

2022 State Board of Equalization

August 9, 2022

File No.: 2022-WEST FARGO-SVALESON

County or City: City of West Fargo

Appellant: Michael Svaleson and Deanne Schatz Svaleson

Issue: Appellants appealing property valuation.

Summary: Michael Svaleson and Deanne Schatz Svaleson represented by Tami Norgard, Vogel Law Firm, requests a reduction in valuation on parcel number 02-4958-00010-000, located at 4812 Sheyenne ST, West Fargo.

Notes:

600 E. BOULEVARD AVE., DEPT 127
BISMARCK, ND 58505-0599

WWW.ND.GOV/TAX | TAXINFO@ND.GOV NORTH DAKOTA





Appellant Information – 2022 State Board of Equalization

County or City: Cass County/West Fargo
 Appellant: Michael Svaleson and Deanne Schatz Svaleson
 Type of Appeal: Residential

Please complete this form in its entirety. The information provided will be taken into consideration when investigating and reaching a conclusion regarding the appeal presented. To provide ample time for investigation, all information to support the appeal (property information, pictures, income information, etc.) must be received by August 3, 2022 and is subject to open records. Please provide one questionnaire per property.

Please email or mail any supporting documentation to:

propertytax@nd.gov or Office of State Tax Commissioner
 Attn: Property Tax
 600 E. Boulevard Ave.
 Bismarck, ND 58505-0599

Information for Property Referenced in Appeal:

Address:	4812 Sheyenne St.		
City: West Fargo	State: ND	Zip: 58078	
Township (if applicable): Township Name	County: Cass		
Parcel ID: 02-4958-00010-000	Legal Description: SCHATZ RANCH 1ST LT 1 BLK 1 **8-6-19 PLATTED FRM 02-3000-01273-000 PER PLAT DOC# 1567394 FOR 2019		

Appellant Contact Information:

Name:	Vogel Law Firm		
Address:	218 NP Ave		
City: Fargo	State: ND	Zip: 58102	
Phone number: 701-237-6983	Email address: tnorgard@vogellaw.com		

Answer the questions below that apply to the appeal:

Are you the owner of the property of this appeal? Yes No
 (If No, please see the Consent to Release Financial Info)

Did you receive a notice of increase letter from the city/township? (use drop-down for all that apply)
 Prior to Township/City Equalization Meeting
 Prior to
 Choose One

At which meeting did you appeal your assessment? (choose all that apply)

Township City County N/A

Please explain your appeal.

See attached letter.

Any evidence to validate your appeal of the assessment?

See attached 2021 appraisal. Additional appraisal information will be presented at the hearing.

Has a recent appraisal been completed on the property? Yes (If so, please attach.)

Please attach or email (propertytax@nd.gov) the following:

1. A detailed explanation of your appeal
2. Evidence to validate the assessment appealed
3. Consent to Release Financial Information, if required

August 3, 2022

North Dakota State Board of Equalization
Attn: Brian Kroshus, Tax Commissioner & Secretary
North Dakota Capitol Building
600 E. Boulevard Ave., Dept 127
Bismarck, ND 58505

Via email: propertytax@nd.gov

Re: 4812 Sheyenne St., West Fargo, ND 58078 (Deanne Schatz Svaleson & Michael Svaleson) Dispute of Tax Assessment and Request for Correction.

Dear State Board of Equalization:

Mike Svaleson and Deanne Schatz Svaleson hereby requests a reduction and correction to the City of West Fargo's valuation and corresponding tax assessment for 4812 Sheyenne St., West Fargo, ND 58078 (Parcel ID: 02-4958-00010-000) (hereinafter "Property"). From 2021 to 2022, the City increased the Property value **by an astounding \$680,700** for this home, an increase of over 34% of value in one year for this high value home. The City increased the value of the Svaleson home from \$1,992,500.00 in 2021 to a valuation of \$2,673,200 as of February 2022.

SUMMARY OF CONCERNS

1. The Property's land value skyrocketed due to Invertase's assemblage purchases

When Svaleson first saw that the valuation of his home increased by \$680,000 in one year, after the City had inspected and assessed the property the year earlier, Svaleson called City Assessor Nick Lee to see if there was a mistake. Lee advised that Svaleson could blame his neighbor (Tevey), since Tevey's owner was alleged to have overpaid for other parcels adjacent to Tevey's house, which Lee suggested increased Svaleson's taxable valuation by \$680,000 in one year. Interestingly, the City did not increase Tevey's land value, but kept the land value at \$18,000 per acre for Tevey and increased the neighbor's land value by approximately \$86,000 per acre for 7.87 acres, a \$680,000 increase. This shows that there is no basis to some of the assessments, when neighbors are inequitably and arbitrarily assessed. This was all discussed at the City Board of Equalization Hearing in April 2022.

When the City finalized its Assessments in April 2022, the City Assessor modified the valuation for Tevey, from \$6,209,100 down to \$6,196,600. In the explanation, it appears that the City Assessor simply shifted his numbers around, now showing a land value of \$872,200 (up from \$157,200) while keeping the overall value almost the same. The Assessor dramatically increased its land calculation

in Tevey simply to try to bolster its defensibility of the Svaleson taxable valuation. One can assume the values were adjusted since they otherwise made the arbitrary land valuations and inequitable increase clear. This is simply arbitrary and does not provide any reflection of market value for either Tevey or Svaleson. Assemblage is the concept of purchasing nearby land to combine with already owned land. Assemblage purchases do not reflect the property's market value. *Menard, Inc. v. County of Anoka*, 2019 WL 237158, at *22 (Minn. Tax Ct. Jan. 15, 2019) (“a buyer who purchases a site for assembly with others “might have to pay a higher-than-market value.”). Because a neighboring property owner purchased four parcels of land to assemble next to its existing, neighboring home, this constitutes assemblage when the land was not on the open market, any inflated purchase prices cannot be used to justify market value for Svaleson's residential lot.

2. West Fargo uses development land prices to further justify the increase in the Property's land value

West Fargo is one of the fastest growing cities in North Dakota, particularly on the southwest edge of town where the Property is located. Many subdivisions have been built in the area on raw development land that is selling for \$150,000 per acre. While it is a robust area for new development, that does not mean there are suddenly buyers in the open market that will pay \$680,000 more for the Svaleson home in 2022, over 2021. There are limited buyers for existing high end homes on the market, with only a few arm's length sales in the last two years over \$1 million. The rest are custom high end new homes sold from the custom builder to their client based on a contract. The use of vacant ag land for development of new subdivisions should not be used to justify a \$680,000 increase in Svaleson's home.

Ironically, after Tevey challenged the valuation at the Board of Equalization, the City of West Fargo suddenly abruptly increased the “land value” category, and decreased the “improvement” value by a similar amount, essentially shifting the values from improvements to land in order to keep their proposed market value. Why then, in this case, wouldn't the City do the same thing? The City should have similarly decreased the “improvement value” by \$680,000 if they felt compelled to increase the “land” category. The overall goal is to identify “market value” however the City decides to allocate the numbers. There is no basis for the City to increase the value by \$680,000 in a year, where we presented a \$2.1 million appraisal to the City and County, justifying the value. To do otherwise is inequitable and unfair.

3. City Assessor's “adjustments” on allegedly comparable homes are excessive

The City Assessor's comparable properties are not comparable at all. The City's adjustments almost double the value of each property reviewed. At that point, the comparison has lost its integrity. I understand the difficulty in finding comparable homes at this price range, but that further underscores why \$2.6 million is simply too high of an assessment. At the County Board of

Equalization hearing, the City Assessor mentioned additional sales. The City Assessor heavily relies on costs of construction as evidence of market value. The City Assessor uses newly constructed homes bought by clients from their custom home builders, which are not comparables. They are simply an indication of what homeowners decided to invest in their own houses. Particularly for high value homes, the amount that high income property owners decide to invest in property does not necessarily reflect what the market value would demand. The City of West Fargo Assessor uses, as comparable sales, sales of homes from custom builders to their clients. The result is a significantly inflated market value for many homes in West Fargo, which does not adequately reflect the West Fargo/Fargo housing market values. The City of West Fargo's assessment process leads to values that far exceed the values assessed on properties in nearby Fargo. This leads to extremely inequitable taxation within the County.

4. City Assessor did not factor economic depreciation into his valuation

Continuing the last point about the difficulty of finding comparables, there is a miniscule market in West Fargo for \$2+ million homebuyers. We will bring additional appraisal documentation to the hearing on August 9, but also submit the 2021 appraisal submitted to the City and County. As my appraisers point out, standard economics become distorted with this small sample size of high value homes. Thus, appraisers utilize economic depreciation when appraising high value homes. Regardless of what the owner put into the house, high value homes often sit on the market for lengthy periods and sell well below the initial listing price. Appraisers are licensed and required to follow certain rules and protocols when identifying market value. Assessors are not held to the same standards and clearly have a lot less experience trying to value a high end home with a computer model. The State Board of Equalization should give deference to the appraisers in this situation.

5. Inequal Assessment

There are numerous examples of high value homes in neighboring cities whose tax burdens are a fraction of Svalesons. Our appraiser will provide examples. One illustrative example is located at 7010 52nd Ave S, Horace, ND 58047 ("Horace Home"). The Horace Home sits only half a mile away from Svaleson's property, both equidistant from 52nd Avenue South. The Horace Home is zoned residential and sits on a lot with 37.19 acres, containing 9,738 square feet of Total Living Area ("TLA"). The County assesses the Horace land at just over \$10,000 per acre compared to Svaleson's \$101,000 per acre assessment, within a half mile of each other. This is illustrative of blatantly unequal assessment within a neighborhood. Your duty as the state Board of Equalization is to equalize the assessments so similar properties are taxed similarly based on their market value. N.D.C.C. § 57-13-03. Svaleson should be more closely aligned with the Horace House's valuation for tax purposes. Svaleson's property is not development land, it should be assessed similarly to the Horace Home. Similarly, a home located at 3253 Timber Creek Circle South in sits on a one-acre lot with almost 9,800 square feet and an indoor pool. The City of Fargo's 2022 certified taxable

valuation of \$1,570,600 for a beautiful, high end custom home with an indoor pool. This house has sat on the market for many months and remains unsold. Svaleson simply seeks fairness and equity when having a City determine a valuation for tax purposes. Given the significant lack of buyers for higher end homes, there simply is no justification for this \$680,000 increase in a year in West Fargo.

6. *Sales Ratio* –

Finally, market value does not necessarily reflect assessment equality within the County or the State if the sales ratio within the jurisdiction of similar properties is less than 100%. For instance, it is clear that the valuation of many homes for purposes of taxation are set at approximately 70% of the actual market value. This is common in high value homes. Our appraiser noted that after identifying “market value,” you must look at what is fair and equitable to the homeowner based on what other nearby landowners are paying in taxes. Our appraiser will identify numerous situations on similar high value homes where the taxation level is routinely set at much less than 100% of market value. This justifies a further reduction to be fair and equitable. One or two property owners should not be picked out for higher valuations and taxation simply because they are affluent or because they drew the ire of the City by challenging special assessments or valuations.

BACKGROUND

Upon learning of the dramatic increase, Michael Svaleson called the City Assessor’s office to see if there was some mistake. The City Assessor advised Svaleson that their land value was increasing because Svaleson’s neighbor (Tevye, LLC) bought some vacant land (in the name of Invertase, LLC) to the south and west of its property for assemblage purposes, for an amount that exceeded market value. For example, the land purchased by Invertase had previously been assessed at \$38,000, yet once Invertase purchased it, the Assessor’s value skyrocketed to \$782,000 (Parcel 02-3000-01283-010). Ironically, one Invertase parcel was a part of a larger parcel, held for future development. The new Invertase parcel is now valued at \$4.30 per square foot, while the prior owner who still owns the identical adjacent land is being assessed based up \$0.03 per square foot (based upon Mr. Svaleson’s calculations). This is not equitable taxation; it is an example of spot assessing where a few particular owners are dramatically increased while others with nearly identical property are not.

LAW

“All assessments of any taxable property in excess of the full and true value in money are subject to correction and abatement and refund. . .” N.D.C.C. § 57-23-01. The Board may abate or refund, in whole or in part, any assessment or tax upon real property when the assessment on the property is invalid, inequitable, or unjust.” *Dakota Northwestern Asso. Ltd. Partnership v. Burleigh County Board of County Comm.*, 2000 ND 164, ¶ 9 (citing N.D.C.C. § 57-23-04(1)(h)). The proposed 2022 valuation should be no more than the market value, which is indicated in an appraisal.

The State Board is charged with examining and comparing “the returns of the assessment of taxable property as returned by the several counties in the state, and shall proceed to equalize the same so that all assessments of similar taxable property are uniform and equal throughout the state at the full and true value” NDCC 57-13-03. “Every property within North Dakota, including properties at issue, must be assessed at its ‘true and full value.’ *RFM-TREI Jefferson Apartments, LLC v. Stark County Board of Comm.*, 2020 ND 204, ¶ 12. “Market value is the same as true and full value for residential and commercial property.” *Property Tax Guideline: Assessment Terms and Concepts*, (2)(a), N.D. Office of State Tax Comm’r, July 2005. Market value is defined as, “the most probable price expressed in terms of money that a property would bring if exposed for sale in the open market in an arms-length transaction between a willing seller and a willing buyer” *RFM-TREI Jefferson Apartments, LLC v. Stark County Bd. of Comm’rs*, 2020 ND 204, ¶ 12, 950 N.W.2d 160.

