

Uniform Residential Appraisal Report

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property. Property Address 520 N Interlachen Avenue, City Winter Park, State FL, Zip Code 32789. Borrower Clardy Malugen, Owner of Public Record Clardy Malugen, County Orange. Legal Description Lot 499 Block 1 Town of Winter Park (Old Town) PB 3 PG 220. Assessor's Parcel # 05 22 30 9398 00 190, Tax Year 2010, R.E. Taxes \$ 19,318.00. Neighborhood Name Olde Winter Park, Map Reference 06 22 30, Census Tract 160.01. Occupant [X] Owner, [] Tenant, [] Vacant, Special Assessments \$ None, [] PUD, HOA \$ None, [] per year, [] per month. Property Rights Appraised [X] Fee Simple, [] Leasehold, [] Other (describe). Assignment Type [] Purchase Transaction, [] Refinance Transaction, [X] Other (describe) Loan underwriting and/or Credit Decisions. Lender/Client SunTrust Bank, Address 200 S Orange Ave. Tower 5, Orlando, FL 32801. 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). 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. 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 %. Dimensions 100 x 433.3 x 53.50 x 416.2, Area +/-33,000 sq ft, Shape Rectangular, View Lake Osceola. Specific Zoning Classification R-1AAA, Zoning Description Single Family Residential. Zoning Compliance [X] Legal, [] Legal Nonconforming (Grandfathered Use), [] No Zoning, [] Illegal (describe). Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? [X] Yes [] No. If No, describe. Utilities Public, Other (describe), Off-site improvements--Type Public, Private. FEMA Special Flood Hazard Area [X] Yes [] No, FEMA Flood Zone Zone AE, FEMA Map # 12095C 0255E, FEMA Map Date 9-2009. 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 (basements, encroachments, environmental conditions, land uses, etc.)? [] Yes [X] No. If Yes, describe. Lakefront lot with modest +/-53' of lake frontage, on Lake Osceola, a medium-large sized, recreational lake and part of the prestigious Winter Park chain of lakes. Portions of site fall within a FEMA designated flood zone; subject to survey. Site improvements include circular, concrete driveway, sodded yard with sprinklers, landscaping, an open pool and a covered boat dock with hoist & enclosed storage. GENERAL DESCRIPTION, FOUNDATION, EXTERIOR DESCRIPTION materials/condition, INTERIOR materials/condition. Units [] One [X] One with Accessory Unit, [] Concrete Slab [X] Crawl Space, Foundation Walls CB perim/ Avg, Floors Wood/ Avg. # of Stories Two, [] Full Basement [X] Partial Basement, Exterior Walls Frame, Stucco/ Gd, Walls Plaster/ Good. Type [X] Det, [] Att, [] S-Det/End Unit, Basement Area +/-100 sq ft, Roof Surface Asp, Shingle/ Avg, Trim/Finish Wood/ Avg. [X] Existing [] Proposed [] Under Const, Gutters & Downspouts Copper/ Avg, Bath Floor Cer Tile/ Gd, Avg. Design (Style) Traditional, [X] Outside Entry/Exit [] Sump Pump, Window Type Casement/ Good, Bath Wainscot Cer Tile/ Gd, Avg. Year Built 1901, Evidence of [] Infestation, Storm Sash/Insulated None, Car Storage [] None. Effective Age (Yrs) 50 Years, [] Dampness [] Settlement, Screens Yes/ Avg, [X] Driveway # of Cars Multiple. Attic [] None [] Heating [X] FWA [] HWBB [] Radiant, Amenities [] Woodstove(s) #, Driveway Surface Concrete. [X] Drop Stair [] Stairs, [] Other [] Fuel Electric, [X] Fireplace(s) # 4 [] Fence, [X] Garage # of Cars One. [] Floor [] Scuttle, Cooling [X] Central Air Conditioning, [X] Patio/Deck Open [X] Porch Enclsd, [] Carport # of Cars. [] Finished [] Heated [] Individual [] Other, [X] Pool Open [] Other, [] Att, [X] Det, [] Built-in. Appliances [] Refrigerator [X] Range/Oven [X] Dishwasher [X] Disposal [X] Microwave [] Washer/Dryer [] Other (describe). Finished area above grade contains: 8 Rooms, 3 Bedrooms, 3 Bath(s), 3,509 Square Feet of Gross Living Area Above Grade. Additional features (special energy efficient items, etc.) See Attached Addendum. Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The Subject Improvements are considered to be in average condition for a house of this vintage, with no significant functional or external inadequacies noted. Evidence of minor wood rot on exterior trim, uneven flooring in second floor landing area; Owner reports carriage house perimeter foundation has structural issues and that some fireplaces are inoperable. 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. However, as noted above, Owner reports carriage house foundation is nearing the end of its economic life; reducing contributory value of carriage house. Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [X] Yes [] No. If No, describe. Improvements in the subject neighborhood vary greatly as to age, size & quality; however, subject improvements are considered to be conforming, with several other, similar vintage homes on the Winter Park chain of lakes, in close proximity.

