

Borrower	Michael & Catherine Perez	File No.	0703009
Property Address	857 Lyndhurst St A, B, C		
City	Dunedin	County	Pinellas
		State	FL
		Zip Code	34698-7861
Lender	Atlantic Mortgage Loans, Inc		



March 5, 2007

857 Lyndhurst St A, B, C
TROPICAL TERRACE N 1/2 OF LOT 28
Dunedin, FL 34698-7861

Atlantic Mortgage Loans, Inc
1733 Keuka Dr # 302
New Port Richey, FL 34655

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Valuation Inc
PO Box 987
Tarpon Springs, 34688

March 5, 2007

Atlantic Mortgage Loans, Inc
1733 Keuka Dr # 302
New Port Richey, FL 34655

Re: Property: 857 Lyndhurst St A, B, C
Dunedin, FL 34698-7861
Borrower: Michael & Catherine Perez
File No.: 0703009

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

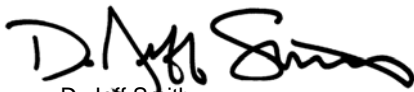
The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

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,



D. Jeff Smith
Certified General Appraiser
RZ-2883

Limiting Conditions

File No. 0703009

Borrower	Michael & Catherine Perez				
Property Address	857 Lyndhurst St A, B, C				
City	Dunedin	County	Pinellas	State	FL Zip Code 34698-7861
Lender	Atlantic Mortgage Loans, Inc				

This appraisal has been made with the following general limiting conditions:

1. This appraisal is to be used in whole and not in part. No part of the appraisal shall be used in conjunction with any other appraisal.
2. Neither all nor any part of the contents of this appraisal report (especially any conclusions as to value or the identity of the appraiser) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.
3. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal or value conclusion and are invalid if so used.
4. Possession of this report, or a copy thereof, does not carry with it the right of ownership and/or publication. This report is the sole property of the client stated in this report and no other entity has any right to its use in any way.
5. If this report is found to be altered in any way from the original documents in the appraiser's personal workfile, this report will be considered null and void and will no longer be valid.
6. The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
7. The appraiser is not an expert or licensed contractor in, but not limited to: structural, plumbing, heating, air conditioning systems, electrical, appliances, roofs, soils, sub-soil conditions, subsidence, foundations, mechanical systems, pools, pool heaters, pool filters, spas, termites, environmental hazards, septic systems, installations, existing conditions, or compliance of city or county codes.

NO WARRANTY OF THE APPRAISAL IS GIVEN OR IMPLIED. NO LIABILITY IS ASSUMED BY THE APPRAISER FOR THE STRUCTURAL OR MECHANICAL ELEMENTS OF THE PROPERTY. Therefore, any Buyer, Borrower, or other user of this report is advised to carefully consider their options relative to expert physical inspections of the subject property. Inspections by experts in any of the above areas may or may not reveal current or potential problems. The failure to exercise the right of professional expert inspections may constitute an acceptance of the property in its present condition. A list of licensed contractors, engineers, environmental inspectors, home inspectors, etc., may be found in the local phone directory. Depending on the results of any advised inspections, the market value may be affected to the extent of the cost to cure any problem areas or items.

8. Unless otherwise stated in this report, the existence of hazardous material, which may or may not exist, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of such substances such as asbestos, urea formaldehyde or other potential hazardous materials may affect the value of the property. The appraiser assumes that no such substances are present on or in the property. The appraiser urges the client to retain an expert in this field if any assurances are desired concerning the presence of potentially hazardous materials.

General Assumptions

File No. 0703009

Borrower	Michael & Catherine Perez				
Property Address	857 Lyndhurst St A, B, C				
City	Dunedin	County	Pinellas	State	FL Zip Code 34698-7861
Lender	Atlantic Mortgage Loans, Inc				

This appraisal has been made with the following general assumptions:

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information contained in this appraisal, or upon which this appraisal is based, has been gathered from sources the appraiser believes to be reliable. However, no warranty is given for its accuracy.
5. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in the report.
9. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
10. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
11. It is assumed that all construction and remodeling of the structures have been properly constructed, permitted, inspected and are in compliance with all local building regulations unless noted in the report.
12. It is assumed, unless otherwise noted in the report, that the subject is conforming to the neighborhood and has only minor, if any, deferred maintenance. If found otherwise, this could affect the final opinion of value.

Note: The appraiser reserves the right to modify the final opinion of value if any of the proceeding statements are discovered to be other than reported in the appraisal report.

FIRREA / USPAP ADDENDUM

Borrower Michael & Catherine Perez

Property Address 857 Lyndhurst St A, B, C

City Dunedin

County Pinellas

State FL

Zip Code 34698-7861

Lender Atlantic Mortgage Loans, Inc

Purpose

The purpose of the appraisal is to provide an opinion of market value to be used as indicated in the Client Identification & Usage section of this addendum

Scope

The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood, and selection of comparable sales, listings, and/or rentals within the subject's market area. The original source of the comparables is shown in the Data Source section of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source considered most reliable has been used. Data believed to be unreliable was not included in the report nor used as a basis for the value conclusion. The extent of analysis applied to this assignment may be further imparted within the report, the Appraiser's Certification below and/or any statement of Limiting Condition and Appraiser's Certification such as may be utilized within the Freddie Mac form 439 or Fannie Mae form 1004b (dated 6/93), when applicable.

Intended Use / Intended User

The Intended User of this appraisal report is Atlantic Mortgage Loans, Inc. The Intended Use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended Users are identified by the appraiser. The use of this appraisal by anyone other than the stated intended user, or for any other use other than the stated intended use, is prohibited.

History of Property

Current listing information: The subject is not currently listed per MLS.

Prior sale: There was no prior sale or listing of the subject property within the past 3 years. This transaction is the exercising of a lease/option agreement between the current owner and borrower. There were no prior sales of the comparable properties within the past 1 year.

Exposure Time / Marketing Time

A reasonable marketing time for the subject property is 90-180 days utilizing market conditions pertinent to the appraisal assignment.

A reasonable exposure time for the subject property is 90 days.

Personal (non-realty) Transfers

There were no personal transfers of the subject within the past 3 years.

Additional Comments

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 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.) 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 present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved, unless otherwise stated within the report.

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

Certification Supplement

- This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or an approval of a loan.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.