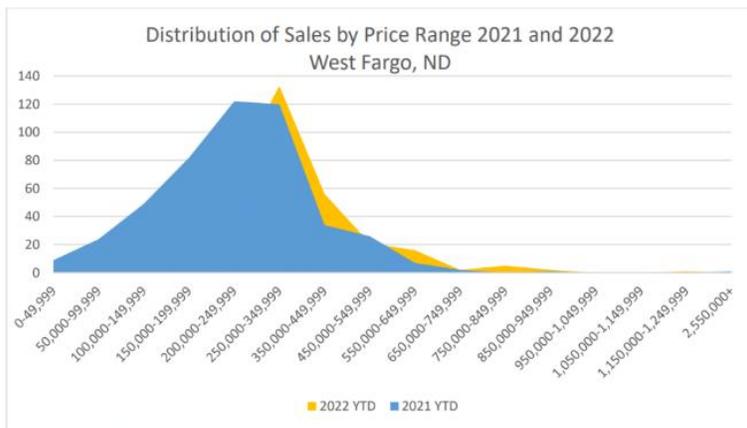
ARGUMENT

The City Assessor advises that they use a mass appraisal, which is a computer model that is run for all properties city-wide. While the City Assessor claims that puts all properties on an equal footing, there is something amiss in the application of that model to the Svaleson parcel. I understand how and why mass appraisals are created, yet the computer model is only as good as the inputs and only provides credible results if the properties subject to it are like properties exposed to similar market conditions. While this computer model may work great for homes on 1/8 to 1/2 acre lots with 1200 square feet to 5500 square feet, either the inputs or the numbers appear to get skewed with larger lots and larger properties. I find it hard to believe that the computer model calculated a \$680,000 increase in the Svaleson house in one year due to a sale of some vacant development land nearby. Just because vacant development land sells nearby, it does not result in all homes within a designated radius having their market value increase by the amount as if their land will suddenly demand that same value. This is not vacant developable land, or even land that will sustain future development on the property. Further, it is clear that not all houses in the area saw a similar increase in their land valuation, so there must have been some spot assessing, which is resulting in inequitable valuation and taxation.

The fact that there was a sale of vacant development land nearby does not mean there is any willing buyer in the market that would pay \$2.6 million for the Svaleson house if it was for sale. Any computer model that would cause value to increase by \$680,000 in one year should be inherently suspect, causing a more specific review of the valuation process and comparables to this parcel. I question whether the formula or inputs are skewed in this case, as the general mass appraisal process should not justify the significant increase identified here. Given the limited buyers for homes over \$1 million, there is a limit to how far the City can push increases in market value based upon their computer modeling. There simply is not sufficient buyers to support such a jump.

An appraiser in another West Fargo property valuation appeal provided an analysis of the arm's length residential home sale transactions above \$1 million and found only 2 in the last 2 years, as follows:

As stated in our appraisal, comparative analysis tells us that only two homes above \$1 Million have sold over a 2-year period. The pool of buyers above \$700,00 is very thin indeed. Lack of buyers in any market means that supply and demand are inelastic and very subject to price swings. High demand raises prices and low demand lowers prices given an equal supply. When the supply is short to start with, it does not mean that price will go up unless more buyers are entering that segment of the market. That is clearly shown here by market evidence.



Source: FMRMLS 2021-2022 YTD

(GEB Appraisals & Triebwasser Appraisal Service, LLC Joint Venture, submitted for Tevye, LLC. Property valuation objection).

Just because development land is escalating in price, that does not necessarily justify a \$680,000 increase in the market value of the Svaleson home. The Svaleson home is not constructed on vacant development land, nor will it be sold off for future development. The valuation of the Svaleson home is limited by what the market would pay for the home, which is often determined based upon prices of comparable sales of similar types of properties in the area. Just because development in West Fargo may be increasing for new residential subdivisions, the development does not cause a parallel increase in the Svaleson home's value as if the acreage under the Svaleson home is available for development.

One parcel mentioned by the City Assessor to the Owner as validation for the City's increase was 443 45th Avenue West, in West Fargo, where an older home was purchased and torn down for redevelopment. The assessed value of the land with a home was valued at \$114,800. Once the home was demolished, the vacant land was valued for tax purposes at \$194,200, so the land was more valuable as vacant. The Assessor used this as an example to the Owner of why the assessed value of the Svaleson home went up \$680,000 in a year. That is faulty logic when identifying the market

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value of a high value home. There is no correlation between the proposed logic of the City and a determination of what a willing buyer would pay to a willing seller of the Svaleson home.

Another issue that appears to be amiss in the City's assessment is the lack of recognition of economic depreciation, which would be applied to any high value home in recognition of a lack of buyers in this market, the lengthy marketing time for a house in this price range, and the difficulty of obtaining financing for potential buyers of a high value home, all of which put downward pressure on sales price.

Further, the City Assessor incorrectly used four land sales to the south of the Svaleson home as the stated justification for the \$680,000 increase. The sales referenced by the Assessor's Office were purchased by Invertase for assemblage purposes with a large home (owned by Tevye, LLC) adjacent to these four parcels and also adjacent to the Svaleson home. None of the Invertase purchases were listed for sale. These purchases would not qualify as an arms-length transaction between a willing seller and willing buyer in an open market. The purchase was for an intended assemblage purpose, so any elevated value paid for the parcels is not reflective of what the market for residential land is in this area. When property is purchased at a higher value because of proximity to the buyer's other property, that concept is called "assemblage" and the sales are not deemed to be arms-length transactions between a willing buyer and willing seller. No licensed appraiser would ever use parcels bought for assemblage as sales comparables to determine the market value of any similar properties. The City Assessor's office knows these parcels were bought for assemblage, so they should not be using those values as a basis to dramatically increase Svaleson's value. The statement from the City Assessor that Svaleson's neighbor is driving up Svaleson's valuation by paying over market for properties evidences a lack of acceptable appraisal/assessment criteria in determining value.

A more reasonable reflection of market value would be obtained by an appraisal of the Svaleson home or other comparable sales of similar homes. In fact, Svaleson obtained an independent appraisal from local, credible appraisers a year ago, which evaluated a number of sales of higher valued homes of similar size and character, ultimately concluding the value of the Svaleson home is \$2,147,722. (2021 Appraisal attached.) This is the level that the market would support for a sale of this Property. Additional appraisal information will be provided at the hearing.

In an attempt to justify the \$680,000 increase, the City Assessor's office sent me four recent sales in order to justify the increased valuation. The sales prices of these four properties are \$1.8 million, \$1.9 million, \$1.4 million and \$764,000. The City Assessor's office includes a number of adjustments to each of these parcels in order to make them 'comparable' to the Svaleson house. On their own, adjustments are a reasonable assessment tool, but the adjustments in this case far exceed reasonability. The City Assessors office adds dramatic increases to the supposedly 'comparable' homes to make them more comparable to Svaleson's house, increasing each value by \$1.4 million, \$1.1 million, \$664,000 and \$426,000. Considering the Svaleson home was valued at \$1.9 million in

2021, I would advise that these ‘comparables’ are likely not comparable at all if the assessor has to add \$1.4 million to the purchase price in order to make the house actually comparable. It would be much more accurate and reliable to use an actual property-specific appraisal created by a licensed appraiser as a basis of valuation, like the attached appraisal completed in 2021, valuing the home at \$2.1 million.

Based on the attached appraisal of the Property by Deanne Schatz’s lender, Town & Country Credit Union, the true and full value of the Property is \$2,100,000, falling below the City’s assessment.

I. Cost Approach

Under the Cost Approach, the appraisal considered what a prudent, rational person would pay to construct a similar and competitive property as opposed to purchasing the Property at issue. The estimated replacement cost of the building and site improvement was based on Swift Estimator, an online subsidiary resource of Marshall Valuation Service, adjusted for local costs and conditions. Based on the cost equivalent for replacement, the Property was valued at **\$2,147,722**.

In reviewing the cost approach and value of the land, the City Assessor acknowledged that the original house had been torn down, but he quickly surmised that it must have had no value since the Owner chose to tear it down and build a new home. As such, the City Assessor did not include any reduction in value for the value of the improvement that was removed from the property, yet he added the new construction cost in full which contributes to this \$2.6 value. This calculation is illogical.

II. Sales Comparison Approach

The appraisal analyzed the Property under a Sales Comparison approach comparing the Property to six comparable listings. Of particular note is a review of “Comparable 3” with a marketing history listing the property for \$2,899,000 in August, 2018 and reduced to \$2,450,000 at the time of sale garnering only 77% of the listed price. “Comparable 5” also indicates availability for 1,280 days. It had an initial list price of \$3,250,000, but the appraiser provided an adjusted sales price of \$2,041,815. Based on the comparable properties with adjusted sales prices ranging from \$1,985,640 to \$2,633,825, the appraisal determined the value of the Property at **\$2,100,000**. In short, higher value homes are not easy to sell since there is not a large group of buyers who constitute a market for the homes, with only one or two houses being sold in this range annually. That is precisely why appraisers utilize economic depreciation. Regardless of any attempted recalibration of the land value by the City, the true and full value of the Property is limited by what the market will bear for sales of similar homes, which is clear from the appraisal.

Another fundamental flaw in the City of West Fargo’s rebuttal report is the extreme level of “adjustments” that are applied to comparables. At some point, a comparable sale ceases to become a comparable sale when the overall value is doubled as an “adjustment” by the City Assessor. The incredible level of unwarranted adjustments are in the highlighted columns below, which strain reason. For example:

PN 02-4528-00180-000 Address 2761 RIVERS BEND DR E WEST FARGO  LOT 5 BLK 2 RIVERS BEND AT THE PRESERVE	PN 02-4528-00150-000 Address 2815 RIVERS BEND DR E WEST FARGO  LOT 2 BLK 2 RIVERS BEND AT THE PRESERVE
Cd/Rec D 013 1633475 Analysis info 04/27/2022 / 0.00% adj/mo Sale Date/Amt 05/24/2021 \$1,866,019 Time Sale Adj 0 mo /Adj \$0 per mo \$0 Adj Sale Amt \$1,866,019	Cd/Rec D 013 1649213 Analysis info 04/27/2022 / 0.00% adj/mo Sale Date/Amt 10/22/2021 \$1,439,043 Time Sale Adj 0 mo /Adj \$0 per mo \$0 Adj Sale Amt \$1,439,043

(Some rows removed to be brief)

Total (without rounding) \$1,786,207 Net Adjustments \$664,634 Indicated Value \$2,530,653	Total (without rounding) \$1,327,316 Net Adjustments \$1,123,527 Indicated Value \$2,562,570
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PN 02-4528-00210-000 Address 2707 RIVERS BEND DR E WEST FARGO  LOT 8 BLK 2 RIVERS BEND AT THE PRESERVE	PN 02-4525-00550-000 Address 2721 1 ST E WEST FARGO  LOT 7 BLK 4 RIVERS BEND AT THE PRESERVE
Cd/Rec D 013 1649791 Analysis info 04/27/2022 / 0.00% adj/mo Sale Date/Amt 10/28/2021 \$1,419,631 Time Sale Adj 0 mo /Adj \$0 per mo \$0 Adj Sale Amt \$1,419,631	Cd/Rec D 013 1651962 Analysis info 04/27/2022 / 0.00% adj/mo Sale Date/Amt 11/19/2021 \$1,607,940 Time Sale Adj 0 mo /Adj \$0 per mo \$0 Adj Sale Amt \$1,607,940

(Some rows removed to be brief)

Total (without rounding) \$1,213,299 Net Adjustments \$1,237,543 Indicated Value \$2,657,174	Total (without rounding) \$1,398,179 Net Adjustments \$1,052,664 Indicated Value \$2,660,604
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The appraisal notes that the Property is a high value residential property with expected price regression between 15-20% within the limited market for potential buyers and sellers. As previously determined by the North Dakota Supreme Court, if a property cannot be sold for the assessed value,

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then the market value, synonymous with the “true and full value,” of the property must be less than the assessed value. *RFM-TREI Jefferson Apartments*, 2020 ND 204, ¶ 14. Assessments which exceed the true and full value of a property require abatement or reduction of the property’s assessed value. *Id.* Where a Board acts contrary to that directive, its acts are considered arbitrary and unreasonable. *Id.*

The City’s drastic increase in valuation does not reflect what a willing buyer would pay a willing seller for the Property, particularly in the West Fargo market. The City’s valuation should not be adopted by the State Board of Equalization, and a downward correction is required. Deanne Svaleson requests the Board consider the attached appraisal as evidence of the Property’s true and full value, setting the market value at \$2,100,000. That would still reflect an increase of \$107,500 in one year, which is significant.

Sincerely,

A handwritten signature in black ink that reads "Tami Norgard". The signature is written in a cursive, flowing style.

Tami Norgard
4727034.1

03/16/2021

ADDITIONAL COMMENTS AND EXPLANATIONS REGARDING THE APPRAISAL OF THE SUBJECT PROPERTY LOCATED AT 4812 SHEYENNE ST S . WEST FARGO, ND.

THE SUBJECT DWELLING IS ONE OF SEVERAL HUNDRED EXECUTIVE TYPE HOMES WITH CONSTRUCTION COST EXCEEDING \$800,000 IN THE GREATER FARGO/MOORHEAD MARKET.

THE SUBJECT'S IMPROVEMENTS UPON A LARGER CLOSE IN RESIDENTIAL SITE LEAVES IT IN A MORE SELECT GROUP OF EXECUTIVE HOUSING OPTIONS.