Uniform Residential Appraisal Report

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Property Address 520 N Interlachen Avenue City Winter Park State FL Zip Code 32789
Borrower Clardy Malugen Owner of Public Record Clardy Malugen County Orange
Legal Description Lot 499 Block 1 Town of Winter Park (Old Town) PB 3 PG 220
Assessor's Parcel # 05 22 30 9398 00 190 Tax Year 2010 R.E. Taxes \$ 19,318.00
Neighborhood Name Olde Winter Park Map Reference 06 22 30 Census Tract 160.01
Occupant [X] Owner [] Tenant [] Vacant Special Assessments \$ None [] PUD HOA \$ None [] per year [] per month
Property Rights Appraised [X] Fee Simple [] Leasehold [] Other (describe)
Assignment Type [] Purchase Transaction [] Refinance Transaction [X] Other (describe) Loan underwriting and/or Credit Decisions
Lender/Client SunTrust Bank Address 200 S Orange Ave. Tower 5, Orlando, FL 32801
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)

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

Table with Neighborhood Characteristics, One-Unit Housing Trends, One-Unit Housing, and Present Land Use % columns. Includes data for Location (Urban, Suburban, Rural), Property Values (Increasing, Stable, Declining), and Neighborhood Description (See Attached Addendum).

Dimensions 100 x 433.3 x 53.50 x 416.2 Area +/-33,000 sq ft Shape Rectangular View Lake Osceola
Specific Zoning Classification R-1AAA Zoning Description Single Family Residential
Zoning Compliance [X] Legal [] Legal Nonconforming (Grandfathered Use) [] No Zoning [] Illegal (describe)
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? [X] Yes [] No If No, describe

Utilities Public Other (describe) Public Other (describe) Off-site/improvements—Type Public Private
Electricity [X] [] [] Water [X] [] Street Two lane/ Asphalt [X] []
Gas [] n/a Sanitary Sewer [] [] Alley None [] []
FEMA Special Flood Hazard Area [X] Yes [] No FEMA Flood Zone Zone AE FEMA Map # 12095C 0255E FEMA Map Date 9-2009
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.)? [] Yes [X] No If Yes, describe. Lakefront lot with modest +/-53' of lake frontage, on Lake Osceola, a medium-large sized, recreational lake and part of the prestigious Winter Park chain of lakes.

Table with GENERAL DESCRIPTION, FOUNDATION, EXTERIOR DESCRIPTION, and INTERIOR columns. Includes data for Units (One, One with Accessory Unit), Foundation (Concrete Slab, Crawl Space), Exterior Walls (Frame, Stucco/ Gd), and Interior (Floors, Wood/ Avg).

Appliances [] Refrigerator [X] Range/Oven [X] Dishwasher [X] Disposal [X] Microwave [] Washer/Dryer [] Other (describe)
Finished area above grade contains: 8 Rooms 3 Bedrooms 3 Bath(s) 3,509 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.) See Attached Addendum

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.) The Subject Improvements are considered to be in average condition for a house of this vintage, with no significant functional or external inadequacies noted. Evidence of minor wood rot on exterior trim; uneven flooring in second floor landing area; Owner reports carriage house perimeter foundation has structural issues and that some fireplaces are inoperable.

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 However, as noted above, Owner reports carriage house foundation is nearing the end of its economic life; reducing contributory value of carriage house.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [X] Yes [] No If No, describe. Improvements in the subject neighborhood vary greatly as to age, size & quality; however, subject improvements are considered to be conforming, with several other, similar vintage homes on the Winter Park chain of lakes, in close proximity.