Appraiser(s):  D. Jeff Smith

Effective date / Report date: 03/05/2007

Supervisory Appraiser(s): _____

Effective date / Report date: _____

Borrower	Michael & Catherine Perez	File No. 0703009
Property Address	857 Lyndhurst St A, B, C	
City	Dunedin	County Pinellas State FL Zip Code 34698-7861
Lender	Atlantic Mortgage Loans, Inc	

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:

Unless stated that the Departure Provision was invoked, the analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and in accordance with the regulations required by FIRREA.

This is a summary report of a complete appraisal as defined by SR2-2(b), USPAP.

APPRAISER:

Signature: 
 Name: D. Jeff Smith
 Date Signed: March 08, 2007
 State Certification #: Certified General Appraiser
 or State License #: RZ-2883
 State: FL
 Expiration Date of Certification or License: 11/30/2008

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

Small Residential Income Property Appraisal Report

File # 0703009

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address	857 Lyndhurst St A, B, C	City	Dunedin	State	FL	Zip Code	34698-7861
Borrower	Michael & Catherine Perez	Owner of Public Record	Dewey & Martha Hall Trustee	County	Pinellas		
Legal Description	TROPICAL TERRACE N 1/2 OF LOT 28						
Assessor's Parcel #	35-28-15-92304-000-0280	Tax Year	2006	R.E. Taxes \$	5,151.83		
Neighborhood Name	Tropical Terrace	Map Reference	45300	Census Tract	12103-0270.00-1		
Occupant	<input type="checkbox"/> Owner <input checked="" type="checkbox"/> Tenant <input type="checkbox"/> Vacant	Special Assessments \$	<input type="checkbox"/> PUD	HOA \$	N/A	<input type="checkbox"/> per year	<input type="checkbox"/> per month
Property Rights Appraised	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)						
Assignment Type	<input type="checkbox"/> Purchase Transaction <input checked="" type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)						
Lender/Client	Atlantic Mortgage Loans, Inc						
Address	1733 Keuka Dr # 302, New Port Richey, FL 34655						
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No						
Report data source(s) used, offering price(s), and date(s).	Pub Records						

I did did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. N/A

Contract Price \$	N/A	Date of Contract	N/A	Is the property seller the owner of public record?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Data Source(s)	N/A
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower?	<input type="checkbox"/> Yes <input type="checkbox"/> No						
If Yes, report the total dollar amount and describe the items to be paid.	N/A						

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics	2-4 Unit Housing Trends	2-4 Unit Housing	Present Land Use %
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE
Built-Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	180	Low 10
Neighborhood Boundaries	The subject is located West of US Hwy 19 N, North of Gulf-To-Bay Blvd, South of Tampa Rd, and East of the Gulf Of Mexico. The area consists of SFR with commercial located along US Hwy 19 N.	400	High 70
Neighborhood Description	The subject is a masonry triplex that was constructed in 1973 and is located on a 11,752 sf lot/MOL. The neighborhood consists of moderate income families and housing. The area is in close proximity to all necessary amenities and to the local police station and local hospital. A majority of the homes in the neighborhood have been maintained to appeal to the market. No probable changes appear imminent in the economic base for the subject's market area.	190-350	Pred. 20-55
Market Conditions (including support for the above conclusions)	The area consists of low to moderate income families, with the majority of the multi-family occupancy being tenants. Currently, mortgages are available in the area and they are available with attractive interest rates and down payment requirements. There have been very few listings of multi-family properties for sale in the subject's market area, and the typical marketing time for similar properties is 1-6 months.		Other 2%

Market Conditions (including support for the above conclusions) The area consists of low to moderate income families, with the majority of the multi-family occupancy being tenants. Currently, mortgages are available in the area and they are available with attractive interest rates and down payment requirements. There have been very few listings of multi-family properties for sale in the subject's market area, and the typical marketing time for similar properties is 1-6 months.

Dimensions 104x113 sf per inpection Area 11,752 sf/MOL Shape Mostly Rectangular View Residential

Specific Zoning Classification 08 Zoning Description Duplex-Triplex

Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)

Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water	<input checked="" type="checkbox"/>	Street Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer	<input checked="" type="checkbox"/>	Alley	<input type="checkbox"/>	<input type="checkbox"/>

FEMA Special Flood Hazard Area Yes No FEMA Flood Zone X FEMA Map # 12103C0069G FEMA Map Date 9/3/2003

Are the utilities and/or off-site improvements typical for the market area? Yes No If No, describe

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe

No adverse easements or encroachments noted. Site maintenance is average.

General Description	Foundation	Exterior Description	materials/condition	Interior	materials/condition
Units <input type="checkbox"/> Two <input checked="" type="checkbox"/> Three <input type="checkbox"/> Four	<input checked="" type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	Conc Slab	Floors	Crpt/Tile/Avg
<input type="checkbox"/> Accessory Unit (describe below)	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	Conc Block	Walls	Drywall/Avg
# of Stories Two # of bldgs. One	Basement Area N/A sq.ft.	Roof Surface	Shingle	Trim/Finish	Wood/Avg
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Finish N/A %	Gutters & Downspouts	None	Bath Floor	Tile/Avg
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	Single Hung	Bath Wainscot	Tile/Avg
Design (Style) Triplex	Evidence of <input type="checkbox"/> Infestation None Notec	Storm Sash/Insulated	None	Car Storage	
Year Built 1973	<input type="checkbox"/> Dampness <input checked="" type="checkbox"/> Settlement	Screens	None	<input checked="" type="checkbox"/> None	
Effective Age (Yrs) 15	Heating/Cooling		Amenities		
Attic <input type="checkbox"/> None	<input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Fireplace(s) #	<input type="checkbox"/> Woodstove(s) #	Driveway	# of Cars 6
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel Electric	<input checked="" type="checkbox"/> Patio/Deck Open	<input type="checkbox"/> Fence	Driveway Surface	Concrete
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Pool	<input checked="" type="checkbox"/> Porch Opn	<input type="checkbox"/> Garage	# of Cars
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input checked="" type="checkbox"/> Individual 1 <input type="checkbox"/> Other	<input type="checkbox"/> Other		<input type="checkbox"/> Carport	# of Cars
# of Appliances	Refrigerator 3	Range/Oven 3	Dishwasher 0	Disposal 0	Microwave 0
	Washer/Dryer 3	Other (describe)			

Unit # 1 contains: 5 Rooms 2 Bedrooms 2 Bath(s) 944 Square Feet of Gross Living Area

Unit # 2 contains: 5 Rooms 2 Bedrooms 2 Bath(s) 1,360 Square Feet of Gross Living Area

Unit # 3 contains: 5 Rooms 2 Bedrooms 2 Bath(s) 944 Square Feet of Gross Living Area

Unit # 4 contains: Rooms Bedrooms Bath(s) Square Feet of Gross Living Area

Additional features (special energy efficient items, etc.). Typical floor layout with ceiling fans.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The subject appears to be in average condition at the time of inspection. No functional or external obsolescence observed.

