St
 Cedar Falls, IA 50613

Amount Due \$ 0.00

Amount Paid \$

Mail To: Rally Appraisal, LLC
 2535 Tech Dr. Suite 102
 Bettendorf, IA 52722

Contact: Accounts Receivable

Phone #: 563-332-6261

**APPRAISAL REPORT
OF**



1715 Birch St
Cedar Falls, IA 50613-4325

PREPARED FOR

Chris Heistad
1715 Birch St
Cedar Falls, IA 50613

AS OF

12/31/2014

PREPARED BY

Rally Appraisal, LLC
2302 W 1st Street, Suite 201D
Cedar Falls, IA 50613

Subject Property Information

Owner Heistad, Christopher A Client Chris Heistad
 Property Address 1715 Birch St Check one: SF PUD Condo Coop 2-4 Units
 City Cedar Falls County Black Hawk State IA Zip Code 50613-4325
 Legal Description PFEIFFER PLACE LOT 128 LOT 129 & PFEIFFER PLACE LOT 130

No. of Rooms	No. of Bedrooms	No. of Baths	Gross Living Area	Basement Size	Bsmnt. Finishing	Garage/Carport	Central Air.
9	4	2.50	2,895 Sq.Ft.	1008sf362sf	1rr0br0.0ba0o	2+ Car Gar.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Field Report

NEIGHBORHOOD

Location Urban Suburban Rural
 Built Up Over 75% 25% to 75% Under 25%
 Growth Rate Fully Dev. Rapid Steady Slow
 Property Values Increasing Stable Declining
 Demand/Supply Shortage In Balance Over Supply
 Marketing Time Under 3 Mos. 4-6 Mos. Over 6 Mos. Census 0024.00

Present Land Use 75 % 1 Family 3 % 2-4 Family 5 % Condo 2 % Coop. 10 % Commercial/Industrial 5 % Vacant 0 % 100
 Change in Present Land Use Not Likely Likely Change From _____ to _____
 Predominant Occupancy Owner Tenant _____ % Vacant
 Subject Property Type Price Range \$ 110,000 to \$ 400,000 Predominant Value = \$ 180,000
 Subject Property Type Age 0 years to 115 years. Predominate Age 60 years
 Comments on factors favorable or unfavorable, affecting marketability (e.g. public parks, schools, noise) SEE COMMENT ADDENDUM

Required on Tax Appeals Only

Tax Rate	Land
Tax Ratio	Improv.
	Total

SUBJECT PROPERTY (Improvements & Site)

Style 2 Story Actual Age 95 Effective Age 20
 Units 1 Stories 2.0 Attached Semi-Attached Detached
 Ext. Wall Mat'l. vinyl siding Roof Mat'l. composition
 Property in HUD-Identified Sp'l Flood hazard Area? Yes No
 Lot Dimensions and Size 18750 SqFt Zoning R-1 - One and Two Family Residential
 Comments (favorable or unfavorable including deferred maintenance) SEE COMMENT ADDENDUM

Property Rating: Good Avg. Fair Poor
 Condition of Exterior: Good Avg. Fair Poor
 Compatibility to Neighborhood: Good Avg. Fair Poor
 Appeal and Marketability: Good Avg. Fair Poor