THE EXCEPTIONAL SIZE AND QUALITY OF THE HOUSE AND OUTBUILDINGS ON SITE PUTS THE SUBJECT PROPERTY AMONG JUST A HANDFUL OF SUCH RESIDENTIAL PROPERTIES IN THE REGION.

MARKET ACTIVITY INDICATES A SIGNIFICANT PRICE REGRESSION IN RELATION TO THE COST OF SUCH ELABORATE IMPROVEMENTS IN THE LOCAL RESIDENTIAL *RESALE* MARKET.

AS STATED THE HIGHEST AND BEST USE OF THE PROPERTY IS SINGLE FAMILY RESIDENTIAL AND THE ADDITIONAL NON MAIN DWELLING ASSOCIATED IMPROVEMENTS UPON THE SITE HAVE A POSITIVE IMPACT ON VALUE BUT DO NOT ULTIMATELY DRIVE PROPERTY USE OR VALUE.

THE AVAILABLE MARKET ACTIVITY AND DATA ALLOWS FOR VALUATION OF THE PROPERTY WITH A REASONABLE LEVEL OF CONFIDENCE IN THE RESULT, HOWEVER, IT IS IMPORTANT TO NOTE THAT THE INTENDED USE OF THIS REPORT IS FOR LENDING PURPOSES, NO OTHER USE IS INTENDED AND ALSO TO CONSIDER THAT THE SUBJECT RESIDES IN A MARKET SEGMENT THAT IS NOT OFTEN TESTED AND FEW SIMILAR SUCH PROPERTIES EXISTS WITHIN THE DEFINED MARKET.

Uniform Residential Appraisal Report

4812J031021
File # SCHATZ

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.

SUBJECT

Property Address 4812 Sheyenne St City West Fargo State ND Zip Code 58078
Borrower DEANNE SCHATZ Owner of Public Record DEANNE SCHATZ County CASS
Legal Description SCHATZ RANCH 1ST ADDN. LOT 1 BLK 1
Assessor's Parcel # 02-4958-00010-000 Tax Year 2020 R.E. Taxes \$ 6,131
Neighborhood Name WEST FARGO Map Reference 22020 Census Tract 0405.00
Occupant [X] Owner [] Tenant [] Vacant Special Assessments \$ 13,130 [] PUD HOA \$ 0 [] per year [] per month
Property Rights Appraised [X] Fee Simple [] Leasehold [] Other (describe)
Assignment Type [] Purchase Transaction [X] Refinance Transaction [] Other (describe)
Lender/Client TOWN & COUNTRY CREDIT UNION- IN Address 5181 38TH ST S, FARGO, ND 58104
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? [] Yes [X] No
Report data source(s) used, offering price(s), and date(s). RMLS.

CONTRACT

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.
Contract Price \$ Date of Contract Is the property seller the owner of public record? [] Yes [] No Data Source(s)
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? [] Yes [] No
If Yes, report the total dollar amount and describe the items to be paid.

NEIGHBORHOOD

Note: Race and the racial composition of the neighborhood are not appraisal factors.
Neighborhood Characteristics One-Unit Housing Trends One-Unit Housing Present Land Use %
Location [] Urban [X] Suburban [] Rural Property Values [] Increasing [X] Stable [] Declining PRICE AGE One-Unit 75 %
Built-Up [X] Over 75% [] 25-75% [] Under 25% Demand/Supply [] Shortage [X] In Balance [] Over Supply \$ (000) (yrs) 2-4 Unit 0 %
Growth [] Rapid [X] Stable [] Slow Marketing Time [] Under 3 mths [X] 3-6 mths [] Over 6 mths 110 Low 0 Multi-Family 0 %
Neighborhood Boundaries CASS COUNTY, NORTH DAKOTA. 3,300 High 125 Commercial 5 %
331 Pred. 40 Other 20 %
Neighborhood Description See general text addendum.
Market Conditions (including support for the above conclusions) See attached addenda.

SITE

Dimensions IRREGULAR Area 7.87 ac Shape IRREGULAR View N;Res;Pstrl
Specific Zoning Classification A Zoning Description AGRICULTURAL DISTRICT REGULATIONS
Zoning Compliance [X] 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? [X] Yes [] No If No, describe See general text addendum.
Utilities Public Other (describe) Public Other (describe) Off-site Improvements - Type Public Private
Electricity [X] [] 600A CB Adequate Water [X] [] Street GRAVEL [X] []
Gas [X] [] Sanitary Sewer [X] [] Alley NONE [] []
FEMA Special Flood Hazard Area [] Yes [X] No FEMA Flood Zone X500 FEMA Map # 38017C0767G FEMA Map Date 01/16/2015
Are the utilities and off-site improvements typical for the market area? [X] Yes [] No If No, describe
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? [X] Yes [] No If Yes, describe
NO APPARENT ADVERSE ENCROACHMENTS OR EASEMENTS NOTED. CURRENT UNCERTIFIED SPECIALS BALANCE OF \$134,503.62, WORK IN PROGRESS BALANCE OF \$12,826.03.

IMPROVEMENTS

General Description Foundation Exterior Description materials/condition Interior materials/condition
Units [X] One [] One with Accessory Unit [] Concrete Slab [] Crawl Space Foundation Walls P CONC AVG Floors WD/CPT/C.T V.GD
of Stories 2 [X] Full Basement [] Partial Basement Exterior Walls STN WD AVG Walls DW WD EXC
Type [X] Det. [] Att. [] S-Det./End Unit Basement Area 2,442 sq.ft. Roof Surface METAL V.GD Trim/Finish WD PNT/STN EXC
[X] Existing [] Proposed [] Under Const. Basement Finish 98 % Gutters & Downspouts METAL S/F V.GD Bath Floor C.TILE EXC
Design (Style) 2 STORY [] Outside Entry/Exit [X] Sump Pump Window Type CASEMENT EXC. Bath Wainscot TILE EXC
Year Built 1995 Evidence of [] Infestation Storm Sash/Insulated INTERNAL GD Car Storage [] None
Effective Age (Yrs) 0 [] Dampness [] Settlement Screens YES V.GD [X] Driveway # of Cars 6
Attic [] None Heating [X] FWA [] HWBB [] Radiant Amenities [] Woodstove(s) # 0 Driveway Surface GRAVEL/CONC
[] Drop Stair [] Stairs [] Other Fuel GAS X3 [X] Fireplace(s) # 2 [] Fence NONE [X] Garage # of Cars 6
[] Floor [X] Scuttle Cooling [X] Central Air Conditioning [X] Patio/Deck 1/0 [X] Porch Frnt&Rear [] Carport # of Cars 0
[] Finished [] Heated [] Individual [] Other [] Pool NONE [X] Other SHOP [X] Att. [X] Det. [] Built-in
Appliances [X] Refrigerator [X] Range/Oven [X] Dishwasher [X] Disposal [X] Microwave [] Washer/Dryer [X] Other (describe) FAN/HOOD
Finished area above grade contains: 11 Rooms 5 Bedrooms 3.1 Bath(s) 5,537 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.). GAS FIREPLACE; WOOD BURNING FIREPLACE
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C2;No updates in the prior 15 years;See attached addenda.
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? [] Yes [X] No If Yes, describe
NO KNOWN APPARENT ADVERSE CONDITIONS OR PHYSICAL DEFICIENCIES NOTED.
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [X] Yes [] No If No, describe

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There are **8** comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ **1,000,000** to \$ **2,500,000**
 There are **3** comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ **1,000,000** to \$ **3,215,000**

FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address	4812 Sheyenne St West Fargo, ND 58078	446 Trent Jones Dr Oxbow, ND 58047			318 50th PI W West Fargo, ND 58078			3838 2nd St E West Fargo, ND 58078		
Proximity to Subject		11.21 miles SE			0.13 miles SW			0.89 miles NE		
Sale Price	\$	\$ 1,550,000			\$ 3,214,415			\$ 1,890,000		
Sale Price/Gross Liv. Area	\$ 823.75 sq.ft.	\$ 383.47 sq.ft.			\$ 644.43 sq.ft.			\$ 288.59 sq.ft.		
Data Source(s)		FMAAR #20-2640;DOM 231			FMAAR#21-630;DOM 1			18-4879;DOM 387		
Verification Source(s)		CTY RECRDS			CTY RECORDS			CTY RCRDS		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing		ArmLth			ArmLth			ArmLth		
Concessions		Conv;0			Conv;0			Conv;0		
Date of Sale/Time		s03/21;c02/21			s02/21;c02/21			s11/19;c09/19		
Location	N;Res;	N;Res;Oxbow	0		N;Res;	0		N;Res;	0	
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Site	7.87 ac	30492 sf	+300,000		32205 sf	+200,000		1.26 ac	+300,000	
View	N;Res;Pstrl	B;Glfvw;Wtr	-20,000		B;Res;pond	0		B;CtyStr;River	0	
Design (Style)	DT2;2 STORY	DT1;1 STORY	0		DT1;1 STORY	0		DT2;2 Story	0	
Quality of Construction	Q2	Q2			Q1	-640,000		Q2	-200,000	
Actual Age	0	4	0		0	0		10	0	
Condition	C2	C2	+20,000		C1	0		C2	+50,000	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths			Total Bdrms. Baths			Total Bdrms. Baths		
Room Count	11 5 3.1	8 4 3.2	-8,000		9 4 3.1	0		17 5 6.1	-48,000	
Gross Living Area	5,537 sq.ft.	4,042 sq.ft.	+134,550		4,988 sq.ft.	+49,410		6,549 sq.ft.	-91,080	
Basement & Finished Rooms Below Grade	2442sf2400sfin 2rr2br2.0ba2o	3720sf3720sfin 1rr2br1.1ba0o	0		5705sf5705sfwu 2rr3br2.0ba2o	-60,000		3403sf0sfin	+140,000	
Functional Utility	VERY GOOD	VERY GOOD			VERY GOOD			VERY GOOD		
Heating/Cooling	GFA/FL/CACX3	GFA/FL/CACx2	0		GFA/FL/CACX3			GFA/CAC x4	0	
Energy Efficient Items	Extreme climate	Extreme climate			Extreme climate			Extreme climate		
Garage/Carport	3ga3gd6dw	4ga4dw	+40,000		4ga4dw	+40,000		3ga2dw	+60,000	
Porch/Patio/Deck	Porches, Patios	PATIO/DECK	-20,000		Porches, Patios	-50,000		Deck/Patio	-50,000	
F/P, FENCE, ETC.	2 F/P,generator	3FP,Spmklrs	0		2 F/P,generator	0		1 F/P	+25,000	
OTHER	SHOP	NONE	+150,000		pool&gym	0		NONE	+150,000	
TOTAL UNPAID BALANCES	\$147,329	\$0	-110,000		\$85,240	-20,000		\$8591	-100,000	
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 494,550		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -580,590		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 235,920	
Adjusted Sale Price of Comparables		Net Adj. 31.9 % Gross Adj. 52.3 %	\$ 2,044,550		Net Adj. 18.1 % Gross Adj. 36.1 %	\$ 2,633,825		Net Adj. 12.5 % Gross Adj. 64.2 %	\$ 2,125,920	

SALES COMPARISON APPROACH

I did did not research the sale or transfer history of the subject property and comparable sales. If not, explain

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) **RMLS; CTY 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) **RMLS**

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	11/20/2020									
Price of Prior Sale/Transfer	\$10									
Data Source(s)	RMLS; CTY RECORDS	RMLS; CTY RECORDS			RMLS;CTY RECORDS			NDRIN		
Effective Date of Data Source(s)	03/01/2020	01/01/2021			01/31/2021			01/21/2021		

Analysis of prior sale or transfer history of the subject property and comparable sales **ALL KNOWN SALES FOR SUBJECT WITHIN THE LAST 3 YEARS ARE LISTED ABOVE. KNOWN PREVIOUS SALE FOR COMPARABLES IN THE LAST YEAR ARE LISTED. THE PREVIOUS SUBJECT SALE OF 07/03/2018 FOR \$1,300,000 WAS AN ARMS LENGTH TRANSACTION AND APPEARS TO BE REASONABLE FOR THE TIME. AT THE TIME OF THIS SALE A DWELLING EXISTED ALONG WITH OUTBUILDINGS. SINCE THE SALE THE DWELLING HAS BEEN REMOVED AND REPLACED, OUTBUILDINGS, LANDSCAPE AND DRIVES/PARKING IMPROVED SIGNIFICANTLY.**

Summary of Sales Comparison Approach **See attached addenda.**

Indicated Value by Sales Comparison Approach \$ **2,100,000**

Indicated Value by: Sales Comparison Approach \$ **2,100,000** Cost Approach (if developed) \$ **2,147,722** Income Approach (if developed) \$

THE SALES COMPARISON APPROACH IS OUR BEST INDICATOR OF VALUE AS IT BEST REFLECTS THE ACTIONS OF BUYERS AND SELLERS IN THE MARKET. THE COST APPROACH AND INCOME APPROACH WERE CONSIDERED AND DEEMED NOT APPLICABLE TO THE APPRAISAL PROBLEM.

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:

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 \$ **2,100,000**, as of **03/10/2021**, which is the date of inspection and the effective date of this appraisal.

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THIS REPORT HAS A PASSWORD PROTECTED DIGITAL SIGNATURE.