Small Residential Income Property Appraisal Report

File # 0703009

IMPROVEMENTS	Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe.
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe.	
Is the property subject to rent control? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe	

The following properties represent the most current, similar, and proximate comparable rental properties to the subject property. This analysis is intended to support the opinion of the market rent for the subject property.																			
FEATURE	SUBJECT	COMPARABLE RENTAL # 1			COMPARABLE RENTAL # 2			COMPARABLE RENTAL # 3											
Address	857 Lyndhurst St A, B, C Dunedin, FL 34698-7861	700 Lyndhurst St # 601 Dunedin, FL			1701 Pinehurst St # 7B Dunedin, FL			1271 Powderpuff Dr Dunedin, FL											
Proximity to Subject		0.26 miles W			1.75 miles NE			1.22 miles NE											
Current Monthly Rent	\$ 2,185	\$ 1,250			\$ 850			\$ 825											
Rent/Gross Bldg. Area	\$ 0.67 sq.ft.	\$ 1.12 sq.ft.			\$ 0.97 sq.ft.			\$ 0.85 sq.ft.											
Rent Control	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No											
Data Source(s)	Owner, Public Rec	MLS # T2198564			MLS # U7243367			MLS # U7196981											
Date of Lease(s)	Annual	Annual			Annual			Annual											
Location	Suburban	Suburban			Suburban			Suburban											
Actual Age	Ac34 Eff20	33			26			21											
Condition	Average	Average			Average			Average											
Gross Building Area	3,248	1,114			875			970											
Unit Breakdown	Rm Count			Size Sq. Ft.	Rm Count			Size Sq. Ft.	Monthly Rent	Rm Count			Size Sq. Ft.	Monthly Rent					
	Tot	Br	Ba	3,248	Tot	Br	Ba	1,114	1,250	Tot	Br	Ba	875	850	Tot	Br	Ba	970	825
Unit # 1	5	2	2	944	5	2	2	1,114	\$ 1,250	5	2	2	875	\$ 850	5	2	2	970	\$ 825
Unit # 2	5	2	2	1,360					\$					\$					\$
Unit # 3	5	2	2	944					\$					\$					\$
Unit # 4									\$					\$					\$
Utilities Included																			

Analysis of rental data and support for estimated market rents for the individual subject units reported below (including the adequacy of the comparables, rental concessions, etc.) The data for the comparable rentals were from public records, local newspapers, realtors, and/or property management companies. The market rent for similar 2 bedroom, 2 bathroom units range from \$700-1300 with a mode average of \$800-900. The vacancy rate for rental units in the area are low, usually 3-5%, due to the desirability of the area and the close proximity to shopping and business locations.

Rent Schedule: The appraiser must reconcile the applicable indicated monthly market rents to provide an opinion of the market rent for each unit in the subject property.

Unit #	Leases		Actual Rents			Opinion of Market Rent		
	Lease Date		Per Unit		Total Rents	Per Unit		Total Rents
	Begin Date	End Date	Unfurnished	Furnished		Unfurnished	Furnished	
1	Annual	Annual	\$ 695	N/A	\$ 695	\$ 850	N/A	\$ 850
2	Annual	Annual	795	N/A	795	900	N/A	900
3	Annual	Annual	695	N/A	695	850	N/A	850
4								
Comment on lease data Rents are below market due to long-term tenancy.			Total Actual Monthly Rent		\$ 2,185	Total Gross Monthly Rent		\$ 2,600
			Other Monthly Income (itemize)		\$	Other Monthly Income (itemize)		\$
			Total Actual Monthly Income		\$ 2,185	Total Estimated Monthly Income		\$ 2,600

Utilities included in estimated rents Electric Water Sewer Gas Oil Trash collection Cable Other

Comments on actual or estimated rents and other monthly income (including personal property) The estimated rents are based on a rental analysis of similar properties in the area.

I did did not research the sale or transfer history of the subject property and comparable sales. If not, explain There was no prior sale or listing of the subject property within the past 3 years . There were no prior sales of the comparable properties within the past 1 year.

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.

Data Source(s) Per Public Records

My research did did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) Per Public Records

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3
Date of Prior Sale/Transfer	No prior sales	No prior sales	No prior sales	No prior sales
Price of Prior Sale/Transfer	Within 3 year	Within 1 year	Winthin 1 Year	Within 1 year
Data Source(s)	PerPubRecords	PerPubRecords	PerPubRecods	PerPubRecords
Effective Date of Data Source(s)	08/07/2006	08/07/2006	08/07/2006	08/07/2006

Analysis of prior sale or transfer history of the subject property and comparable sales There was no other prior sale or listing of the subject property within the past 3 years . There were no prior sales of the comparable properties within the past 1 year.

Small Residential Income Property Appraisal Report

File # 0703009

There are **10** comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ **180,000** to \$ **400,000**.
 There are **8** comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ **180,000** to \$ **250,000**.

FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address	857 Lyndhurst St A, B, C Dunedin, FL 34698-7861	1125 Broadway Dunedin, FL			518 Milwaukee Ave Dunedin, FL			1823 East Dr Clearwater, FL		
Proximity to Subject		1.12 miles NW			0.4 miles W			1.37 miles SE		
Sale Price	\$ N/A	\$ 325,000			\$ 275,000			\$ 375,000		
Sale Price/Gross Bldg. Area	\$ sq.ft.	\$ 132.54 sq.ft.			\$ 135.74 sq.ft.			\$ 95.35 sq.ft.		
Gross Monthly Rent	\$ 2,600	\$ 2,450			\$ 2,250			\$ 2,750		
Gross Rent Multiplier		132.65			122.22			136.36		
Price per Unit	\$	\$ 108,333			\$ 91,667			\$ 125,000		
Price per Room	\$	\$ 21,667			\$ 18,333			\$ 25,000		
Price per Bedroom	\$	\$ 54,167			\$ 45,833			\$ 62,500		
Rent Control	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Data Source(s)		PublicRecords&ExtInspection			PublicRecords&ExtInspection			PublicRecords&ExtInspection		
Verification Source(s)		PR 15310-1931			PR 15439-795			PR 15624-1434		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) Adjustment	DESCRIPTION	+(-) Adjustment	DESCRIPTION	+(-) Adjustment			
Sale or Financing Concessions		\$243,750/Conv 5/3 Mtg Co	No Adj	\$247,500/Conv Accredited	No Adj	None Recorded	No Adj			
Date of Sale/Time		08/2006 Closed	No Adj	10/2006 Closed	No Adj	02/2007 Closed	No Adj			
Location	Suburban	Suburban		Suburban		Suburban				
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple				
Site	11,752 sf/MOL	7,500 sf/MOL	No Adj	9,450 sf/MOL	No Adj	13,500 sf/MOL	No Adj			
View	Residential	Residential		Residential		Residential				
Design (Style)	Triplex	Triplex		Triplex		Triplex				
Quality of Construction	Masonry	Masonry		Masonry		Masonry				
Actual Age	Ac34 Eff20	Ac49 Eff 30	+7,500	Ac50 Eff 30	+7,500	Ac34 Eff 15	No Adj			
Condition	Average	Average		Average		Average				
Gross Building Area	3,248	2,452	+19,900	2,026	+30,550	3,933	-17,125			
Unit Breakdown	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths				
Unit # 1	5 2 2	5 2 2		5 2 1	+1,000	5 2 2				
Unit # 2	5 2 2	5 2 2		5 2 1	+1,000	5 2 2				
Unit # 3	5 2 2	5 2 2		5 2 1	+1,000	5 2 2				
Unit # 4										
Basement Description	N/A	N/A		N/A		N/A				
Basement Finished Rooms	N/A	N/A		N/A		N/A				
Functional Utility	Average	Average		Average		Average				
Heating/Cooling	Central/Avg	Central/Avg		Central/Avg		Central/Avg				
Energy Efficient Items	Ceiling Fans	Typical	No Adj	Typical	No Adj	Typical	No Adj			
Parking On/Off Site	On-site	On-site		1 - 2 Car Garage	-2,000	On-Site				
Porch/Patio/Deck	OpnPor, OpnPatio	OpnPor, OpnPatio		OpnPor, OpnPatio		OpnPor, OpnPatio				
Fence	None	None		Fence	-1,000	None				
Pool	None	None		Pool	-8,000	None				
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 27,400	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 30,050	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -17,125			
Adjusted Sale Price of Comparables		Net Adj. 8.4 % Gross Adj. 8.4 %	\$ 352,400	Net Adj. 10.9 % Gross Adj. 18.9 %	\$ 305,050	Net Adj. 4.6 % Gross Adj. 4.6 %	\$ 357,875			
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		\$ 117,467		\$ 101,683		\$ 119,292				
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		\$ 23,493		\$ 20,337		\$ 23,858				
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)		\$ 58,733		\$ 50,842		\$ 59,646				
Value per Unit	\$ 110,000 X 3	Units = \$ 330,000		Value per GBA \$ 125 X 3,248	GBA = \$ 406,000					
Value per Rm.	\$ 22,000 X 15	Rooms = \$ 330,000		Value per Bdrms. \$ 56,000 X 6	Bdrms. = \$ 336,000					

Summary of Sales Comparison Approach including reconciliation of the above indicators of value. In arriving at a final value indicator, Sales 1-3 were given equal consideration. Sales 1-3 are located within the subjects market area, and are deemed reliable indicators of value.

Indicated Value by Sales Comparison Approach \$ 330,000

INCOME
 Total gross monthly rent \$ 2,600 X gross rent multiplier (GRM) 128 = \$ 332,800 Indicated value by the Income Approach
 Comments on income approach including reconciliation of the GRM The GRM was derived from analyzing similar rental properties within the area, discussions with local investors, and discussions with local property management companies.

Indicated Value by: Sales Comparison Approach \$ 330,000 Income Approach \$ 332,800 Cost Approach (if developed) \$ 353,842
 Primary consideration was given to the Sales Comparison Approach. Consideration was given to the Cost Approach it provides support in arriving at a final value.

RECONCILIATION
 This appraisal is made "as is", subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: This is a summary report of a complete appraisal as defined by SR2-2(b), USPAP.
 Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 330,000 , as of 03/05/2007 , which is the date of inspection and the effective date of this appraisal.

Small Residential Income Property Appraisal Report File # 0703009

This report form is designed to report an appraisal of a two- to four-unit property, including a two- to four-unit property in a planned unit development (PUD). A two- to four-unit property located in either a condominium or cooperative project requires the appraiser to inspect the project and complete the project information section of the Individual Condominium Unit Appraisal Report or the Individual Cooperative Interest Appraisal Report and attach it as an addendum to this report.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

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

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

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements, including each of the units. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Small Residential Income Property Appraisal Report

File # 0703009

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

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property, including all units. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison and income approaches to value. I have adequate market data to develop reliable sales comparison and income approaches to value for this appraisal assignment. I further certify that I considered the cost approach to value but did not develop it, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

Small Residential Income Property Appraisal Report

File # 0703009

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

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

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

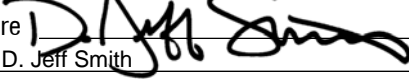
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature 
 Name D. Jeff Smith
 Company Name Valuation Inc
 Company Address PO Box 987, Tarpon Springs, FL 34688
 Telephone Number (727) 943-5157
 Email Address jeff@appraz.com
 Date of Signature and Report March 8, 2007
 Effective Date of Appraisal 03/05/2007
 State Certification # Certified General Appraiser
 or State License # RZ-2883
 or Other (describe) _____ State # _____
 State FL
 Expiration Date of Certification or License 11/30/2008

ADDRESS OF PROPERTY APPRAISED

857 Lyndhurst St A, B, C
Dunedin, FL 34698-7861

APPRAISED VALUE OF SUBJECT PROPERTY \$ 330,000

LENDER/CLIENT

Name Peggy Craven-Melendez
 Company Name Atlantic Mortgage Loans, Inc
 Company Address 1733 Keuka Dr # 302, New Port Richey, FL 34655
 Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

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

SUBJECT PROPERTY

- Did not inspect subject property
 Did inspect exterior of subject property from street
 Date of Inspection _____
 Did inspect interior and exterior of subject property
 Date of Inspection _____

COMPARABLE SALES

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

Replacement Reserve Schedule

Adequate replacement reserves must be calculated regardless of whether actual reserves are provided for on the owner's operating statements or are customary in the local market. This represents the total average yearly reserves. Generally, all equipment and components that have a remaining life of more than one year - such as refrigerators, stoves, clothes washers/dryers, trash compactors, furnaces, roofs, and carpeting, etc. - should be expensed on a replacement cost basis.