Market Comparable Analysis Prior to Improvement

Item	Subject Property	Comparable No. 1			Comparable No. 2			Comparable No. 3		
Address	1715 Birch St Cedar Falls, IA 50613-4325	603 W 20th St Cedar Falls, IA 50613			1035 W 12th St Cedar Falls, IA 50613			1816 Tremont St Cedar Falls, IA 50613		
Prox. to Subj.										
Sale Price		\$ 220,000			\$ 215,000			\$ 213,600		
Verif. Source(s)		MLS/assessor			MLS/assessor			assessor		
Date of Sale	Description	Description	Adjustment	Description	Adjustment	Description	Adjustment	Description	Adjustment	
Time Adjust.		01/03/2014		01/28/2014		08/04/2014				
Location	N;Res;	N;Res;		N;Res;BsyRd		N;Res;				
Site	18750 SqFt	8712 SqFt	+5,019	16320 SqFt	+1,215	12780 sf	+2,985			
View	N;Res;	N;Res;		N;Res;		N;Res;				
Age	95	75		60		85 yrs				
Condition	Avg-Good	Avg-Good		Inferior	+10,000	Similar				
Living Area Rm	Total B-Rms. Baths	Total B-Rms. Baths		Total B-Rms. Baths		Total B-Rms. Baths		Total B-Rms. Baths		
Count & Total	9 4 2.50	8 4 3.00	-2,000	8 4 1.50	+4,000	6 3 2.00	+2,000			
Gross Liv Area	2,895 Sq.Ft.	2,848 Sq.Ft.		2,766 Sq.Ft.	+3,225	2,050 Sq.Ft.	+21,125			
Basement	1008sf362sf	1121sf0sf		1512sf800sf	-2,016	1202sf350sf				
Bsmnt Finish	1rr0br0.0ba0o	no finish	+2,896	1rr0br0.1ba0o	-5,004	1rr0br1.0ba0o	-2,000			
Garage/Carport	2+ Car Gar. Att.	1 Carport	+10,000	2 Car Gar. Att.	+2,000	2 Car Det	+2,000			
deck/patio/etc	patio	patio, wddk, enc porch	-2,000	patio		wd dk, enc porch	-2,000			
Fireplace, etc	1 Fireplace	1 Fireplace		1 Fireplace		2 Fireplace	-1,000			
Net Adj. (Total)		<input checked="" type="checkbox"/> Plus <input type="checkbox"/> Minus \$ 13,915		<input checked="" type="checkbox"/> Plus <input type="checkbox"/> Minus \$ 13,420		<input checked="" type="checkbox"/> Plus <input type="checkbox"/> Minus \$ 23,110				
Sub Value		Net=6% Grs=10% \$ 233,915		Net=6% Grs=13% \$ 228,420		Net=11% Grs=16% \$ 236,710				

Analysis of Comparable Sales Due to stable neighborhood with low turnover rate sales over 6 months typical. 4th comp added due to use of sales data over 6 months. Site adjustments reflect added appeal & utility of larger lots. Condition adjustments are based on Realtor descriptions, MLS photos, personal inspections or office files. Condition adjustments reflect differences in physical depreciation, maintenance & updated decors. GLA adjustments are derived from sensitivity analysis of comparable sales. Lower level adjustments based on overall area, utility & quality of finish.

Item	Subject Property	Comparable #1	Comparable #2	Comparable #3
Date/Price of Prior Sale	06/15/2012/\$233,000			
Data Source(s)	assessor	assessor	assessor	assessor

My research did did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.
 My research did did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sales of the comparable sale.
 Reconciliation The indicated value by sales comparison approach is supported by the greatest influence of Comp 1 as this sale requires the least adjustments & is also supported by the narrow range of value of all adjusted sales.

Intended User Chris Heistad Intended Use Estimate of market value for tax appeal
 Report Type Appraisal Report Estimated Market Value \$ 234,000 as of 12/31/2014
 Completed By Clinton C. Cofa Title Certified Residential Appraiser
 License/Certification # CR02454 Expiration Date of License/Certification 06/30/2016
 Signature [Signature] Date 06/17/2015

Rally Appraisal, LLC
COMMENT ADDENDUM

File No. L15F2WC17
Case No.

Borrower Heistad, Chris

Property Address 1715 Birch St

City Cedar Falls County Black Hawk State IA Zip Code 50613-4325

Lender/Client Chris Heistad Address 1715 Birch St, Cedar Falls, IA 50613

NEIGHBORHOOD DESCRIPTION

Cedar Falls, population 36,940 is part of the Cedar Falls/Waterloo MSA or Metropolitan Statistical Area. Located in Northeastern Iowa along the Cedar River, Interstate 380 and Highway 20 which is a four lane expressway running east and west across the State of Iowa, the MSA has a total population base of 163,329 residents and is comprised of Black Hawk, Bremer and Grundy counties. The area has a diversified commercial base with some of the largest employers being John Deere, Covenant Medical Center, Tyson Foods, the University of Northern Iowa and Target. The University of Northern Iowa is located in Cedar Falls and is the driving economic force in the community employing just over 2,000 people.

SUBJECT CONDITION

Physical depreciation indicated for age/wear. Ongoing cosmetic maintenance with updates & mechanical replacements indicates effective age reduced from actual age. Market data indicates no functional or external obsolescence. The subject is a 2 story style dwelling offering favorable layout & design. Patio to rear off family room & mud room, 9' ceilings throughout main level, crown molding in dining room, fireplace in living room, & master bedroom includes walk-in closet & private bath with jetted tub & custom tile shower. Finished rec room in basement. Recent updates/improvements since last sale include new water heater & doors to den.