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There are 7 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 2,100,000 to \$ 3,399,000				
There are 4 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 2,900,000 to \$ 3,500,000				
FEATURE	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
520 N Interlachen Avenue		500 Interlachen Avenue	490 E Webster Avenue	375 Virginia Drive
Address LT499-1 Town of Winter Park		LT1500-1 Town of Winter Park	LT4-1 Town of Winter Park	LT2A Shadow Hill
Proximity to Subject		Adjacent Property	2 Blocks Northeast	1.3 Miles South
Sale Price	\$	\$ 3,200,000	\$ 3,200,000	\$ 2,525,000
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 638.72 sq. ft.	\$ 650.54 sq. ft.	\$ 350.31 sq. ft.
Data Source(s)		Public Records, MLS, Realtor	Public Records, MLS	Public Records, MLS
Verification Source(s)		Drive-by Inspection	Appraisal Inspection	Appraisal Inspection
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION
Sale or Financing		Conv Mtg		Conv Mtg
Concessions		588 DOM		399 DOM
Date of Sale/Time		Clsd. 2-2011		Clsd. 5-2010
Location	Dwntwn Wntr. Pk	Dwntwn Wntr.Pk		south Winter Pk}
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple
Site	Gd/ .75 acres	Gd/ .72 acres		Gd/ .7 acres
View	Lake Osceola	Lake Osceola		Lake Virginia } above
Design (Style)	Traditional	Spanish		Traditional
Quality of Construction	Avg-Good	Very Good	-250,000	Gd/ superior
Actual Age	Eff. 50 Years	Eff. 20 Years	-120,000	Eff. 30 Years
Condition	Average	Good	-25,000	Good
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths
Room Count	8 3 3F	10 4 5F 1H	-10,000	9 4 4F 1H
Gross Living Area	75 3,509 sq. ft.	5,010 sq. ft.	-112,600	4,919 sq. ft.
Basement & Finished	Unfinished Bsmt	None		Unfinished Bsmt
Rooms Below Grade	Carriage House	None	+50,000	None
Functional Utility	Average	Average		Average
Heating/Cooling	CHA	CHA		CHA
Energy Efficient Items	Standard	Standard		Standard
Garage/Carport	Det.1 Car Garage	2 Car Garage	-5,000	2 Car Garage
Porch/Patio/Deck	Enclsd. Porch	Porch	+11,000	Porch, Balcony
	Fpl (4)	Fpl	+12,000	Fpl (2)
	Open Pool	Open Pool/ sup.	-5,000	None
	Boat Dock	Boat Dock		Boat Dock
Net Adjustment (Total)		(+) (X) - \$ 454,600	(+) (X) - \$ 263,800	(X) + (-) \$ 144,600
Adjusted Sale Price		Net Adj. -14.2%	Net Adj. -8.2%	Net Adj. 5.7%
of Comparables		Gross Adj. 18.8%	Gross Adj. 13.3%	Gross Adj. 64.6%
		\$ 2,745,400	\$ 2,936,200	\$ 2,669,600

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) **Public Records**

My research did did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.
Data source(s) **Public Records**

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

ITEM	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Date of Prior Sale/Transfer	2-2006	3-2000	10-1998	6-1998
Price of Prior Sale/Transfer	\$2,612,500	\$1,087,000	\$925,000	\$965
Data Source(s)	Public Records	Public Records	Public Records	Public Records
Effective Date of Data Source(s)	Current	Current	Current	Current

Analysis of prior sale or transfer history of the subject property and comparable sales **The subject property has not sold within the past 3 years. The Comparable Sales have not sold within the 12 months prior to the sales analyzed within the market data grid; however, Sale 2 shows a recent bank transfer/ foreclosure transaction within that time frame as noted above.**

Summary of Sales Comparison Approach. **See attached Comp 4, a Current Listing and Market Data Addendum**
Days on Market (to contract): Sale 1: 588 days; Sale 2: 223 days; Sale 3: 399 days; Comp 4: 59 days to date.

Subject Appraiser recently appraised both Comps 2 & 3, for mortgage purposes related to transactions analyzed.

Indicated Value by Sales Comparison Approach \$ **2,700,000**

Indicated Value by: Sales Comparison Approach \$2,700,000 Cost Approach (if developed) \$ 2,717,400 Income Approach (if developed) \$ n/a

Based on the analysis of the market data and current market conditions, emphasis is placed on the Sales Comparison Approach. Given the age of the Subject improvements & current soft market conditions, the Cost Approach is given minimal weight. With lakefront homes in this price range rarely built or purchased based upon their potential income stream, the Income Approach is not developed.

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 \$ **2,700,000** as of **June 17, 2011**, which is the date of inspection and the effective date of this appraisal.

SALES COMPARISON APPROACH

RECONCILIATION

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This Appraisal Report is not a Home Inspection; the appraiser performed a visual inspection of accessible areas and this Appraisal Report cannot be relied upon to disclose conditions and/or defects that are not readily apparent.