Equipment	Replacement Cost	Remaining Life	By Applicant/ Appraiser	Lender Adjustments
Stoves/Ranges	@ \$ 450.00 ea.	÷ 15 Yrs. x	3 Units = \$ 90	\$
Refrigerators	@ \$ 600.00 ea.	÷ 15 Yrs. x	3 Units = \$ 120	\$
Dishwashers	@ \$	ea. ÷ Yrs. x	Units = \$	\$
A/C Units	@ \$ 600.00 ea.	÷ 20 Yrs. x	3 Units = \$ 90	\$
C. Washer/Dryers	@ \$	ea. ÷ Yrs. x	Units = \$	\$
HW Heaters	@ \$ 250.00 ea.	÷ 10 Yrs. x	3 Units = \$ 75	\$
Furnace(s)	@ \$	ea. ÷ Yrs. x	Units = \$	\$
(Other)	@ \$	ea. ÷ Yrs. x	Units = \$	\$
Roof	@ \$ 4,500	÷ 10 Yrs. x One Bldg. =	\$ 450	\$
Carpeting (Wall to Wall)		Remaining Life		
(Units) 100 Total Sq. Yds.	@ \$ 6.00	Per Sq. Yd. ÷ 10 Yrs. =	\$ 60	\$
(Public Areas) Total Sq. Yds.	@ \$	Per Sq. Yd. ÷ Yrs. =	\$	\$
Total Replacement Reserves. (Enter on Pg. 1)			\$ 885	\$

Operating Income Reconciliation

\$ 30,264	-	\$ 1,555	=	\$ 28,709	÷ 12 =	\$ 2,392
Effective Gross Income		Total Operating Expenses		Operating Income		Monthly Operating Income
\$ 2,392	-	\$	=	\$		
Monthly Operating Income		Monthly Housing Expense		Net Cash Flow		

(Note: Monthly Housing Expense includes principal and interest on the mortgage, hazard insurance premiums, real estate taxes, mortgage insurance premiums, HOA dues, leasehold payments, and subordinate financing payments.)

Underwriter's instructions for 2-4 Family Owner-Occupied Properties

- If Monthly Operating Income is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Monthly Operating Income is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total Monthly Housing Expense for the **subject property** to the borrower's stable monthly income.

Underwriter's instructions for 1-4 Family Investment Properties

- If Net Cash Flow is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Net Cash Flow is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total monthly housing expense for the borrower's **primary residence** to the borrower's stable monthly income.

Appraiser's Comments (Including sources for data and rationale for the projections)

D. Jeff Smith
Appraiser Name


Appraiser Signature

03/05/2007
Date

Underwriter's Comments and Rationale for Adjustments

Underwriter Name

Underwriter Signature

Date

Freddie Mac
Form 998 Aug 88

Page 2 of 2

Fannie Mae
Form 216 Aug 88

Supplemental Addendum

File No. 0703009

Borrower	Michael & Catherine Perez			
Property Address	857 Lyndhurst St A, B, C			
City	Dunedin	County	Pinellas	State FL Zip Code 34698-7861
Lender	Atlantic Mortgage Loans, Inc			

CLIENT IDENTIFICATION & USAGE

The Intended User of this appraisal report is Atlantic Mortgage Loans, Inc. The Intended Use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended Users are identified by the appraiser. The use of this appraisal by anyone other than the stated intended user, or for any other use other than the stated intended use, is prohibited.

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to provide an opinion of market value to be used as indicated in the Client Identification & Usage section of this addendum. Generally, this opinion of market value is as set forth in the Dictionary Of Real Estate Appraisal, 4th Edition.

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 and 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:

- o Buyer and seller are typically motivated;
 - o Both parties are well informed or well advised, and acting in what they consider their best interests;
 - o A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
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.

SCOPE OF WORK & APPRAISAL PROCESS

Scope of work is defined, according to Uniform Standards of Professional Appraisal Practice, as "The amount and type of information researched and the analysis applied in an assignment". The subject property was identified by legal description and physical address. Data for the subject property was obtained from Public Records, an exterior and interior inspection, and MLS data, where available. The inspection of the subject property helps to identify comparability to surrounding properties, as well as any unusual characteristics. Data for the comparable sales used in this appraisal was obtained from a visual observation from the street, Public Records, and MLS data and office files, where available. A visual inspection of the surrounding area was conducted in order to obtain information and familiarize the appraiser with the subject neighborhood. This inspection helps to identify locational, physical, economic, and environmental factors affecting the marketability of the subject, but is not a guarantee as to whether or not these factors actually exist on or around the subject property.

After collection of this information, the subject property information is compared to information obtained from the market through Public Records, field information, research services, cost services, and MLS data, where available. The subject is then valued using the Sales Comparison Analysis, and the Cost Approach and Income Approach to value, when applicable.

The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

Unless stated that the Departure Provision was invoked, the analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and in accordance with the regulations required by FIRREA. Unless stated otherwise, extraordinary assumptions and/or hypothetical conditions were not considered in the preparation of this report.

In accordance with the competency provision in USPAP, the appraiser certifies that his/her education, experience, and knowledge is sufficient to appraise the type of property being appraised and that no appraiser has provided significant professional assistance to the person inspecting the subject property and in completion of the analyses other than the person(s) named in the report or the appraisers employer.

PERSONAL PROPERTY

Items of personal property are not considered in the valuation of the subject. Personal property is defined as: "All items that are not realty. Items not permanently attached or affixed to the real estate". Items considered personal property include, but are not limited to: above ground pools and hot tubs, furniture, countertop microwave ovens, storage sheds, window treatments, etc. These items may be included in the contract sales price, but are not considered in the final estimate of value.

CONDITION OF IMPROVEMENTS

A visual inspection was made of the components of the subject, including: appliances, heating and cooling, floors, walls, mechanical, electrical and plumbing. Condition of these and any other components as indicated in the appraisal rely on reasonable expectations of adequacy. These observations do not indicate a guarantee of condition. If a guarantee is needed, one should be obtained from a properly licensed, legally qualified individual.

FLOOD ZONE

Flood zone information is taken from the Federal Emergency Management Agency maps. At times, the subject is located near a border between two zones. In this case, the higher probable flood zone is used. This determination does not create liability on the part of the appraiser for any damage that results from reliance on this determination. Due to the vagueness of these maps, and the inability to pinpoint the property, elevation surveys should be done to confirm all flood zones.

ENVIRONMENTAL HAZARDS

The appraiser is not an expert in the field of environmental hazards or toxic wastes, and consequently the appraisal should not be relied upon as to whether or not environmental hazards actually exist on or around the property. The inspection of the subject property, by the appraiser, does not constitute an expert environmental inspection of the property. In order to fully and adequately determine the condition of the property with respect to environmental hazards, an expert in the field of environmental hazards should make an inspection of the property.