Borrower Heistad, Chris

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ADDITIONAL CONDITIONS - USPAP APPRAISAL ADDENDUM

This is an Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2 (a) of the Uniform Standards of Professional Appraisal Practice (USPAP) for an Appraisal Report. As such, it presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning data, reasoning, and analyses is retained in the appraiser's files. The appraiser is not responsible for unauthorized use of this report.

INTENDED USERS: The Intended user of this report is identified as the client on page one. Please see Appraiser's Certification #21, #22, #23.

INTENDED USE: The intended use of this appraisal is for the lender/client to evaluate the property which is the subject of this appraisal for a mortgage finance transaction. Please see Appraiser's Certification #21, #22, #23.

HIGHEST & BEST USE: The appraiser has applied the four tests of highest and best use and found the site and composition of the neighborhood are best suited to Highest & Best Use for residential development. No adverse factors were noted at the time of inspection that would affect this designation.

SCOPE OF WORK, (appraisers role/expertise): The scope of the appraisal is the type and extent of research and analysis in an appraisal or appraisal review assignment. It encompasses the necessary research and analysis to prepare a report in accordance with the intended use, the Standards of Professional Practice of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice Foundation.

The subject's current physical and legal conditions have been researched with due diligence in the course of performing this appraisal service. The appraiser has analyzed the subject property as seen by a typical buyer/seller in this market. The subject's market area was examined relative to supply/demand and marketability vs. similar competing properties. A wide range of data is typically reviewed, considered and filtered in the process of collecting comparable sales for analysis and inclusion in the adjustment grid. These sources may include the MLS, Assessor, knowledge of prior appraisals in the area and an awareness of a great multitude of other ongoing sources of information. Please see Appraiser's Certification, #12 & 13 and Statement of Limiting Conditions, #1.

The Scope of Work for this appraisal is an Appraisal Report. It is in compliance with USPAP Standard 2-2 a (i-xi) and the information in this appraisal report is a summary of the detailed information contained in the appraiser's work file. If a more detailed account of the information contained in this report becomes necessary due to specific lender guidelines the appraiser should be contacted.

DATA SOURCES: The appraisal is based on information gathered by the appraiser from public records, parties to the transactions, appraiser's files, other identified sources and exterior inspection of the neighborhood and sale data. These various sources are considered to be reliable. When conflicting information was found, the source deemed to be most reliable was used. Data discovered but which is believed to be unreliable was not included in the report, is not used as the basis for the value conclusion, and is given no further explanation or description.

DWELLING MEASUREMENTS: Subject dwelling square footage was confirmed by measuring the subjects exterior and interior dimensions. Interior and exterior dimensions are rounded to the nearest whole foot. This may result in some variation from public records or realtor information. The attached interior sketch is only an approximate representation of the subject interior layout and may not show exact placement. As such, the sketch is merely considered a visual aid. Open 2-story entry foyers are not counted as living area on the upper 2nd level in a 1.5-story or 2-story home, in accordance with ANSI standards. This may result in some difference between dwelling size stated in this appraisal vs. that indicated by the realtor or builder, assessor or another appraisal report. Upper open foyer areas do add market appeal but are not "living area", providing no extra floor space for furniture placement or human movement, thus not considered gross living area.

ZONING

Zoning and building ordinances vary greatly from one municipality to another, and can be quite detailed. The scope of this report does not include a comparison of every potentially significant characteristic of the subject's site and improvements relative to zoning and building ordinances.

MECHANICAL SYSTEMS

The condition of mechanical systems such as, but not limited to, heating, cooling, plumbing, electrical and other related support systems are observed by the appraiser only on a visual basis on surface appearance. Even with detailed inspection of these items, the appraiser IS NOT qualified to comment or report on the condition or working capacity of such systems, as the appraiser is not a home inspector and the appraisal is not a home inspection report. Unless noted, it is assumed that the various elements of the subject property are fundamentally sound and of adequate functionality.

FIRREA CERTIFICATION STATEMENT

The appraiser certifies and agrees that this appraisal was prepared in accordance with the requirements of Title XI of the Financial Institutions, Reform, Recovery, and Enforcement Act (FIRREA) of 1989, as amended (12 U.S.C. 3331 et seq.), and any applicable implementing regulations in effect at the time the appraiser signed the appraisal certification.

ETHICS RULE

I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Jon Wienhold provided significant professional assistance in the preparation of this report by assisting in property inspection, data collection & data analysis.