THE VISUAL INSPECTION OF THE SUBJECT PROPERTY DID NOT INCLUDE THE FOLLOWING:

OBSERVATION OF THE ATTIC, OBSERVATION OF ANY CRAWLSPACE, ACTIVATION AND/OR TESTING OF MECHANICAL SYSTEMS (INCLUDING ANY WELL OR SEPTIC SYSTEM, IF APPLICABLE), ANYTHING THAT IS NOT READILY OBSERVABLE, MOLD ASSESSMENT OR RADON ASSESSMENT, ROOF CONDITION REPORT BEYOND AN OBSERVATION BASED ON A VISUAL FROM THE GROUND.

THIS PROPERTY WAS NOT IMPACTED BY ANY RECENT FLOOD RELATED EVENTS.

THE SCOPE OF WORK HAS BEEN TO COLLECT, CONFIRM, AND REPORT DATA. OTHER GENERAL MARKET DATA AND CONDITIONS HAVE BEEN CONSIDERED. CONSIDERATION HAS BEEN GIVEN TO THE PROPERTY'S ZONING AND SURROUNDING IMPROVEMENTS AND NEIGHBORHOOD. THE WORK FOR THIS ASSIGNMENT INCLUDED:

AN INSPECTION OF THE PROPERTY BEING APPRAISED AS WELL AS THE NEIGHBORHOOD IN WHICH IT IS LOCATED. DURING THE INSPECTION, AN INVENTORY OF PROPERTY ATTRIBUTES WAS COLLECTED BASED ON VISUAL OBSERVATIONS.

INSPECTED PUBLIC RECORDS FOR PROPERTY'S ZONING, FLOOD HAZARD AREA CLASSIFICATION, PROPERTY TAX ASSESSOR'S RECORDS, FOR ATTRIBUTES OF THE PROPERTY.

CONSIDERATION OF HIGHEST AND BEST USE OF THE LAND AND PROPERTY AS VACANT AND IMPROVED.

COLLECTION AND ANALYSIS OF COMPARABLE LAND SALES IN ORDER TO FORM AN OPINION OF THE VALUE OF THE UNDERLYING LAND.

CONSULTED APPROPRIATE COST REPLACEMENT FIGURES FROM NATIONAL COST DATA SERVICES, AS WELL AS COMPARISONS WITH LOCAL BUILDER ESTIMATES, WHICH WOULD LEAD TO COMPLETION OF THE COST TO VALUE APPROACH.

INVESTIGATED COMPARABLE SALES OF SIMILAR IMPROVED PROPERTIES, MADE A COMPARATIVE ANALYSIS WHICH WOULD LEAD TO THE COMPLETION OF THE SALES COMPARISON APPROACH TO VALUE.

RECONCILING THE VALUE INDICATION FROM THE APPROPRIATE APPROACHES TO VALUE INTO A FINAL OPINION FROM THE SUBJECT PROPERTY; ALL AS OF THE EFFECTIVE DATE OF THIS REPORT.

THE APPRAISER HAS NOT PROVIDED ANY SERVICES OF ANY TYPE ASSOCIATED WITH THE SUBJECT PROPERTY IN THE LAST THREE YEARS.

SUBJECT UTILITIES WERE ON AND WORKING IN EXISTING BUILDING AT THE TIME OF MY INSPECTION.

ADDITIONAL COMMENTS

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) ANALYSIS OF SIMILAR COMPARABLES SALES AND LISTINGS, AS WELL AS APPLICATION OF THE EXTRACTION METHOD OF SITE VALUATION IN THE GENERAL AREA OF THE SUBJECT. THE SUBJECT SITE IS VALUED IN USE, SINGLE FAMILY DWELLING SITE. SITE VALUE DOES NOT INCLUDE OUTSTANDING SPECIALS BALANCE.

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	=\$	600,000
Source of cost data MARSHALL&SWIFT ADJUSTED FOR LOCAL COND.	DWELLING 5,537 Sq.Ft. @ \$ 225.00	=\$	1,245,825
Quality rating from cost service EXCELL Effective date of cost data 03/2021	BASEMENT 2,442 Sq.Ft. @ \$ 120.00	=\$	293,040
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	PORCH, PATIO	=\$	50,000
See attached addenda.	Garage/Carport 2,866 Sq.Ft. @ \$ 54.00	=\$	154,764
	Total Estimate of Cost-New	=\$	1,743,629
	Less Physical Functional External		
	Depreciation	= \$(435,907
	Depreciated Cost of Improvements	=\$	1,307,722
	"As-is" Value of Site Improvements	=\$	90,000
	Contributory value of detached SHOP/AND SHED.	=\$	150,000
Estimated Remaining Economic Life (HUD and VA only) 100 Years	INDICATED VALUE BY COST APPROACH	=\$	2,147,722

COST APPROACH

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$	X Gross Rent Multiplier	= \$	Indicated Value by Income Approach
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Summary of Income Approach (including support for market rent and GRM)

INCOME

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s) Detached Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project

Total number of phases	Total number of units	Total number of units sold
Total number of units rented	Total number of units for sale	Data source(s)

Was the project created by the conversion of existing building(s) into a PUD? Yes No If Yes, date of conversion.

Does the project contain any multi-dwelling units? Yes No Data Source

Are the units, common elements, and recreation facilities complete? Yes No If No, describe the status of completion.

Are the common elements leased to or by the Homeowners' Association? Yes No If Yes, describe the rental terms and options.

Describe common elements and recreational facilities.

PUD INFORMATION

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This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

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. 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 the 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.

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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. 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 approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, 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.

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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.

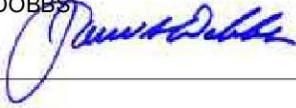
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one 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 JAMES DOBBS
Signature 
Name JAMES DOBBS
Company Name BORDER APPRAISALS INC,
Company Address P.O. BOX 9252
FARGO, ND 58106
Telephone Number (701) 280-9000
Email Address INBOX@BORDERAPPRAISALS.COM
Date of Signature and Report 03/16/2021
Effective Date of Appraisal 03/10/2021
State Certification # CR-21033
or State License # _____
or Other (describe) _____ State # _____
State ND
Expiration Date of Certification or License 12/31/2021

ADDRESS OF PROPERTY APPRAISED
4812 Sheyenne St
West Fargo, ND 58078
APPRAISED VALUE OF SUBJECT PROPERTY \$ 2,100,000

LENDER/CLIENT
Name No AMC
Company Name TOWN & COUNTRY CREDIT UNION- INHOUSE
Company Address 5181 38TH ST S, FARGO, ND 58104
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 _____

Supplemental Addendum

File No. SCHATZ

Borrower	DEANNE SCHATZ						
Property Address	4812 Sheyenne St						
City	West Fargo	County	CASS	State	ND	Zip Code	58078
Lender/Client	TOWN & COUNTRY CREDIT UNION- INHOUSE						

• URAR : Neighborhood - Market Conditions

MLS STATISTICS INDICATE THAT THE AVERAGE TIME ON THE MARKET FOR ALL PRICE RANGES WITHIN THE LAST 12 MONTHS IS ABOUT 88 DAYS WITH SELLERS RECEIVING 101% OF LIST PRICE AS FINAL SALES PRICE. UNEMPLOYMENT IN THE METRO AREA IS AT OR NEAR 3%. DEMAND APPEARS TO EXCEED SUPPLY IN MOST PRICE RANGES. THE MARKET IS MORE STABLE IN HIGHER PRICE RANGES.

BOTH THE EXPECTED EXPOSURE TIME AND MARKETING TIME FOR PROPERTIES LIKE THE SUBJECT IN THE AREA IS ESTIMATED AT 6-24 MONTHS. CITED RMLS DATA FROM THE LOCAL RMLS SYSTEM, ALL DISTRICTS.

THERE MAY BE DIFFERENCES IN THE STATISTICS BETWEEN THE NEIGHBORHOOD TRENDS AND THE MARKET CONDITIONS REPORT. THE NEIGHBORHOOD TRENDS STATISTICS ARE BOUND BY DATA THAT IS REFLECTIVE OF THE DEFINED NEIGHBORHOOD. THE MARKET CONDITIONS REPORT CONSIDERS THE NEIGHBORHOOD, AS WELL AS, THOSE COMPETING AREAS WITHIN THE SAME MARKET AS THE SUBJECT AND ALSO WITHIN A CERTAIN SEGMENT OF THAT MARKET. IN ESSENCE, THE ANALYSIS OF THE DEFINED NEIGHBORHOOD AND THE REPORT OF THE SUBJECT'S MARKET AREA ARE TWO DIFFERENT REPORTS WITH DIFFERENT CRITERIA, WHICH MAY RESULT IN DIFFERENCES BETWEEN THE DATA.

• URAR : Site - Highest and Best

THE CURRENT ZONING ORDINANCE IS CONSISTENT WITH THE SUBJECT'S IMPROVED USE, SINGLE FAMILY RESIDENTIAL. THE CURRENT MARKET VALUE OF THE SUBJECT PROPERTY IS DRIVEN BY ITS CURRENT IMPROVED USE. THIS USE IS SUPPORTED THROUGH MARKET ANALYSIS AND DEEMED THE HIGHEST AND BEST USE AT THIS TIME.

• URAR : Neighborhood - Description

THE SUBJECT IS LOCATED IN THE CITY OF WEST FARGO. THERE ARE VARIOUS SUBDIVISIONS IN CLOSE PROXIMITY, MOST WITH LARGER SITES AND SOME ESTATE TYPE PROPERTIES WITH LARGER SITES LIKE THE SUBJECT INCLUDING ADJACENT TO THE SOUTH (NEWLY COMPLETED). SUBJECT LOCATION HAS GOOD ACCESS TO MAJOR TRAFFIC ROUTES AND GOOD PROXIMITY TO MOST EMPLOYMENT, RETAIL, SCHOOLS AND GENERAL SERVICES. CLOSE IN URBAN, SUBURBAN AND RURAL HOMES WITH LARGER LOTS ARE A POPULAR HOUSING CHOICE FOR THE AREA. THERE ARE NO SUBSTANTIAL NEGATIVE FACTORS PRESENT IN THE IMMEDIATE SUBJECT NEIGHBORHOOD. THE SUBJECT ENJOYS LOW DENSITY SETTING WITH OBSCURED REAR POND VIEWS, IMPROVEMENTS WELL SET BACK FROM HEAVIER TRAFFIC SHEYENNE STREET TO THE FRONT (EAST).

AN ADJACENT PROPERTY TO THE SOUTH IS SIMILAR IN SITE AREA AND VIEWS AND IS WAS RECENTLY CONSTRUCTED WITH A BUILDING PERMIT INDICATING COST TO CONSTRUCT OF \$4,100,000 WHICH WOULD LIKELY CONSTITUTE THE HIGHEST VALUED RESIDENTIAL PROPERTY IN THE REGION. THE SUBJECT WHILE HAVING A COST TO CONSTRUCT OF LESS THAN HALF THAT AMOUNT IS ALSO ONE OF THE HIGHEST VALUED IN THE REGION BY COST.

UAD COMPLIANT REPORT:

AT THE REQUEST OF THE CLIENT, THIS APPRAISAL REPORT HAS BEEN PREPARED IN COMPLIANCE WITH THE UNIFORM APPRAISAL DATASET (UAD) FROM FANNIE MAE AND FREDDIE MAC.

THE UAD REQUIRES THE APPRAISER TO USE STANDARDIZED RESPONSES THAT INCLUDE SPECIFIC FORMATS, DEFINITIONS, ABBREVIATIONS, AND ACRONYMS.

THE APPRAISER ATTEMPTED TO OBTAIN AN ADEQUATE AMOUNT OF INFORMATION IN THE NORMAL COURSE OF BUSINESS REGARDING THE SUBJECT AND COMPARABLE PROPERTIES.

SOME OF THE STANDARDIZED RESPONSES REQUIRED BY THE UAD, ESPECIALLY THOSE IN WHICH THE APPRAISER HAS NOT HAD THE OPPORTUNITY TO VERIFY PERSONALLY OR MEASURE, COULD MISTAKENLY IMPLY GREATER PRECISION AND RELIABILITY IN THE DATA THAN IS FACTUALLY CORRECT OR TYPICAL IN THE NORMAL COURSE OF BUSINESS.

EXAMPLES INCLUDE CONDITION AND QUALITY RATINGS AS WELL AS COMPARABLE SALES AND LISTING DATA.

NOT EVERY ELEMENT OF THE SUBJECT PROPERTY WAS VIEWABLE AND COMPARABLE PROPERTY DATA WAS GENERALLY OBTAINED FROM THIRD-PARTY SOURCES SUCH AS FMAAR MLS.

CONSEQUENTLY, THIS INFORMATION SHOULD BE CONSIDERED AN "ESTIMATE" UNLESS OTHERWISE NOTED BY THE APPRAISER.

THE INTENDED USER OF THIS APPRAISAL REPORT IS THE LENDER/CLIENT. NO ADDITIONAL INTENDED USERS ARE IDENTIFIED BY THE APPRAISER. THIS REPORT CONTAINS SUFFICIENT INFORMATION TO ENABLE THE CLIENT TO UNDERSTAND THE REPORT. ANY OTHER PARTY RECEIVING A COPY OF THIS REPORT FOR ANY REASON IS NOT AN INTENDED USER; NOR DOES IT RESULT IN AN APPRAISER-CLIENT RELATIONSHIP. USE OF THIS REPORT BY ANY OTHER PARTY(IES) IS NOT INTENDED BY THE APPRAISER.