Supplemental Addendum

File No. 0703009

Borrower	Michael & Catherine Perez			
Property Address	857 Lyndhurst St A, B, C			
City	Dunedin	County	Pinellas	State FL Zip Code 34698-7861
Lender	Atlantic Mortgage Loans, Inc			

WELLS

If "well" is indicated in the site section of the report, it is noted that this is an accepted source of potable water for the neighborhood. If a guarantee of water quality is required, an expert in the appropriate field should be contacted and the necessary water testing procedures should be performed.

SEPTIC TANKS

If "septic tank" is indicated in the site section of the report, it is noted that this is an acceptable form of waste disposal for the neighborhood. Unless otherwise noted in the comment section of site or by separate addenda, no visible problem with a septic tank was noted at the time of the inspection. The existence of a septic tank would have no adverse affect on the estimate of value or marketability. The appraiser is not an expert on septic tanks. If an expert opinion is requested, an inspection by a qualified individual in this field should be conducted.

SQUARE FOOT BUILDING AREA & LIVING AREA CALCULATIONS

Actual living area is utilized for the subject property in both the Sales Comparison Analysis and the Cost Approach to value (when applicable). The living area utilized for the subject is from actual field measurements, utilizing the ANSI Z765-2003 method for calculating square footage, unless otherwise stated in the report.

The living area utilized for the comparable sales presented in the report was obtained from Public Records and MLS where available.

DEFERRED MAINTENANCE

In some cases, the appraiser may be required to estimate the cost to cure items of deferred maintenance. In these cases, the estimate of the cost(s) to cure is obtained from the use of the Marshall & Swift Residential Cost Handbook and local builder's costs. The reader is advised that this is an estimate only. In all cases, a truly accurate estimate of repairs should be obtained from a licensed professional in the problem areas. Depending on the results of his/her findings, or that of any inspections, the actual cost to cure may differ from the appraiser's estimate and affect value to the extent of any difference.

TAXES

Tax information herein is obtained from Public Records. The reader is advised that data on Special Assessments is a function of Title Searches, and unless discovered in the normal appraisal research, is not addressed herein.

PERMITS

Any and all improvements that require regulatory agency permits are assumed to have had those permits, and to be "legally" done unless otherwise noted elsewhere within this report. Items not requiring permits are assumed to have been done in a market acceptable manner, as well as to code.

INSULATION

The Florida Model Energy codes of 1979 established minimum insulation requirements of: R-11 walls, R-19 ceilings and R-11 raised floors, for all structures built since that time. In structures built prior to the enactment, an attempt to verify the existence of insulation, without warranty as to quality or quantity, is made, when reasonably accessible.

INSPECTIONS

The appraiser is not an expert or licensed contractor in, but not limited to: structural, plumbing, heating, air conditioning systems, electrical, appliances, roofs, soils, sub-soil conditions, subsidence, foundations, mechanical systems, pools, pool heaters, pool filters, spas, termites, environmental hazards, septic systems, installations, existing conditions, or compliance of city or county codes.

NO WARRANTY OF THE APPRAISAL IS GIVEN OR IMPLIED. NO LIABILITY IS ASSUMED BY THE APPRAISER FOR THE STRUCTURAL OR MECHANICAL ELEMENTS OF THE PROPERTY. Therefore, any Buyer, Borrower, or other user of this report is advised to carefully consider their options relative to expert physical inspections of the subject property. Inspections by experts in any of the above areas may or may not reveal current or potential problems. The failure to exercise the right of professional expert inspections may constitute an acceptance of the property in its present condition. A list of licensed contractors, engineers, environmental inspectors, home inspectors, etc., may be found in the local phone directory. Depending on the results of any advised inspections, the market value may be affected to the extent of the cost to cure any problem areas or items.

THIRD PARTY USE

This appraisal has been prepared for our client as indicated in the Client Identification & Usage section of this addendum. This appraisal may not be used or relied upon by anyone other than the indicated client, for any purpose other than the usage indicated in the Client Identification & Usage section of this addendum, without the express written consent of the appraiser. Where it is required that a third party (i.e. borrower) receive a copy of this report, it is being provided pursuant to authority from the Lender/Client, and that the third party may not be entitled to rely upon its contents when making any decisions concerning the property (i.e. a purchase). If this report is placed in the hands of anyone but the Lender/Client, Lender/Client shall make such party aware of all the assumptions and limiting conditions of the assignment.

DIGITAL SIGNATURE

It should be noted that the digital signature will only be displayed and inserted by the appraiser. Once the report is signed it cannot be edited unless the appraiser removes it. The signature of the appraiser can only be inserted from the appraisers designated computer and is password protected.

Subject Photos

Borrower	Michael & Catherine Perez				
Property Address	857 Lyndhurst St A, B, C				
City	Dunedin	County	Pinellas	State	FL Zip Code 34698-7861
Lender	Atlantic Mortgage Loans, Inc				

**Subject Front**

857 Lyndhurst St A, B, C

Sales Price N/A

G.B.A. 3,248

Age Ac34 Eff20

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

Comparable Photos 1-3

Borrower	Michael & Catherine Perez		
Property Address	857 Lyndhurst St A, B, C		
City	Dunedin	County	Pinellas
		State	FL
		Zip Code	34698-7861
Lender	Atlantic Mortgage Loans, Inc		