Rally Appraisal, LLC
COMMENT ADDENDUM

File No. L15F2WC17
Case No.

Borrower Heistad, Chris

Property Address 1715 Birch St

City Cedar Falls County Black Hawk State IA Zip Code 50613-4325

Lender/Client Chris Heistad Address 1715 Birch St, Cedar Falls, IA 50613

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 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.
3. 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.
4. The appraiser has noted in the appraisal report any adverse conditions (such as, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject site 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. The appraiser will not be responsible for any such conditions that do exist or for any 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.
5. 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.
6. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
7. 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; professional appraisal organizations; or any department, agency, or instrumentality of the United States or any state or the District of Columbia. 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.

Rally Appraisal, LLC
SUBJECT PHOTO ADDENDUM

File No. L15F2WC17
Case No.

Borrower	Heistad, Chris						
Property Address	1715 Birch St						
City	Cedar Falls	County	Black Hawk	State	IA	Zip Code	50613-4325
Lender/Client	Chris Heistad	Address		1715 Birch St, Cedar Falls, IA 50613			



**FRONT OF
SUBJECT PROPERTY**
1715 Birch St
Cedar Falls, IA 50613-4325



**REAR OF
SUBJECT PROPERTY**



STREET SCENE

Borrower Heistad, Chris

Property Address 1715 Birch St

City Cedar Falls County Black Hawk State IA Zip Code 50613-4325

Lender/Client Chris Heistad Address 1715 Birch St, Cedar Falls, IA 50613



YARD SHED



WATER FEATURE



KITCHEN



DINING ROOM



FAMILY ROOM



LIVING ROOM



DEN



.5 BATH



UPPER LEVEL BEDROOM



UPPER LEVEL BEDROOM



UPPER LEVEL BEDROOM



UPPER LEVEL BATH

Borrower Heistad, Chris

Property Address 1715 Birch St

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Lender/Client Chris Heistad Address 1715 Birch St, Cedar Falls, IA 50613



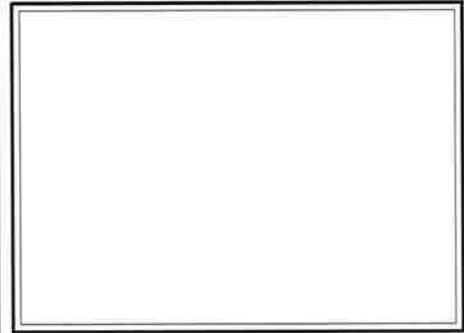
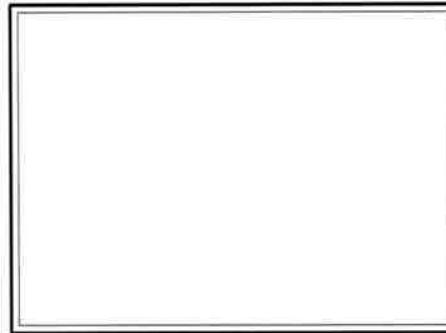
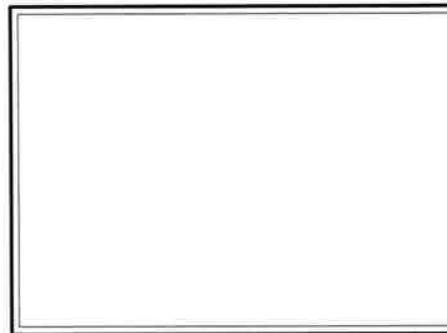
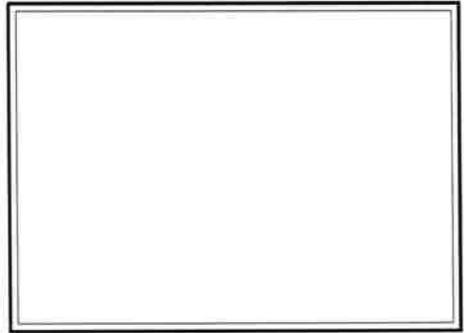
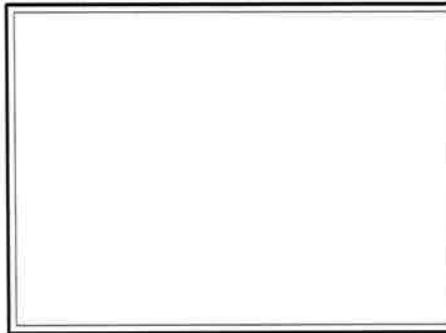
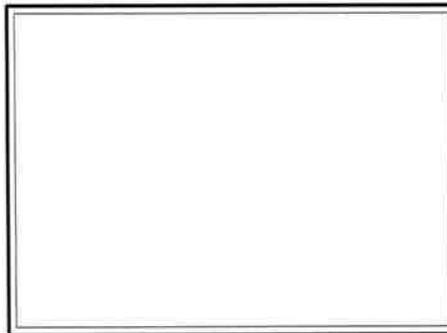
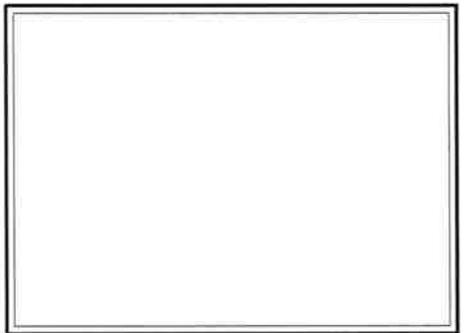
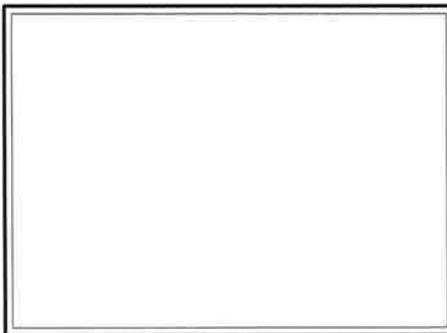
UPPER LEVEL MASTER BEDROOM