The Intended User of this appraisal is the Lender/ Client. The Intended Use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and the Definition of Market Value. No additional Intended Users are identified by the appraiser.

The Cost Approach has only been developed by the appraiser as an analysis to support their opinion of the subject property's market value. Use of this data, in whole or in part, for other purposes is not intended by the appraiser. Nothing set forth in the appraisal should be relied upon for the purpose of determining the amount or type of insurance coverage to be placed on the subject property. The appraiser assumes no liability for and does not guarantee that any insurable value estimate inferred from this report will result in the subject property being fully insured for any loss that may be sustained. Further, the Cost Approach may not be a reliable indication of replacement cost or reproduction cost for any date other than the effective date of the appraisal due to changing costs of labor and materials and due to changing building codes and governmental regulations and requirements.

The Subject Appraiser has not previously appraised the Subject Property.

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) The subject site value estimate is based upon historic lot sales and or the Land Residual Method. With minimal, current lakefront lot sales on the Winter park chain of lakes, an emphasis was placed on Land Residual Analysis for Comps 1 & 2, with very similar sites.

COST APPROACH

Table with columns for ESTIMATED, REPRODUCTION OR, REPLACEMENT COST NEW, and OPINION OF SITE VALUE. Includes rows for Dwelling (3,509 Sq. Ft. @ \$ 175.00 = \$ 614,075), Enclosed Porch (27,300), and Total Estimate of Cost-New (\$ 715,865).

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ X Gross Rent Multiplier N/A = \$ N/A Indicated Value by Income Approach

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

PUD INFORMATION

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 an existing building(s) into a PUD?, Does the project contain any multi-dwelling units?, Are the units, common elements, and recreation facilities complete?, Are the common elements leased to or by the Homeowners' Association?, Describe common elements and recreational facilities.

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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 this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

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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.
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).

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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:

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

APPRAISER

Signature *Anthony Pudwill*
 Name Anthony Pudwill
 Company Name Meridian Residential Appraisal, LLC
 Company Address 1331 Sundial Point
Winter Springs, FL 32708
 Telephone Number 407 478 8674
 Email Address tpudwill@meridianag.com
 Date of Signature and Report June 20, 2011
 Effective Date of Appraisal June 17, 2011
 State Certification # St.Cert.Res.REA 853
 or State License # _____
 or Other (describe) _____ State # _____
 State Florida
 Expiration Date of Certification or License 11-2012

ADDRESS OF PROPERTY APPRAISED
520 N Interlachen Avenue
Winter Park, FL 32789
 APPRAISED VALUE OF SUBJECT PROPERTY \$ 2,700,000

LENDER/CLIENT

Name _____
 Company Name SunTrust Bank
 Company Address 200 S Orange Ave. Tower 5
Orlando, FL 32801
 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 _____

Uniform Residential Appraisal Report

Table with columns for FEATURE, SUBJECT, COMPARABLE SALE NO. 4, COMPARABLE SALE NO. 5, and COMPARABLE SALE NO. 6. Includes sections for VALUE ADJUSTMENTS, SALES COMPARISON APPROACH, and detailed property information.

SALES COMPARISON APPROACH

Summary of Sales Comparison Approach: Comp 4 is a Current Listing, included as additional support. As a Listing, a Financing adjustment, based upon a market derived 87% Sales Price to List Price ratio, is applied. Comp 4 was listed for sale on April 22, 2011 at current \$2,995,000 list price.

ADDENDUM

Borrower: Clardy Malugen	File No.: 11-0346
Property Address: 520 N Interlachen Avenue	Case No.: 11-002961-01-1
City: Winter Park	State: FL Zip: 32789
Lender: SunTrust Bank	

Neighborhood Description

The subject property is located in a prestigious Winter Park neighborhood, just east of Park Avenue, within a 1/2 mile of downtown Winter Park and the tony Park Avenue shopping district. Unique, estate quality homes, mature landscaping, highly rated schools and convenience to downtown Winter Park contribute to the desirability of the area. Lakefront, estate homes establish the upper limits of value. Improvements vary as to size, style, age & quality (without any predominate Price or Age); ranging from older, modest ranches to older, 50-70 year old estate homes, to good quality traditional styles to large, newer, excellent quality, lakefront estate homes. Extensive refurbishing and enlarging of older homes is common, with some being razed in favor of new construction; evidence of continued strong demand for residential property in the neighborhood. Shopping and support facilities are conveniently located.