**Comparable 1**

1125 Broadway
Sales Price 325,000
G.B.A. 2,452
Age Ac49 Eff 30

**Comparable 2**

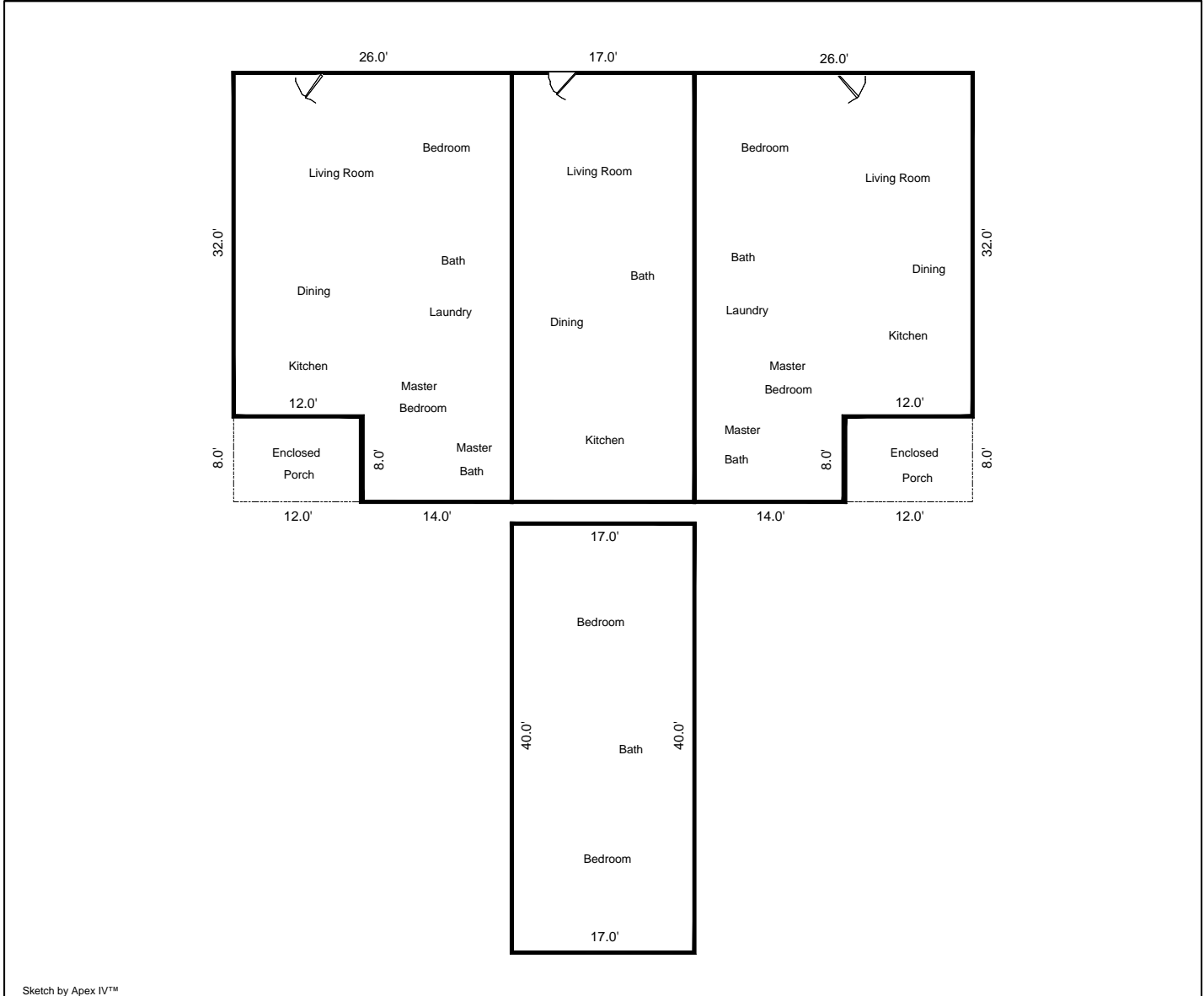
518 Milwaukee Ave
Sales Price 275,000
G.B.A. 2,026
Age Ac50 Eff 30

**Comparable 3**

1823 East Dr
Sales Price 375,000
G.B.A. 3,933
Age Ac34 Eff 15

Building Sketch

Borrower	Michael & Catherine Perez		
Property Address	857 Lyndhurst St A, B, C		
City	Dunedin	County	Pinellas
		State	FL
		Zip Code	34698-7861
Lender	Atlantic Mortgage Loans, Inc		



Sketch by Apex IV™

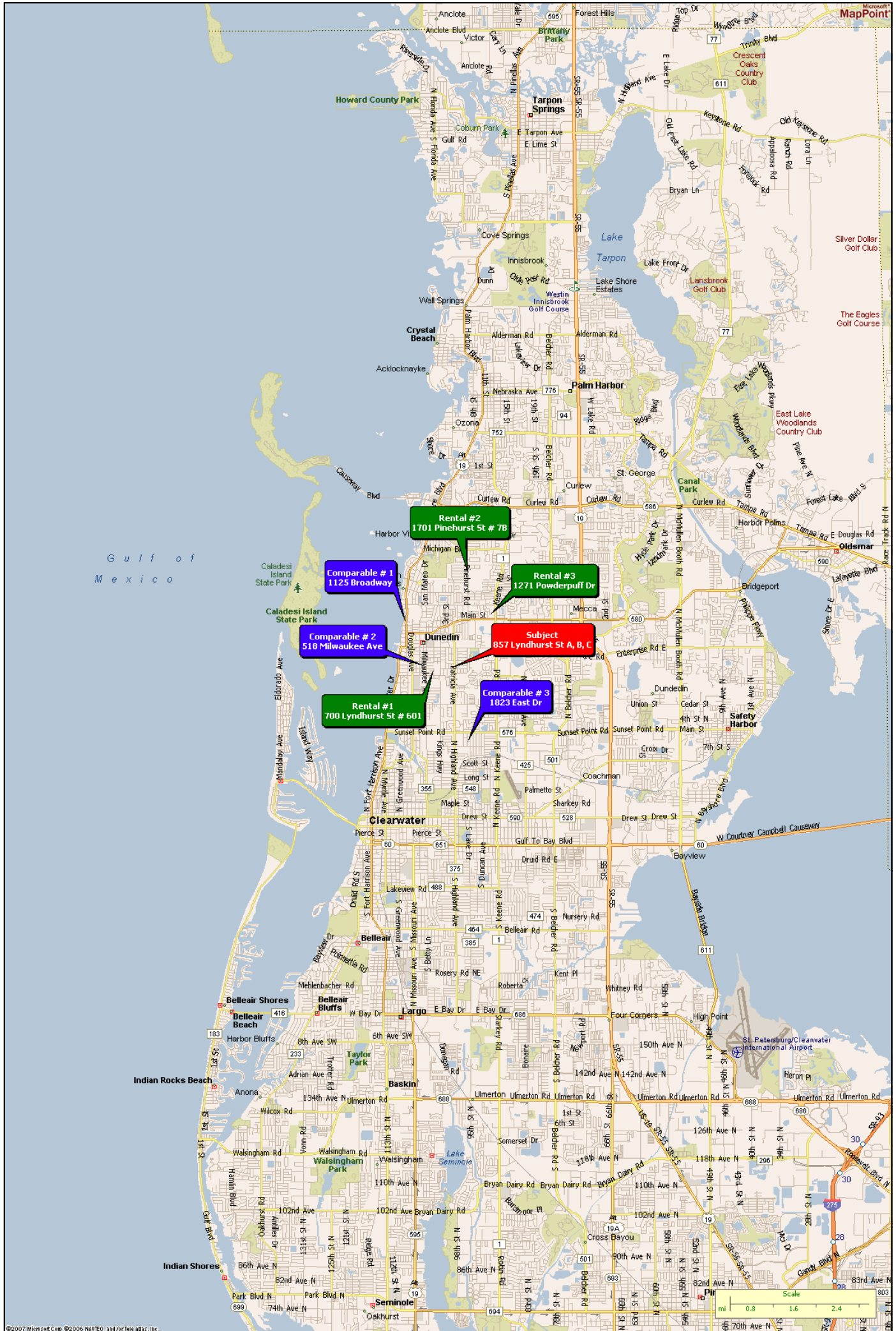
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Size	Net Totals
GLA1	Unit A	944.00	
	Unit B	680.00	
	Unit C	944.00	2568.00
GLA2	Second Floor Unit B	680.00	680.00
P/P	Porch	96.00	
	Porch	96.00	192.00
TOTAL LIVABLE (rounded)			3248