• URAR : Improvements - Additional Features

THE SUBJECT DWELLING INCORPORATES BOTH VERY GOOD AND EXCELLENT CONSTRUCTION MATERIALS AND METHODS AND INCLUDES A FINISHED BASEMENT WITH EQUAL QUALITY TO THE MAIN. SEE SKETCH, PHOTOS AND INCLUDED BLUEPRINTS.

• URAR : Subject - Overall Condition of the Property

THE SUBJECT DWELLING IS A 2-STORY DESIGN WITH VERY GOOD TO EXCELLENT QUALITY OF MATERIALS AND CONSTRUCTION. OVERALL CONDITION IS NEW AND JUST RECENTLY OCCUPIED. THE FLOOR PLAN IS FUNCTIONAL AND OPEN WITH GOOD DESIGN AND FLOW.

THE BASEMENT HAS FULL FINISH WITH IN FLOOR HEAT. THE BASEMENT CEILINGS ARE 9', FLOORS ARE PRIMARILY VERY GOOD CARPETS AD CERAMIC TILES. ROOMS INCLUDE A WET BAR/KITCHEN OF GOOD QUALITY

Supplemental Addendum

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AND HIGH APPEAL. (ALL COUNTERS THROUGHOUT THE DWELLING ARE QUARTZ OF HIGH QUALITY, ALL BATH WAINSCOTING SUBWAY TILE OR A VARIANT). GOOD DAYLIGHT WINDOWS IN THE FAMILY ROOM, 2 BEDROOMS WITH EGRESS WINDOWS AND LADDERS, WALK IN CLOSETS, ONE BEING A SUITE WITH FULL BATH, THE OTHER NEAR A HALL ACCESSED FULL BATH. GOOD WALL ACCENTS IN BAR/KITCHEN, THERE IS A REC AREA, GOOD SOUND SYSTEM, LIGHTING AND DRYWALL EFFECTS, FAMILY ROOM, 4 DEDICATED STORAGE AREAS AND MECHANICAL AREA. THE ENTIRE HOME HAS SMART TECHNOLOGY LINKING MEDIA, LIGHTING AND SECURITY.

DWELLING HAS 3 GAS FURNACES, THREE CENTRAL AIR UNITS, FLOOR HEAT BOILER, SUPER ADEQUATE ELECTRICAL SERVICE AND STRUCTURAL SUPPORT THROUGHOUT. THE FINISHED AND ATTACHED GARAGE HAS A 4TH INDEPENDENT HVAC SYSTEM.

THE MAIN FLOOR HAS 10' BASE CEILING HEIGHT WITH GOOD CEILING DETAILS AND VAULTS REACHING OVER 19' IN THE GREAT ROOM. MAIN FLOOR PANEL DOOR HEIGHT IS 8", CASEWORK IS PRIMARILY CUSTOM MADE THROUGHOUT INCLUDING WALNUT WOOD AND ENAMELED WOOD, , INTERIOR DOORS ARE WALNUT PANEL OF HIGH APPEAL WITH SOME VARIATIONS, MILLWORK IS WIDE MULTI PIECE OF HIGH QUALITY AS WELL. FENESTRATION IS SUPERIOR THROUGHOUT WITH TRANSOMS, EXTENSIVE WINDOW SCHEDULE WITH LARGE WINDOW HEIGHTS. THERE IS 2 BULTIN LOCKERS WITH SEATS NEAR THE GARAGE ENTRANCE. THE LIVING AREAS OF THE MAIN HAVE AN OPEN FLOOR PLAN, GAS FIREPLACE IN THE LIVING ROOM AND A WOOD BURNING UNIT IN THE SUNROOM, BOTH WITH GOOD STONE OR WOOD HEARTH MANTEL ARRANGEMENTS. DINING ROOM/DEN INCLUDES BUILTINS, GOOD CEILING DETAILS AND GOOD LIGHTING. THE KITCHEN IS OPEN AND CENTRALLY LOCATED, IS LARGE AND HAS VERY GOOD CUSTOM CASEWORK, BRICK WALL DETAILS AND THE AFOREMENTIONED QUARTZ TOPS AND INCLUDES A LARGE ISLAND WITH BREAKFAST BAR. THERE IS A BACK OR BUTLER'S KITCHEN WITH ADDITIONAL FOOD PREP AND STORAGE ALONG WITH ADDITIONAL BUILT IN APPLIANCE PACKAGE. THE MAIN FLOOR OWNER'S SUITE INCLUDES ABOUT 300 SF OF CLOSET SPACE WITH LAUNDRY FACILITIES AND CENTER ISLAND CASEWORK, OWNER'S BATH IS DELUXE, DUAL SINK , MAKE UP DESK, LARGE WALK IN TILED STEAM SHOWER WITH MULTIPLE HEADS. THE BEDROOM ITSELF IS SPACIOUS WITH BUILT IN WINDOW BENCH WITH DRAWERS AND GOOD CEILING DETAILS. ALSO ON THE MAIN IS AN ADDITIONAL HALF BATH.

THE SECOND FLOOR IS A FUNCTIONAL SPACE WITH CATWALK OVERLOOKING THE GREAT ROOM BELOW. AS INDICATED IN THE PLANS THERE ARE 4 BEDROOMS, 2 FULL BATHS INCLUDING A JACK AND JILL ARRANGEMENT SPLIT BETWEEN TWO OF THE BEDROOMS, STORAGE AREAS, SPACIOUS LAUNDRY ROOM AND A BONUS AREA OVER THE GARAGE USED AS A MEDIA AND GAME ROOM .

THE ATTACHED GARAGE IS OVERSIZED, FINISHED AND HEATED (FLOOR HEAT) WITH PET SERVICE AREA INCLUDING CASEWORK, PET TUB, UTILITY SINK WITH HALF WALL PARTITION FROM THE REST OF THE GARAGE. ON EACH SIDE OF THE GARAGE ARE KICK OUT STORAGE ROOMS, ALSO FINISHED WITH THE REAR DEDICATED FOR FUTURE INGROUND POOL MECHANICAL AND STORAGE NEEDS.

THE SUBJECT HAS A DETACHED BUILDING THAT IS COMPRISED OF A THREE STALL FINISHED GARAGE WITH OFFICE, BATH AND UTILITY AREAS TO THE REAR, ATTACHED TO IT IS A 50'X104'X13' SHOP THAT HAS RECENTLY BEEN UPDATED WITH SPRAY FOAM INSULATION, NEW INTERIOR METAL SHEETING, NEW EXTERIOR DOORS AND NEW LIGHTING. THIS BUILDING HAS A 36'X72 EXTENSION TO THE NORTH THAT ONCE HELD HORSE STABLES AND NOW HAS BEEN CONVERTED TO AN INSULATED AND FINISHED BUILDING WITH NEW FLOOR AND FLOOR HEAT GAS FORCED AIR SUPPLEMENTAL HEAT WITH CENTRAL AIR, BATH ROUGH IN IS IN PLACE AND SECURED PARTITIONED AREAS FOR VALUABLES ARE IN PLACE. THESE BUILDINGS ARE INTEGRATED INTO THE PROPERTY'S SECURITY SYSTEM AND SUPPLEMENTAL AUTOMATIC BACK-UP GENERATOR SYSTEM WHICH HAS 600 AMP CAPACITY AND 50 KILOWATT OUTPUT WHICH IS MORE THAN ADEQUATE FOR SERVICING THE ENTIRE PROPERTY'S ELECTRICAL NEEDS.

EXTERIOR AMENITIES INCLUDE FRONT AND REAR COVERED PORCHES AND CONCRETE DRIVEWAY AND APRON SURFACES IN EXCESS OF 25,000 SQUARE FEET. LANDSCAPE IS MATURE, DECORATIVE FENCING IS IN PLACE AT THE EAST BOUNDARY OF THE SITE ALONG SHEYENNE STREET.

• **URAR : Sales Comparison Analysis - Summary of Sales Comparison Approach**

THE COMPARABLES SELECTED ARE RECENT, SIMILAR SALES IDENTIFIED NEAR THE SUBJECT PROPERTY. ANY CONDITION ADJUSTMENTS ARE BASED ON RMLS COMMENTS, RMLS PHOTOS AS WELL AS EXTERIOR INSPECTIONS OF THE COMPS. OTHER ADJUSTMENTS CONSIDER DWELLING SIZE, SITE AREA, LOCATION, QUALITY OF CONSTRUCTION AND AMENITIES OR LACK THEREOF. THE COMPARABLES SELECTED PRESENT REASONABLE ALTERNATIVES TO THE SUBJECT FOR THE TYPICAL BUYER IN THE MARKET.

THE APPRAISER WAS UNABLE TO IDENTIFY A PUBLICLY OFFERED SALE OR RESALE THAT EXCEEDED THE APPRAISED VALUE OF THE SUBJECT IN THIS REPORT. COMPARABLE 2, A RECENTLY CLOSED PRESALE WAS INCLUDED TO BRACKET THE HIGH SIDE OF THE SUBJECT PROPERTY. IT IS A HIGH VALUE INDICATOR AS EXPECTED AND ILLUSTRATES THE 15-20% PRICE REGRESSION EXPECTED IN THE RESALE MARKET FOR THE FINEST AND HIGHEST VALUED PROPERTIES IN THIS MARKET.

THERE ARE PROPERTIES IN THE GREATER RESIDENTIAL MARKET THAT EXCEED THE SUBJECT COST (THE ADJACENT PROPERTY TO THE SOUTH FOR INSTANCE) BUT WERE CONSTRUCTED ON OWNER HELD SITES. THE APPRAISER CONSIDERED SALES FROM 2012 FORWARD AND LOCATED IN THE GREATER MARKET IN RESEARCHING APPROPRIATE SALES DATA FOR USE IN THIS ANALYSIS.

COMPARABLE 1 IS A RAMBLER RESALE HAVING CLOSED IN THE PAST WEEK. IT IS LOCATED IN A DESIRABLE GOLF COURSE DEVELOPMENT SOUTH OF THE METRO AND HAS AN SITE OF INFERIOR VALUE AND SMALLER SIZE IN AN AREA OF HIGH CONFORMITY. SALE HAS A SMALLER GARAGE AND LACKS THE SUBJECT'S DESIRABLE OUTBUILDING ARRANGEMENT .

COMPARABLE 2 IS THE AFOREMENTIONED HIGH SIDE PRESALE, ALSO CLOSED IN THE PAST 30 DAYS. SITE IS ACTUALLY TWO RESIDENTIAL SITES COMBINED IN THE ADJACENT WILDS 14TH ADDITION DEVELOPMENT. QUALITY ADJUSTMENT IS MADE BASED ON BUILDER INTERVIEW AND EXTERIOR INSPECTION OF THE PROPERTY. INTERIOR AND EXTERIOR WALL FINISHES, FENESTRATION, CASEWORK AND FLOORING ACCOUNT FOR MUCH OF THE

Supplemental Addendum

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SUPERIOR ELEMENTS OF THE SALE. BASEMENT IS LARGER AND RUNS BENEATH THE ATTACHED GARAGE AND INCLUDES MORE FINISHED AREA. GARAGES ARE INFERIOR EXTERIOR PATIOS AND PORCHES SUPERIOR AND THE INGROUND POOL AND ENCLOSED GYM FEATURE OFF SET THE SUBJECT'S OUTBUILDINGS. AS EXPECTED THIS PRESALE IS A HIGH INDICATOR OF VALUE AND IS WEIGHTED IN RECONCILIATION WITH THIS CONSIDERED.

COMPARABLE 3 IS A 2-STORY RESALE OF SUPERIOR QUALITY TO THE SUBJECT (STONE CONSTRUCTION, MILLWORK, DOORS AND CASEWORK). MARKETING HISTORY OF THIS SALE IS ILLUSTRATIVE OF THE PRICE REGRESSION AT THE UPPER END OF THE RESIDENTIAL MARKET HERE. LISTED FOR \$2,899,000 ON 08/29/2018 AND REDUCED TO 2,450,000 BY THE CONTRACT DATE IT STILL ONLY GARNERED 77% OF THAT LIST PRICE. SITE AREA IS SMALLER WITH PREFERRED VIEWS, CRAFTSMANSHIP EXCELLENT, CONDITION QUITE GOOD. SALE LACKS AN OUTBUILDING AND HAS INFERIOR GARAGE ARRANGEMENT, EXTERIOR AMENITIES ARE EXCELLENT.

COMPARABLE 4 IS A RECENTLY CLOSED RESALE OF A 2-STORY DWELLING OF SIMILAR EXCELLENT QUALITY AND CONSTRUCTION METHODS WITH INFERIOR CONDITION DUE TO AGE AND WEAR. SITE VALUE IS LESS WITH A STANDARD UPPER END RESIDENTIAL SITE WITH PREFERRED VIEWS AND GOOD CONFORMITY. THIS SALE HAS NO OUTBUILDINGS OR ADDITIONAL GARAGES.