UPPER LEVEL MASTER BATH



BASEMENT REC ROOM



Borrower Heistad, Chris						
Property Address 1715 Birch St						
City Cedar Falls	County	Black Hawk	State	IA	Zip Code	50613-4325
Lender/Client Chris Heistad		Address 1715 Birch St, Cedar Falls, IA 50613				



COMPARABLE SALE # 1
603 W 20th St
Cedar Falls, IA 50613



COMPARABLE SALE # 2
1035 W 12th St
Cedar Falls, IA 50613



COMPARABLE SALE # 3
1816 Tremont St
Cedar Falls, IA 50613

Rally Appraisal, LLC
SKETCH ADDENDUM

File No. L15F2WC17
 Case No.

Borrower Heistad, Chris

Property Address 1715 Birch St

City Cedar Falls County Black Hawk State IA Zip Code 50613-4325

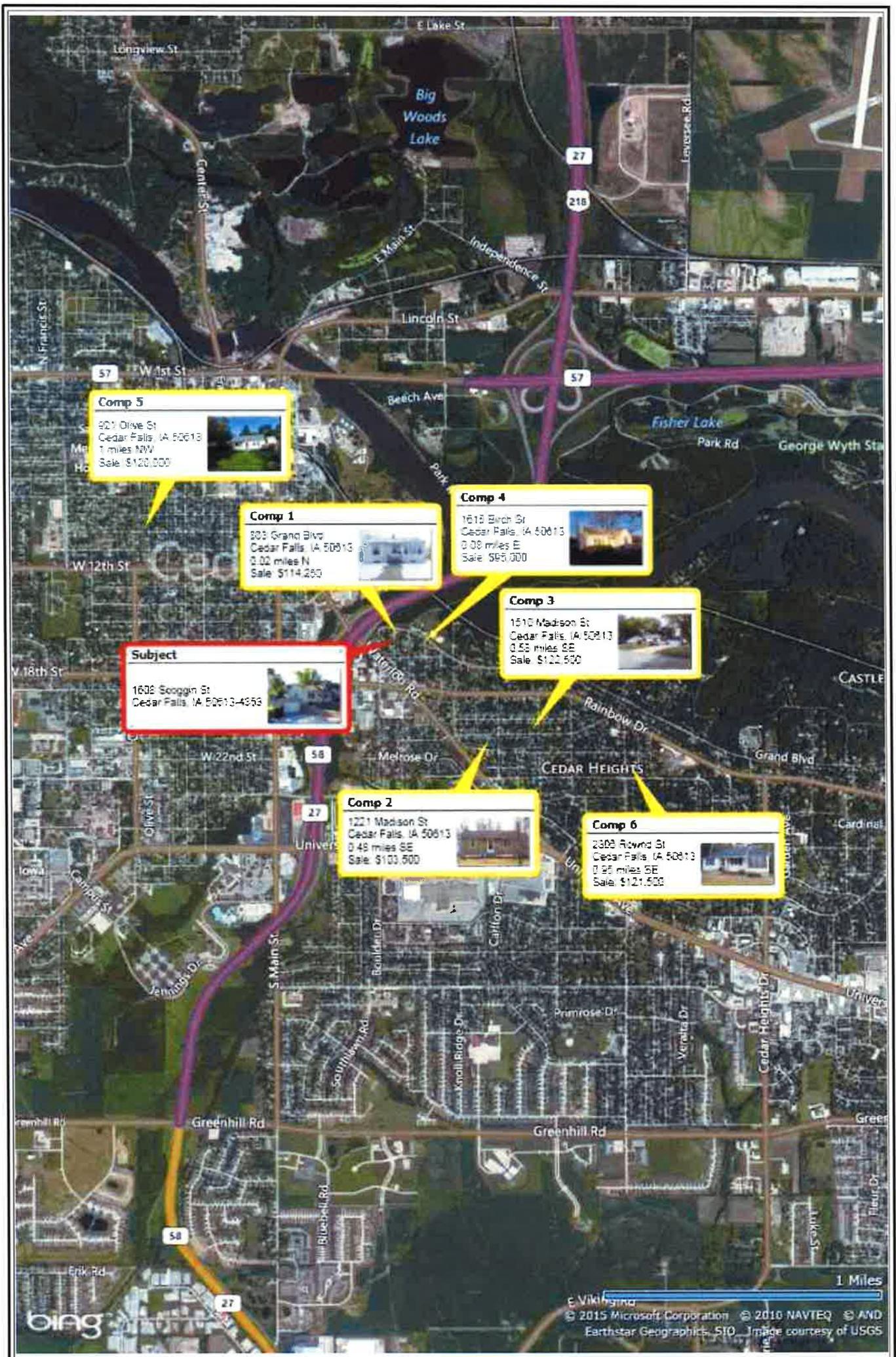
Lender/Client Chris Heistad Address 1715 Birch St, Cedar Falls, IA 50613