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
Unit A			
14.0	x	40.0	560.00
12.0	x	32.0	384.00
Unit B			
17.0	x	40.0	680.00
Unit C			
26.0	x	32.0	832.00
8.0	x	14.0	112.00
Second Floor Unit B			
17.0	x	40.0	680.00
6 Calculations Total (rounded)			3248

Location Map

Borrower	Michael & Catherine Perez		
Property Address	857 Lyndhurst St A, B, C		
City	Dunedin	County Pinellas	State FL Zip Code 34698-7861
Lender	Atlantic Mortgage Loans, Inc		



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APPRAISER DISCLOSURE STATEMENT

File No. 0703009

Name of Appraiser: D. Jeff Smith

Class of Certification/Licensure:

Certified General
 Certified Residential
 Licensed Residential
 Temporary General Licensed

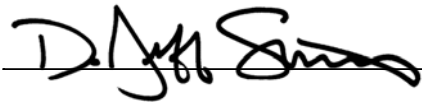
Certification/Licensure Number: RZ-2883

Scope: This Report is within the scope of my Certification or License
 is not within the scope of my Certification or License

Service Provided By:

Disinterested & Unbiased Third Party
 Interested & Biased Third Party
 Interested Third Party on Contingent Fee Basis

Signature of person preparing and reporting the Appraisal:

 _____

This form must be included in conjunction with all appraisal assignments or specialized services performed by a state-certified or state-licensed real estate appraiser.

The intended users of this report and/or their assigns agree to the following:

The appraiser's fee is in no way based on the final value estimate of the appraised property, and all sums due hereunder are due and payable regardless of the amount of the final value estimate.

This appraisal report is also prepared with the agreement that the appraisal report represents the appraiser's opinion of value only, without warranty that the property will sell for the appraised value.

The appraiser is not an expert or licensed contractor in, but not limited to: structural, plumbing, heating, air conditioning systems, electrical, appliances, roofs, soils, sub-soil conditions, subsidence, foundations, mechanical systems, pools, pool heaters, pool filters, spas, termites, environmental hazards, septic systems, installations, existing conditions, or compliance of city or county codes.

NO WARRANTY OF THE APPRAISAL IS GIVEN OR IMPLIED. NO LIABILITY IS ASSUMED BY THE APPRAISER FOR THE STRUCTURAL OR MECHANICAL ELEMENTS OF THE PROPERTY. Therefore, any Buyer, Borrower, or other user of this report is advised to carefully consider their options relative to expert physical inspections of the subject property. Inspections by experts in any of the above areas may or may not reveal current or potential problems. The failure to exercise the right of professional expert inspections may constitute an acceptance of the property in its present condition. A list of licensed contractors, engineers, environmental inspectors, home inspectors, etc., may be found in the local phone directory. Depending on the results of any advised inspections, the market value may be affected to the extent of the cost to cure any problem areas or items.

Client agrees to indemnify the appraisal company, their employees, and/or independent contractors from all claims, suits, and charges of any nature which may arise from this agreement.

AC# 2870098

STATE OF FLORIDA

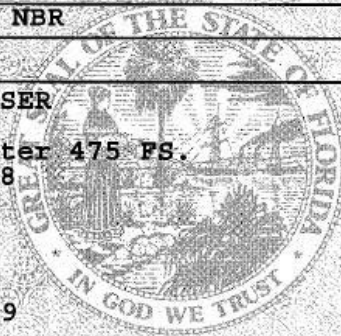
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
FLORIDA REAL ESTATE APPRAISAL BD

SEQ# L06100201810

DATE	BATCH NUMBER	LICENSE NBR
10/02/2006	068073516	RZ2883

The CERTIFIED GENERAL APPRAISER
Named below IS CERTIFIED
Under the provisions of Chapter 475 FS.
Expiration date: NOV 30, 2008

SMITH, DAVID JEFFREY
1113 CARLTON ROAD
TARPON SPRINGS FL 34689



JEB BUSH
GOVERNOR

DISPLAY AS REQUIRED BY LAW

SIMONE MARSTILLER
SECRETARY

INVOICE**FROM:**

Valuation Inc
PO Box 987
Tarpon Springs, FL 34688

Telephone Number: (727)943-5157

Fax Number: (727)945-8545

INVOICE NUMBER

0703009

DATE

3/5/2007

REFERENCE

Internal Order #: 0703009

Lender Case #:

Client File #:

Main File # on form: 0703009

Other File # on form:

Federal Tax ID: 25-1918137

Employer ID:

TO:

Peggy Craven-Melendez
Atlantic Mortgage Loans, Inc
1733 Keuka Dr # 302
New Port Richey, FL 34655

Telephone Number: 727-946-2019

Fax Number: 888-400-5188

Alternate Number:

E-Mail:

DESCRIPTION

Lender: Atlantic Mortgage Loans, Inc **Client:** Atlantic Mortgage Loans, Inc
Purchaser/Borrower: Michael & Catherine Perez
Property Address: 857 Lyndhurst St A, B, C
City: Dunedin
County: Pinellas **State:** FL **Zip:** 34698-7861
Legal Description: TROPICAL TERRACE N 1/2 OF LOT 28

FEES**AMOUNT**

Full Appraisal w/Income Analysis
Multiple Order Discount

450.00

-100.00

SUBTOTAL

350.00

PAYMENTS**AMOUNT**

Check #: **Date:** **Description:**
Check #: **Date:** **Description:**
Check #: **Date:** **Description:**

SUBTOTAL

Due Upon Receipt

TOTAL DUE

\$

350.00