COMPARABLE 5 HAS BEEN OFFERED A TOTAL OF ABOUT 1280 DAYS SINCE 08/15/2013, GENERALLY KNOWN AS AVAILABLE FOR PURCHASE THE PROPERTY BEGAN WITH A LIST PRICE THAN OF \$3,250,000. IT IS A UNIQUELY LARGE DWELLING WITH AN AREA NOT INCLUDED IN THE GLA THAT HOUSES AN INDOOR POOL. LIKELY SEEN AS EXCESSIVELY LARGE AND EXPENSIVE TO OPERATE IT COVERS TWO VERY GOOD RESIDENTIAL SITES WITH GOLF AND POND VIEWS ON A LOW TRAFFIC STREET OF HIGH CONFORMITY. BASEMENT ADJUSTMENT IS MODEST DUE TO EXCESSIVE SIZE AND AGE OF FINISH. POOL PARTIALLY OFFSETS THE SUBJECT SHOP COMPLEX. A TIME ADJUSTMENT IS APPLIED TO THIS SALE TO REFLECT MARKET APPRECIATION SINCE THE CONTRACT DATE OF THIS SALE.

COMPARABLE 6 IS AN ESTATE TYPE RURAL PROPERTY SOME DISTANCE FROM THE METRO, SITE AREA IS LARGER AND INCLUDES TILLABLE ACREAGE. SITE VALUE OVERALL IS SIMILAR. QUALITY ADJUSTMENT IS FOR CASEWORK, FENESTRATION, COUNTERS AND BATH FINISHES ALONG WITH GENERAL DESIGN APPEAL (CEILINGS AND ROOFS). GARAGE ARRANGEMENT AND EXTERIOR AMENITIES ARE INFERIOR WHILE SHOP FEATURE IS SIMILAR IN APPEAL WITH A HIGH LEVEL OF FINISH INCLUDING KITCHEN AREA AND BATH. THE APPRAISER HAS INSPECTED THE INTERIOR OF THIS SALE. A TIME ADJUSTMENT IS APPLIED TO THIS SALE TO REFLECT MARKET APPRECIATION SINCE THE CONTRACT DATE OF THIS SALE.

ALL ADJUSTMENTS ARE MADE BASED ON OBSERVED MARKET REACTION IN THE PRICE RANGE AND AREA.

IT WAS NECESSARY TO EXCEED ADJUSTMENT PERCENTAGE GUIDELINES IN SOME INSTANCES TO ACCURATELY ADJUST FOR DIFFERENCES BETWEEN THE SUBJECT AND THE COMPARABLE SALES.

ANY BUYER ASSUMED SPECIAL ASSESSMENTS HAVE NOT BEEN ADDED TO THE COMPARABLE'S SALES PRICE. THE SUBJECT'S FINAL VALUE DOES NOT INCLUDE ANY OUTSTANDING SPECIAL ASSESSMENTS.

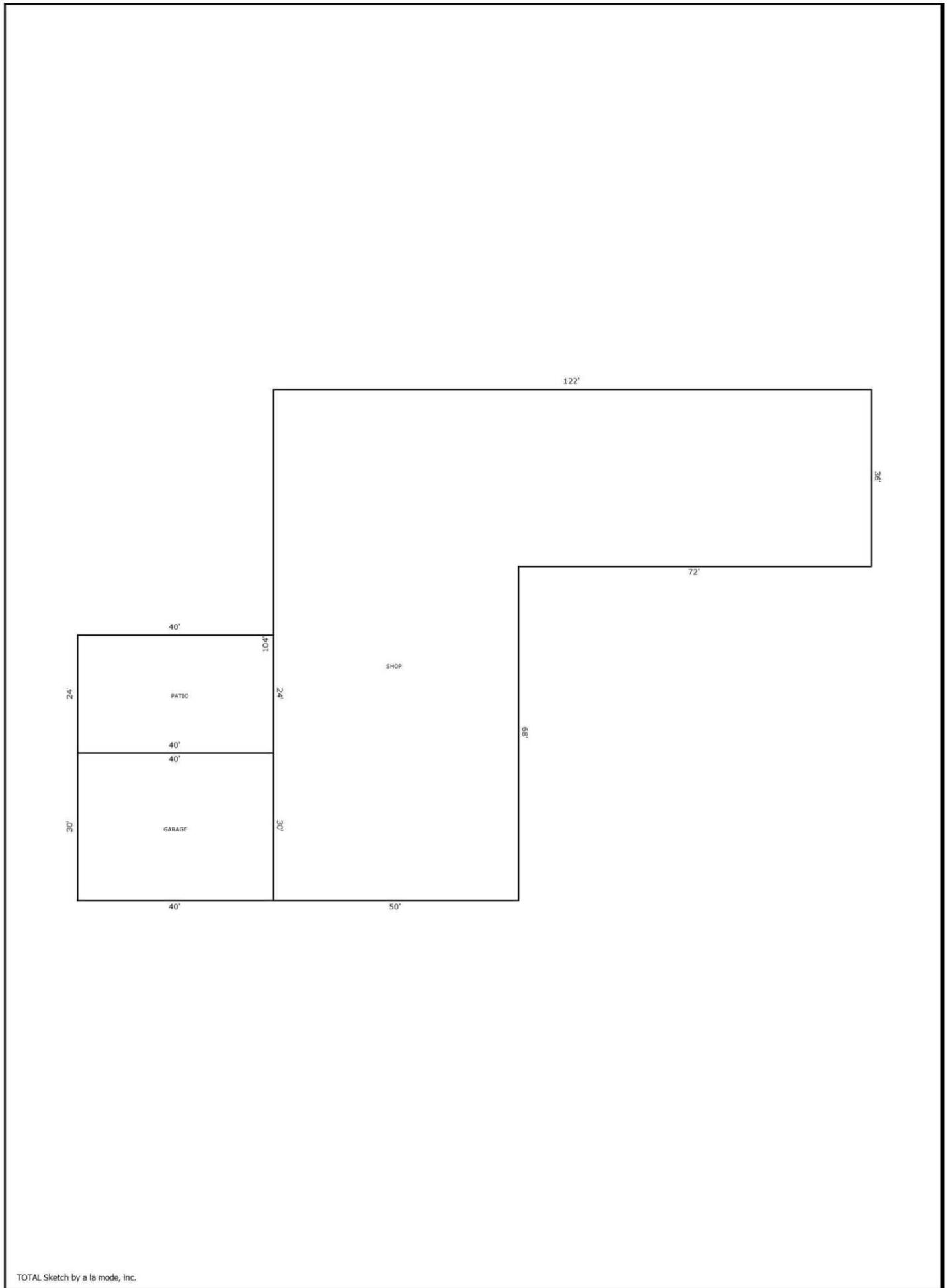
THE AMOUNT OF THE SPECIALS BALANCE IS DEPENDANT ON COSTS FOR MANY OF THE ITEMS INCLUDING FOR PARKS, GREENSPACES, PONDS, SHELTERS OR ANY COMMUNITY IMPROVEMENTS IN A GIVEN SUBDIVISION OR DEVELOPMENT. SUBDIVISIONS HAVE DIFFERENCES IN AMENITIES, NEIGHBORHOOD CHARACTERISTICS AND LOCATIONAL ATTRIBUTES. SITE FRONTAGE AND AREA DRIVE ASSESSMENT DIFFERENCES WITHIN DEVELOPMENTS AS WELL. GIVEN THE CIRCUMSTANCE OF THE MANY ASPECTS OF SPECIAL ASSESSMENTS AND THE DIFFERENCES OF EACH SUBDIVISION THROUGHOUT THE METRO AREA, THE SPECIALS MAY NOT HAVE BEEN ADJUSTED FOR AT A DOLLAR FOR DOLLAR RATE DIRECTLY IN THE SALES COMPARISON GRID, BUT HAVE BEEN CONSIDERED IN THE ANALYSIS AND NECESSARY ADJUSTMENTS MAY BE REFLECTED IN THE SITE PORTION OF THE GRID OR IN THE SPECIAL ASSESSMENT LINE IF APPROPRIATE. ANY SPECIAL ASSESSMENT ADJUSTMENT CONSIDERS THE AGE OF THE RESPECTIVE IMPROVEMENTS FUNDED BY THE SPECIALS BALANCES LISTED AND ACKNOWLEDGES THE MARKET'S SOMEWHAT UNPREDICTABLE REACTION TO THESE ASSUMED AND LONG AMORTIZED SIDE BALANCES.

• COST APPROACH/DEPRECIATION COMMENTS

THE COST FIGURES USED WERE DEVELOPED FROM MARSHALL & SWIFT'S RESIDENTIAL COST HANDBOOK, ADJUSTED FOR LOCAL COSTS AND CONDITIONS. PHYSICAL DEPRECIATION IS BASED ON THE AGE/LIFE METHOD. THE COST OF EXTRA FEATURES ARE INCLUDED IN THE BASE COST PER SQUARE FOOT. THE "AS IS" SITE VALUE INCLUDES DRIVEWAY, WALKS, PATIOS, LANDSCAPE. EXTERNAL DEPRECIATION IS TAKEN TO REFLECT THE MARKET'S INABILITY TO FULLY COMPENSATE FOR THE HIGHEST QUALITY OF CONSTRUCTION AND SUPER ADEQUATE OUTBUILDING ARRANGEMENT OF THE SUBJECT IN THE RESALE MARKET.

Building Sketch (Page - 2)

Borrower	DEANNE SCHATZ						
Property Address	4812 Sheyenne St						
City	West Fargo	County	CASS	State	ND	Zip Code	58078
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TOTAL Sketch by a la mode, inc.

Building Sketch (Page - 3)

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				Zip Code	58078

Living Area	Calculation Details	
First Floor	2858 Sq ft	$9 \times 3 = 27$ $12 \times 2 = 24$ $10 \times 3 = 30$ $9.5 \times 10 = 95$ $22 \times 20.5 = 451$ $6 \times 7 = 42$ $28 \times 14 = 392$ $35.5 \times 13 = 461.5$ $31.5 \times 11 = 346.5$ $35.5 \times 10 = 355$ $16 \times 16 = 256$ $21 \times 18 = 378$
Second Floor	2678.5 Sq ft	$11 \times 4 = 44$ $11 \times 4 = 44$ $12 \times 4 = 48$ $9 \times 3 = 27$ $16 \times 22.5 = 360$ $31.5 \times 25 = 787.5$ $14.5 \times 18 = 261$ $19.5 \times 14 = 273$ $16.5 \times 12 = 198$ $28.5 \times 19.5 = 555.75$ $2.5 \times 2.5 = 6.25$ $2 \times 2 = 4$ $5 \times 14 = 70$
Total Living Area (Rounded):	5537 Sq ft	
Non-living Area		
Porch	264 Sq ft	$12 \times 22 = 264$
Basement	2442 Sq ft	$9 \times 3 = 27$ $12 \times 2 = 24$ $10 \times 3 = 30$ $6 \times 7 = 42$ $28 \times 14 = 392$ $35.5 \times 12 = 426$ $37.5 \times 1 = 37.5$ $33.5 \times 11 = 368.5$ $37.5 \times 10 = 375$ $36.5 \times 16 = 584$ $20.5 \times 2 = 41$ $9.5 \times 10 = 95$
Garage	1666 Sq ft	$15 \times 6 = 90$ $16 \times 4 = 64$ $15 \times 6 = 90$ $44 \times 27 = 1188$ $10 \times 6 = 60$ $22 \times 7 = 154$ $10 \times 2 = 20$
Porch	955 Sq ft	$11 \times 4 = 44$ $10 \times 11.5 = 115$ $10 \times 7.5 = 75$ $11.5 \times 12 = 138$ $8.5 \times 9 = 76.5$ $9.5 \times 13 = 123.5$ $7.5 \times 12 = 90$ $11.5 \times 23 = 264.5$ $9.5 \times 3 = 28.5$
Shop	7792 Sq ft	$50 \times 68 = 3400$ $122 \times 36 = 4392$
Garage	1200 Sq ft	$30 \times 40 = 1200$
Patio	960 Sq ft	$24 \times 40 = 960$

Subject Photo Page

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Subject Front

4812 Sheyenne St
Sales Price
GLA 5,537
Total Rooms 11
Total Bedrms 5
Total Bathrms 3.1
Location N;Res;
View N;Res;Pstrl
Site 7.87 ac
Quality Q2
Age 0



Subject Rear



Subject Street

Photograph Addendum

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KITCHEN



KITCHEN



KITCHEN



BACK KITCHEN



BACK KITCHEN



KITCHEN/DINING

Photograph Addendum

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FRONT FOYER



LIVING ROOM



DOORS TO DEN/DINING ROOM



LIVING ROOM



DEN/DINING CEILING DETAIL



FAMILY ROOM

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FAMILY ROOM BAR



MAIN FLOOR HALF BATH



MUDROOM CASEWORK



2ND FLOOR NORTH BEDROOM SUITE BATH



MAIN FLOOR OWNER SUITE



OWNER'S SUITE BATH

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OWNER'S SUITE CLOSET



OWNER'S SUITE CLOSET



OWNER'S SUITE BATH



OWNER'S SUITE BATH



OWNER'S SUITE BATH



DOOR SAMPLES; OWNER'S SUITE

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AUTO BLIND CONTROLS, USED THROUGHOUT THE DWELLING



VIEW OF LIVING, FAMILY & KITCHEN DINING FROM ABOVE



SE 2ND FLOOR BEDROOM



SE 2ND FLOOR BEDROOM



HALL ACCESSED 2ND FLOOR FULL BATH



HALL ACCESSED 2ND FLOOR FULL BATH

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HALL ACCESSED 2ND FLOOR FULL BATH



HALL ACCESSED 2ND FLOOR FULL BATH



2ND FLOOR BEDROOM #2



JACK AND JILL BATH FOR BEDROOMS 2 & 3



JACK AND JILL BATH FOR BEDROOMS 2 & 3



2ND FLOOR BEDROOM #3

Photograph Addendum

Borrower	DEANNE SCHATZ				
Property Address	4812 Sheyenne St				
City	West Fargo	County	CASS	State	ND Zip Code 58078
Lender/Client	TOWN & COUNTRY CREDIT UNION- INHOUSE				