SKETCH CALCULATIONS		Perimeter	Area
	<p>A1 : 13.0 x 8.0 = A2 : 17.0 x 7.0 = A3 : 0.5 x 3.6 x 1.4 = A4 : 0.5(25.8 + 26.0) x 0.1 = A5 : 26.0 x 18.0 = A6 : 0.5 x 3.5 x 1.8 = A7 : 17.0 x 1.8 = A8 : 0.5 x 0.8 x 1.7 = A9 : 19.7 x 1.7 = A10 : 0.5 x 2.5 x 1.4 = A11 : 19.7 x 1.4 =</p>		<p>104.0 119.0 2.5 2.6 468.0 3.2 30.9 0.7 33.0 1.8 27.5</p>
	Garage		793.2
	<p>A12 : 43.0 x 8.0 = A13 : 39.0 x 7.0 = A14 : 0.5(39.0 + 35.6) x 1.8 = A15 : 0.5(35.6 + 36.4) x 1.3 = A16 : 0.5(32.5 + 30.0) x 1.5 = A17 : 30.0 x 1.5 = A18 : 40.0 x 15.0 = A19 : 30.0 x 1.5 = A20 : 0.5(36.4 + 35.7) x 0.4 = A21 : 0.5 x 3.2 x 1.3 =</p>		<p>344.0 273.0 66.4 45.4 48.1 45.0 600.0 45.0 15.2 2.0</p>
	First Floor		1484.1
	<p>A22 : 24.5 x 2.5 = A23 : 24.0 x 2.5 = A24 : 24.5 x 2.5 = A25 : 56.0 x 21.0 = A26 : 21.0 x 2.5 =</p>		<p>61.3 60.0 61.3 1176.0 52.5</p>
	Second Floor		1411.1
	Total Living Area		2895.2

Rally Appraisal, LLC
LOCATION MAP ADDENDUM

File No. L15F2WC17
 Case No.

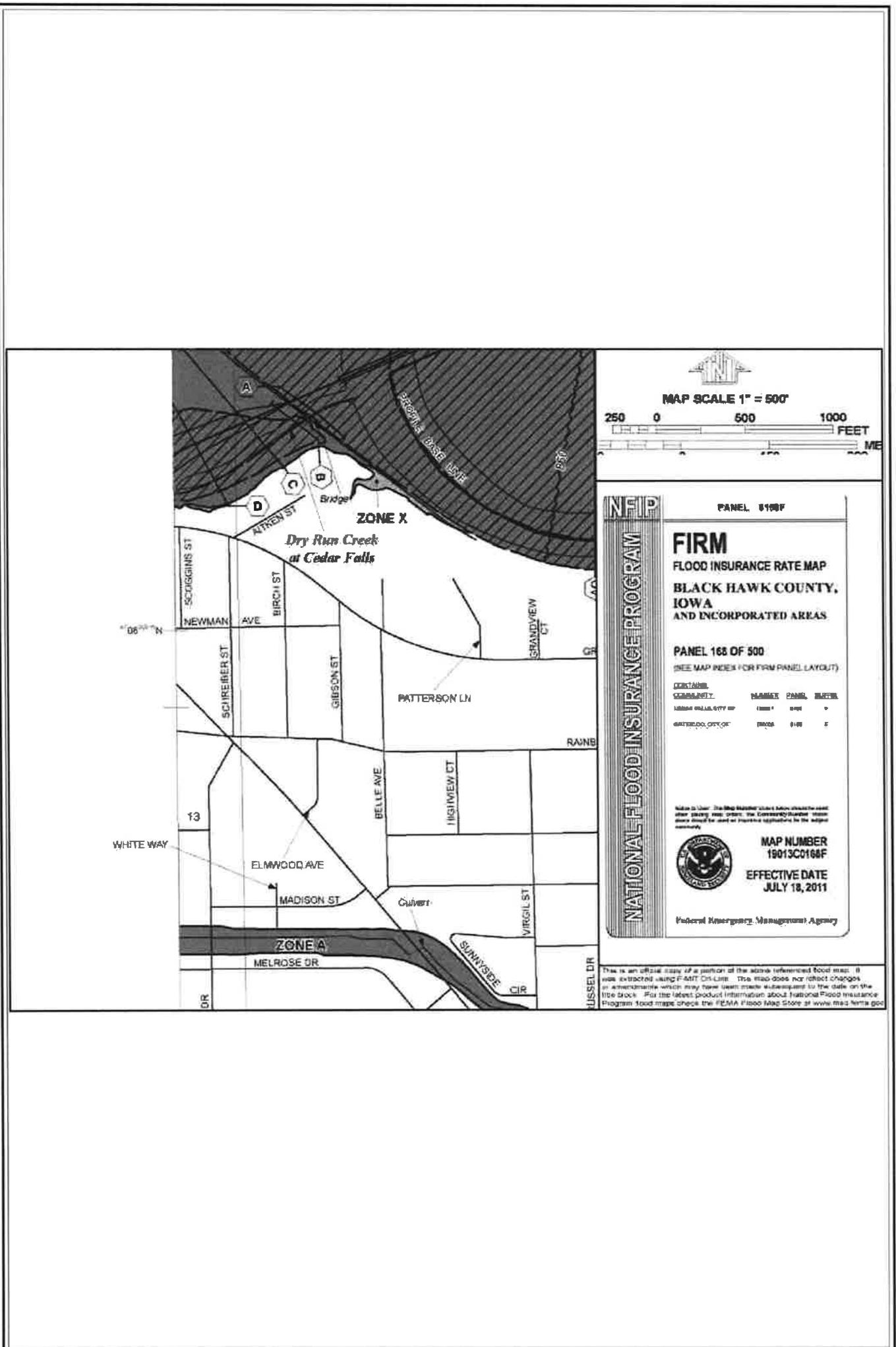
Borrower	Heistad, Chris				
Property Address	1715 Birch St				
City	Cedar Falls	County	Black Hawk	State	IA
				Zip Code	50613-4325
Lender/Client	Chris Heistad	Address 1715 Birch St, Cedar Falls, IA 50613			



Rally Appraisal, LLC
FLOOD MAP ADDENDUM

File No. L15F2WC17
 Case No.

Borrower Heistad, Chris
 Property Address 1715 Birch St
 City Cedar Falls County Black Hawk State IA Zip Code 50613-4325
 Lender/Client Chris Heistad Address 1715 Birch St, Cedar Falls, IA 50613



Market Conditions Addendum to the Appraisal Report

Case No.