2ND FLOOR BEDROOM # 3



2ND FLOOR LAUNDRY



2ND FLOOR BEDROOM #4



2ND FLOOR FAMILY ROOM OVER GARAGE



2ND FLOOR FAMILY ROOM OVER GARAGE



BASEMENT FAMILY ROOM

Photograph Addendum

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City	West Fargo	County	CASS	State	ND	Zip Code	58078
Lender/Client	TOWN & COUNTRY CREDIT UNION- INHOUSE						



BASEMENT KITCHEN, NOTE DUAL DISHWASHERS



BASEMENT KITCHEN



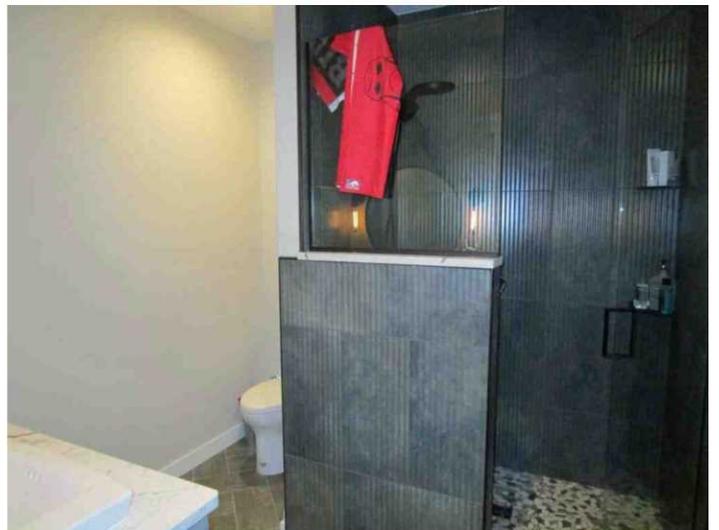
BASEMENT FULL BATH



BASEMENT LAUNDRY



BASEMENT KITCHEN, SITTING AREA



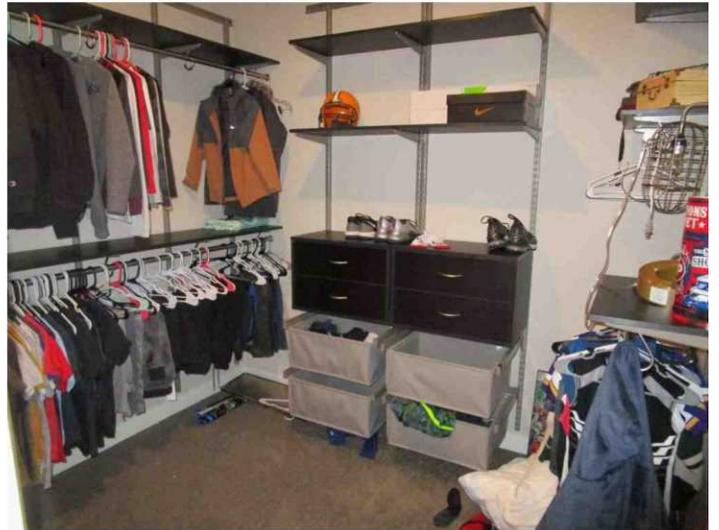
BASEMENT BEDROOM SUITE FULL BATH

Photograph Addendum

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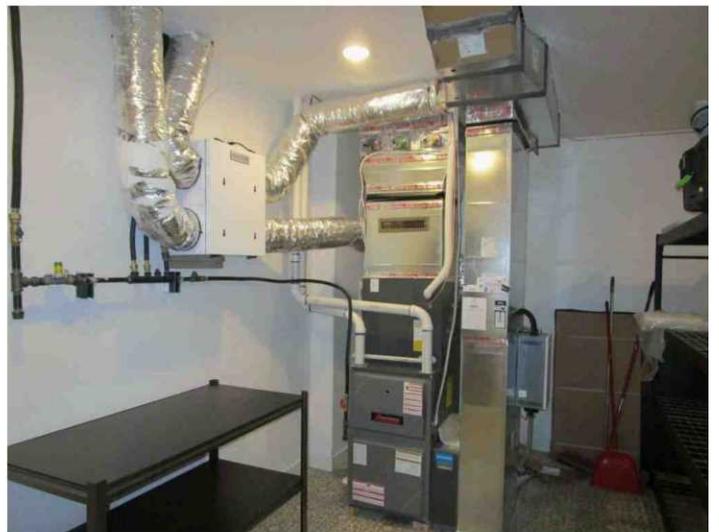
BASEMENT BEDROOM SUITE FULL BATH



BASEMENT BEDROOM SUITE CLOSET



MECHANICAL



MECHANICAL



MECHANICAL



ADDITIONAL BASEMENT KITCHEN VIEW

Photograph Addendum

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BASEMENT EXERCISE ROOM



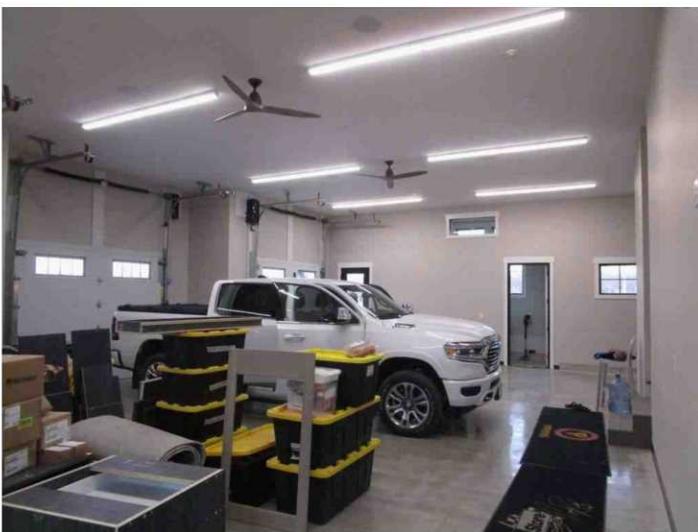
BASEMENT BEDROOM SUITE



MECHANICAL



BASEMENT BEDROOM WALK IN CLOSET



GARAGE INTERIOR



GARAGE PARTITIONED PET SERVICE AREA

Photograph Addendum

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GARAGE PARTITIONED STORAGE



GARAGE HVAC SYSTEM



GARAGE PARTITIONED STORAGE



DETACHED GARAGE AND SHOPS BEYOND



SHOPS VIEW FROM NE



36'X72 WING OF SHOP

Photograph Addendum

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**36'X72 WING OF SHOP
BATH ROUGH IN**



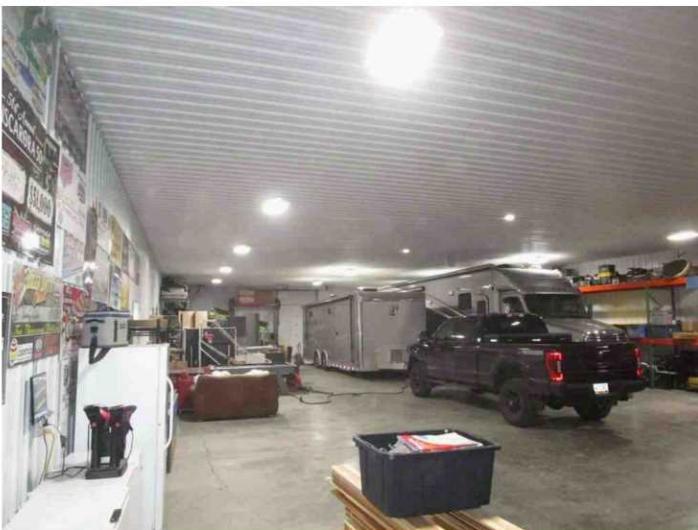
**36'X72 WING OF SHOP
MECHANICAL**



50'X104' SHOP



50'X104' SHOP



50'X104' SHOP



50'X104' SHOP

Photograph Addendum

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50'X104' SHOP



HVAC IN DETACHED GARAGE



**AUTOMATIC GENERATOR, 600AMP, 50KW
(ESTIMATE) CAPACITY**



**AUTOMATIC GENERATOR, 600AMP, 50KW
(ESTIMATE) CAPACITY**



**PROPERTY ENTRANCE FROM SHEYENNE
STREET LOOKING WESTWARD**



NORTH AND EAST VIEWS OF DWELLING

Photograph Addendum

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FRONT VIEW



NORTH AND WEST VIEW



SOUTH SIDE EGRESS WINDOWS



ADDITIONAL FRONT VIEW



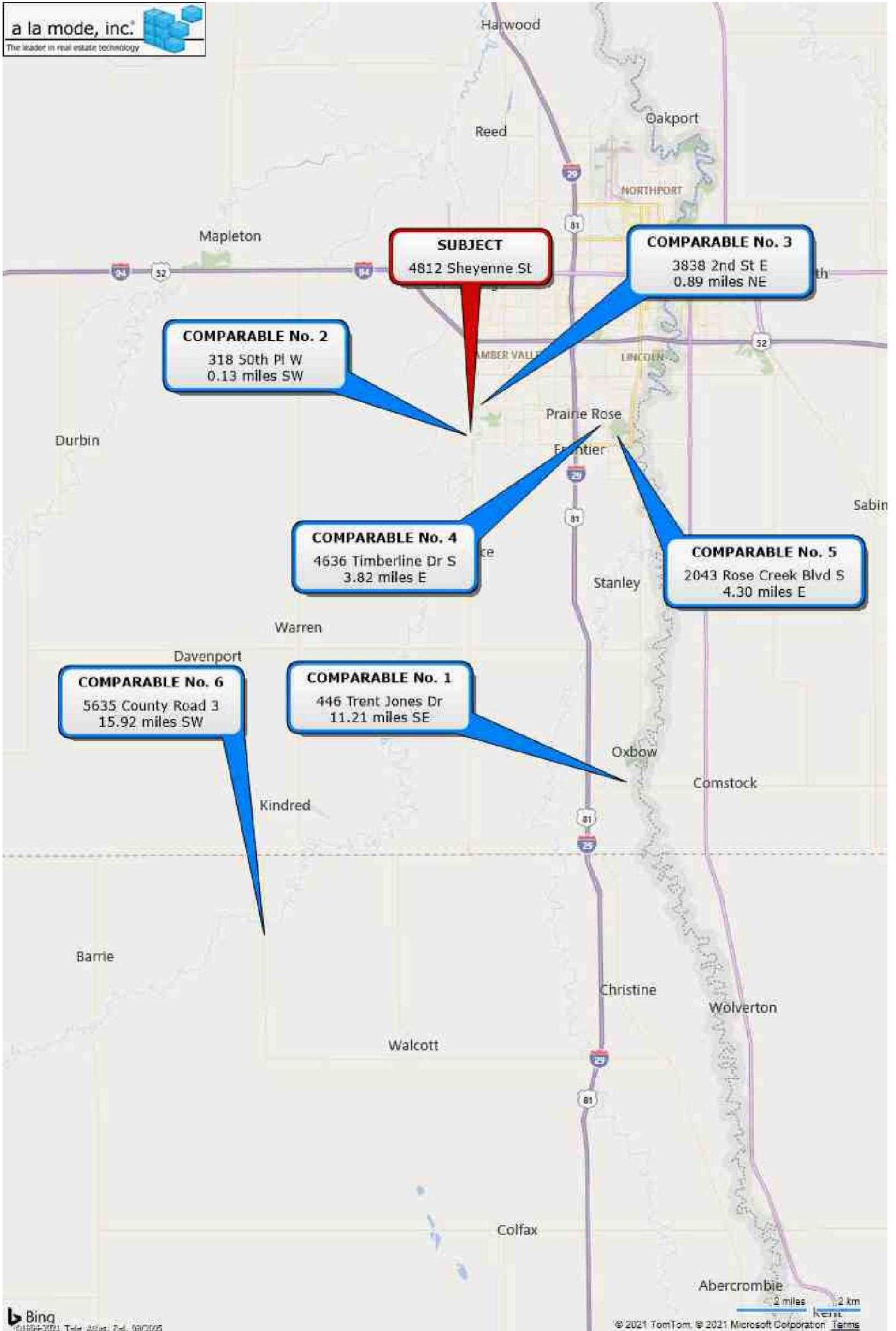
REAR PORCH



ADDITIONAL REAR VIEW

Location Map

Borrower	DEANNE SCHATZ				
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Lender/Client	TOWN & COUNTRY CREDIT UNION- INHOUSE				
				Zip Code	58078



Comparable Photo Page

Borrower	DEANNE SCHATZ				
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City	West Fargo	County	CASS	State	ND
Lender/Client	TOWN & COUNTRY CREDIT UNION- INHOUSE				
				Zip Code	58078



Comparable 1

446 Trent Jones Dr
 Proximity 11.21 miles SE
 Sale Price 1,550,000
 GLA 4,042
 Total Rooms 8
 Total Bedrms 4
 Total Bathrms 3.2
 Location N;Res;Oxbow
 View B;Glfvw;Wtr
 Site 30492 sf
 Quality Q2
 Age 4