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

Property Address 1715 Birch St City Cedar Falls State IA ZIP Code 50613-4325

Borrower Heistad, Chris

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

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend						
Total # of Comparable Sales (Settled)	4	1	7	<input type="checkbox"/>	Increasing	<input checked="" type="checkbox"/>	Stable	<input type="checkbox"/>	Declining	
Absorption Rate (Total Sales/Months)	0.67	0.33	2.33	<input type="checkbox"/>	Increasing	<input checked="" type="checkbox"/>	Stable	<input type="checkbox"/>	Declining	
Total # of Comparable Active Listings	5	3	6	<input checked="" type="checkbox"/>	Declining	<input checked="" type="checkbox"/>	Stable	<input type="checkbox"/>	Increasing	
Months of Housing Supply (Total Listings/Ab. Rate)	7.46	9.09	2.58	<input type="checkbox"/>	Declining	<input checked="" type="checkbox"/>	Stable	<input type="checkbox"/>	Increasing	
Median Sales & List Price, DOM, Sale/List %	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend						
Median Comparable Sales Price	244,799	225,000	230,000	<input type="checkbox"/>	Increasing	<input checked="" type="checkbox"/>	Stable	<input type="checkbox"/>	Declining	
Median Comparable Sales Days on Market	40	29	53	<input type="checkbox"/>	Declining	<input checked="" type="checkbox"/>	Stable	<input type="checkbox"/>	Increasing	
Median Comparable List Price	250,000	239,900	272,950	<input checked="" type="checkbox"/>	Increasing	<input checked="" type="checkbox"/>	Stable	<input type="checkbox"/>	Declining	
Median Comparable Listings Days on Market	106	74	42	<input checked="" type="checkbox"/>	Declining	<input checked="" type="checkbox"/>	Stable	<input type="checkbox"/>	Increasing	
Median Sale Price as % of List Price	97.66	100.00	96.71	<input type="checkbox"/>	Increasing	<input checked="" type="checkbox"/>	Stable	<input type="checkbox"/>	Declining	
Seller-(developer, builder, etc.) paid financial assistance prevalent?	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	Declining	<input checked="" type="checkbox"/>	Stable	<input type="checkbox"/>	Increasing

Explain in detail seller concessions trends for the past 12 months (e.g. seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs condo fees, options, etc.)

Seller concessions are typical in this area & price range, up to 3% of sales price is common in this area & price range. This has remained stable for the past several years.

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

Several REO sales exist in neighborhood however have not impacted overall market.

Cite data sources for above information.

Waterloo/Cedar Falls MLS & Black Hawk County Assessor

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

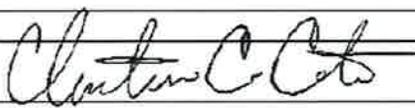
Appraiser included all comparable market data from the subject's geographical neighborhood. Typical buyers search for properties spans several neighborhoods & are based on price rather than specific neighborhood. Adequate conventional financing still available with current interest rates at +/-3.75% depending on conditions & terms. Market conditions are generally stable when considering typical seasonal variations & pending activity. Limited market data in immediate neighborhood causes unreliable statistics & few high/low sales greatly affecting median values, appraiser also considered overall metro statistics when evaluating market conditions. Current supply coupled with median DOM of comparables will result in +/-1 month of marketing time. Typical arms-length transaction sales of existing homes appear to have stable values in neighborhood. Based on the market conditions analysis included above, and the days on market of the comparable sales used in this report the estimate of exposure time to meet the definition of market value is 45 days.

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

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

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

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

Signature 
 Appraiser Name Clinton C. Cota
 Company Name Rally Appraisal, LLC
 Company Address 2302 W 1st Street, Suite 201D, Cedar Falls, IA 50613
 State License/Certification # CR02464 State IA
 Email Address ccota@rallyappraisal.com

Signature _____
 Supervisor Name _____
 Company Name _____
 Company Address _____
 State License/Certification # _____ State _____
 Email Address _____

MARKET RESEARCH & ANALYSIS

CONDO/CO-OP PROJECTS

APPRAISER

Borrower Heistad, Chris

Property Address 1715 Birch St

City Cedar Falls County Black Hawk State IA Zip Code 50613-4325

Lender/Client Chris Heistad Address 1715 Birch St, Cedar Falls, IA 50613



STATE OF IOWA

IOWA DEPARTMENT OF COMMERCE
PROFESSIONAL LICENSING AND REGULATION

THIS IS TO CERTIFY THAT THE BELOW NAMED
HAS BEEN GRANTED A CERTIFICATE AS A
RESIDENTIAL REAL PROPERTY APPRAISER

CERTIFICATE NO. CR02464 EXPIRES: 6/30/2016

COTA, CLINTON C
RALLY APPRAISAL, LLC
2302 W 1ST STREET
SUITE 201D
CEDAR FALLS, IA 50613