Comparable 2

318 50th Pl W
 Proximity 0.13 miles SW
 Sale Price 3,214,415
 GLA 4,988
 Total Rooms 9
 Total Bedrms 4
 Total Bathrms 3.1
 Location N;Res;
 View B;Res;pond
 Site 32205 sf
 Quality Q1
 Age 0



Comparable 3

3838 2nd St E
 Proximity 0.89 miles NE
 Sale Price 1,890,000
 GLA 6,549
 Total Rooms 17
 Total Bedrms 5
 Total Bathrms 6.1
 Location N;Res;
 View B;CtyStr;River
 Site 1.26 ac
 Quality Q2
 Age 10

Comparable Photo Page

Borrower	DEANNE SCHATZ				
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City	West Fargo	County	CASS	State	ND
Lender/Client	TOWN & COUNTRY CREDIT UNION- INHOUSE				
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Comparable 4

4636 Timberline Dr S
 Prox. to Subj. 3.82 miles E
 Sales Price 1,290,000
 G.L.A. 4,241
 Tot. Rooms 11
 Tot. Bedrms. 4
 Tot. Bathrms. 4.1
 Location N;Res;cul-de-sac
 View B;Res;Trees
 Site 19361 sf
 Quality Q2
 Age 12



Comparable 5

2043 Rose Creek Blvd S
 Prox. to Subj. 4.30 miles E
 Sales Price 1,525,000
 G.L.A. 7,421
 Tot. Rooms 12
 Tot. Bedrms. 4
 Tot. Bathrms. 6.1
 Location N;Res;
 View B;Glfvw;Res
 Site 1.1 ac
 Quality Q2
 Age 18



Comparable 6

5635 County Road 3
 Prox. to Subj. 15.92 miles SW
 Sales Price 1,125,000
 G.L.A. 2,244
 Tot. Rooms 7
 Tot. Bedrms. 2
 Tot. Bathrms. 2.1
 Location N;Rural;kindred
 View N;Pstrl;
 Site 63.45 ac
 Quality Q3
 Age 9

**North Dakota Real Estate Appraiser
Qualifications and Ethics Board**



James S. Dobbs

Is fully qualified
in the State of North Dakota as a

CERTIFIED RESIDENTIAL APPRAISER
ND Permit Number: CR-21033

Date of Issuance: 01/01/2021
Expiration Date: 12/31/2021

Unless sooner suspended or revoked, as provided by law.


Appraiser Signature

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Condition Ratings and Definitions

C1

The improvements have been recently constructed and have not been previously occupied. The entire structure and all components are new and the dwelling features no physical depreciation.

Note: Newly constructed improvements that feature recycled or previously used materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100 percent new foundation and the recycled materials and the recycled components have been rehabilitated/remanufactured into like-new condition. Improvements that have not been previously occupied are not considered "new" if they have any significant physical depreciation (that is, newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep).

C2

The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category are either almost new or have been recently completely renovated and are similar in condition to new construction.

Note: The improvements represent a relatively new property that is well maintained with no deferred maintenance and little or no physical depreciation, or an older property that has been recently completely renovated.

C3

The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

Note: The improvement is in its first-cycle of replacing short-lived building components (appliances, floor coverings, HVAC, etc.) and is being well maintained. Its estimated effective age is less than its actual age. It also may reflect a property in which the majority of short-lived building components have been replaced but not to the level of a complete renovation.

C4

The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

Note: The estimated effective age may be close to or equal to its actual age. It reflects a property in which some of the short-lived building components have been replaced, and some short-lived building components are at or near the end of their physical life expectancy; however, they still function adequately. Most minor repairs have been addressed on an ongoing basis resulting in an adequately maintained property.

C5

The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

Note: Some significant repairs are needed to the improvements due to the lack of adequate maintenance. It reflects a property in which many of its short-lived building components are at the end of or have exceeded their physical life expectancy but remain functional.

C6

The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

Note: Substantial repairs are needed to the improvements due to the lack of adequate maintenance or property damage. It reflects a property with conditions severe enough to affect the safety, soundness, or structural integrity of the improvements.

Quality Ratings and Definitions

Q1

Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

Q2

Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residence constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Quality Ratings and Definitions (continued)

Q3

Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

Q4

Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

Q5

Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

Q6

Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure

Definitions of Not Updated, Updated, and Remodeled

Not Updated

Little or no updating or modernization. This description includes, but is not limited to, new homes. Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is 'Not Updated' may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical/functional deterioration.

Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.

An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

Remodeled

Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion.

A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls, and/or the addition of) square footage). This would include a complete gutting and rebuild.

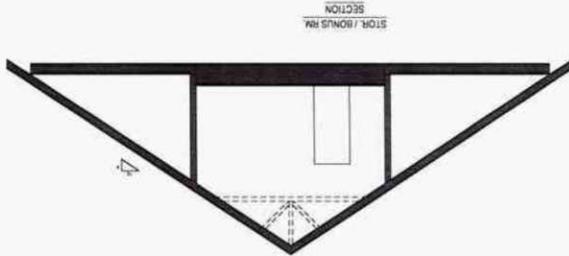
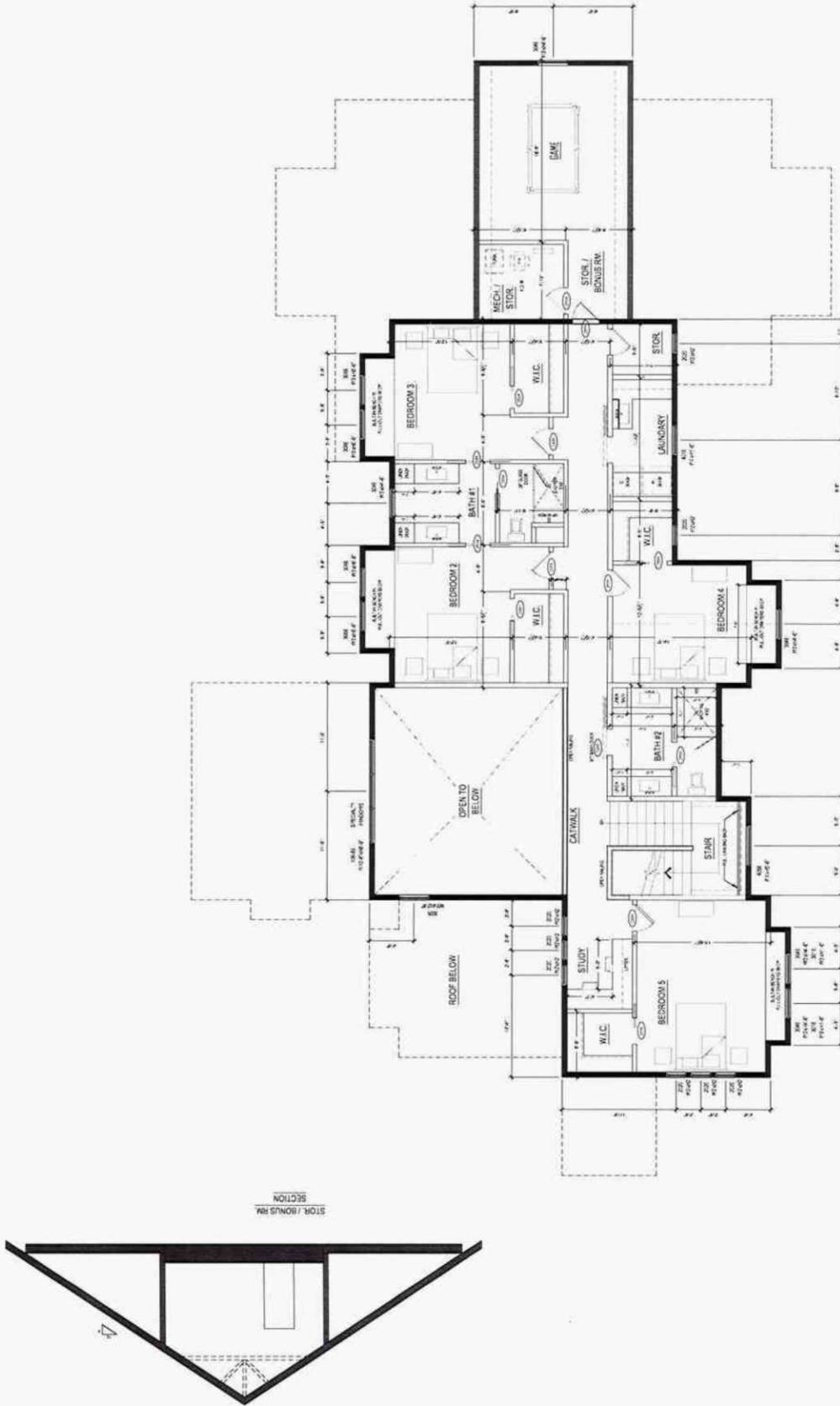
Explanation of Bathroom Count

Three-quarter baths are counted as a full bath in all cases. Quarter baths (baths that feature only a toilet) are not included in the bathroom count. The number of full and half baths is reported by separating the two values using a period, where the full bath count is represented to the left of the period and the half bath count is represented to the right of the period.

Example:

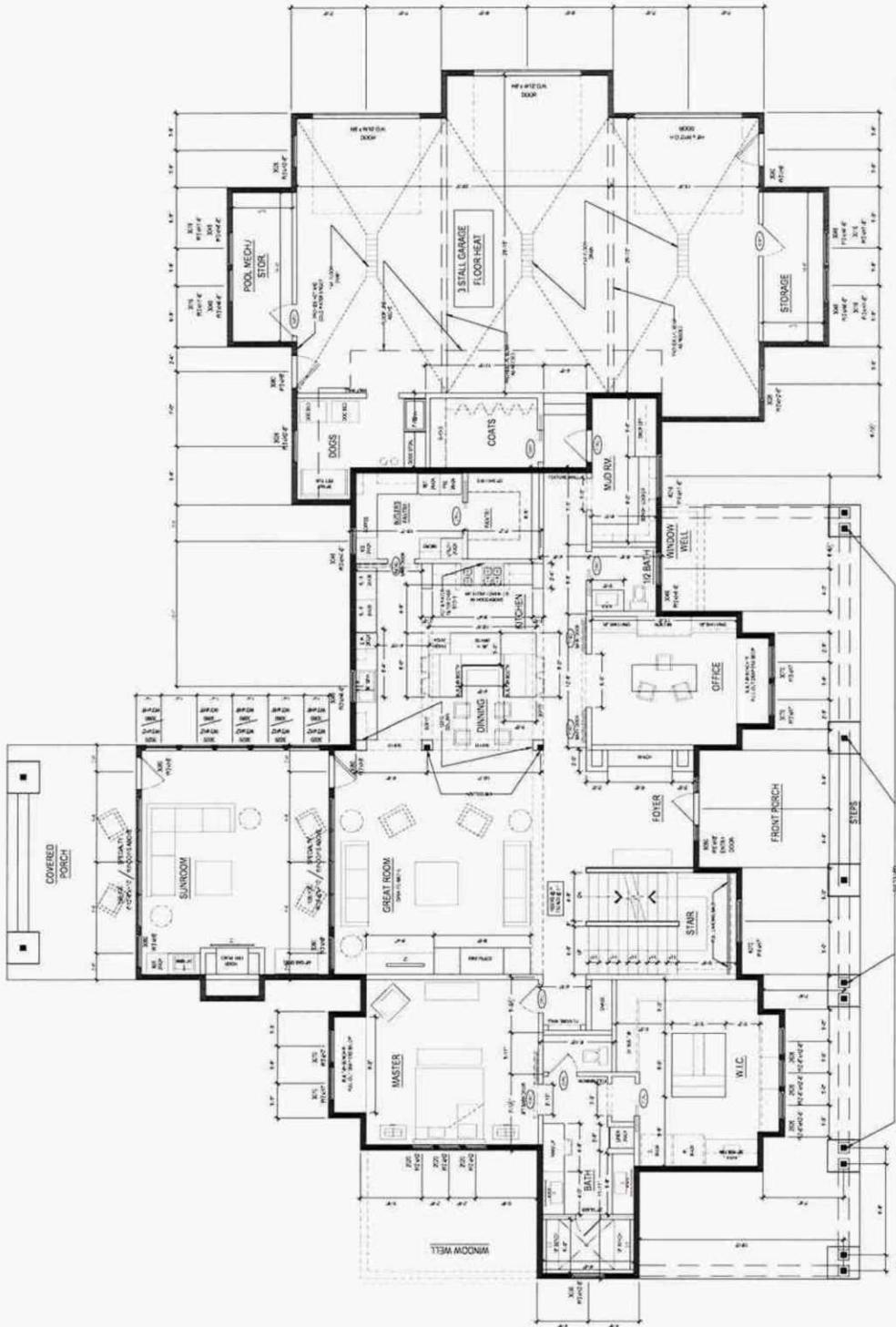
3.2 indicates three full baths and two half baths.

2ND FLOOR PRINT



SCHATZ RESIDENCE	06-12-2019
A1.2	2ND FLOOR PLAN
MAIN FLOOR 2,518 SF SUNROOM 398 SF GARAGE 1,125 SF PORCHES 1,034 SF SCALE: 1/8" = 1'-0" M MEVOLD S.TUDIO	

MAIN FLOOR PRINT



SCHATZ RESIDENCE	06-12-2019
A1.1	MAIN FLOOR PLAN
MAIN FLOOR: 2 518 SF SUNROOM: 396 SF GARAGE: 1 828 SF PORCHES: 1 077 SF SCALE: 1/4" = 1'-0" M MEVOLD S.TUDIO	