Neighborhood Market Conditions

This is a growth region with a population influx and expanding economic base. Conventional and government financing, with reasonable rates & terms, are readily available. Interest rates have declined and are at historic lows. Overall, market prices have softened, following run up in residential values in 2004-2006, with an ongoing oversupply of available inventory.

Prices in the metro Orlando market, have softened; with market data indicating price declines; however, prices in many desirable neighborhoods remain stable. There are specific subdivisions or sub-markets where prices have declined significantly. In general, these are areas with a high concentration of recent or ongoing new construction in recently developed areas, with an oversupply of builder inventory and/or investor purchased homes for sale, creating excess supply and resultant softening of prices. In addition, the glut of apartment to condo conversion projects has resulted in excess inventory, coupled with slowing demand, resulting in price declines within that market niche. Prices peaked in 2006, following the housing bubble of 2004-2006, with a major price correction occurring in 2007 & early 2008. Prices have since stabilized starting in early 2010. However, recently developed areas, as outlined above, continue to experience modest downward pressure on pricing due to the continued high volume of foreclosure and short sale market activity. Many of these same distressed markets show evidence of finding a bottom in pricing, with price levels generating more demand and in many cases multiple offers at or above asking prices.

Market activity within the Subject market niche, lakefront estate homes on the Winter Park chain of lakes, remains slow, with minimal market activity taking place. Pricing remains soft, but difficult to quantify based on limited market data. Extended marketing times, in excess of 6 months can be anticipated.

ADDITIONAL FEATURES ADDENDUM

Traditional, two story home, originally built in 1901, with numerous expansions & updating over the years. Updated, casement windows; High ceilings; Vintage, heart of pine flooring throughout; Fpl's in Parlor, DEN, LR & MBDR; Laminated cabinets, stone countertops, stainless steel appliances and cathedral, tongue-in-groove ceiling in updated Kitchen; Updated MBATH; Security system; Large, enclosed, wrap-around porch across rear of house, with interior finishes, not ducted for CHA, 546 sq ft, not included in GLA; Detached, carriage house, 1200 sq ft (not included in GLA), with first floor LR & kitchenette and second floor Loft (BDR) & Bath; Open pool; Boat dock with covered hoist, covered deck & enclosed storage; Detached, 1 car garage.

Comments on Sales Comparison

All 4 Comps are lakefront, estate homes on the Winter Park chain of lakes, effectively bracketing the Subject value estimate. Sales 1 & 2 are similar in vintage, built in 1934 & 1930 respectively, on similar, downtown Winter Park lakefront lots with +/-55 ft of lake frontage. Both have had superior updating with superior interior finishes & materials, warranting Quality, Age & Condition adjustments; greater Quality adjustment to Sale 1 due to superior finishes & architectural features. Sale 3 was originally built in 1981, totally refurbished & expanded in 2004; also superior in Quality, Age & Condition. It is located in "south" Winter Park, on Lake Virginia, significantly inferior to Subject's downtown Location. It is a dated transaction, warranting a negative time adjustment, based upon a annualized 5% decline; utilized due to a lack of more comparable market data. Comp 4 is a Current Listing, included as additional support. It is an inferior ranch style, but with similar interior finishes & materials. Comp 4 is slightly inferior in Location, further from downtown Winter Park, offset by superior +/-125' of lake frontage, on the Subject lake. Most weight to Sales 1 & 2, similar, older homes on similar lakefront lot situs. With extremely limited market data within the Winter Park, upscale, lakefront market niche, the Comparable Sales utilized are considered to be the best available indicators of value, with no other, more reliable market data available. Any additional Comps would require greater and more subjective adjustments and would provide very unreliable Adjusted Sales Prices.

Due to the unique nature of upscale, lakefront homes, comparable sales often exceed preferred parameters for distance and date of sale. Large net & gross adjustments are not unusual when appraising high end residential lakefront properties. It is also typical for lakefront homes to be much higher in value than typical, interior lots within the neighborhood, but they are not considered overimprovements. In addition, large land to value ratios, as a result of strong demand and limited supply, are considered the norm for residential, lakefront properties, with no adverse effect on value or marketability. In summation, the market for lakefront, estate homes does not fit the normal rules for the appraisal process. Typical lender and underwriter guidelines cannot always be met as a result of the unique nature of both the site and improvements.

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Clardy Malugen	File No.: 11-0346
Property Address: 520 N Interlachen Avenue	Case No.: 11-002961-01-1
City: Winter Park	State: FL
Lender: SunTrust Bank	Zip: 32789

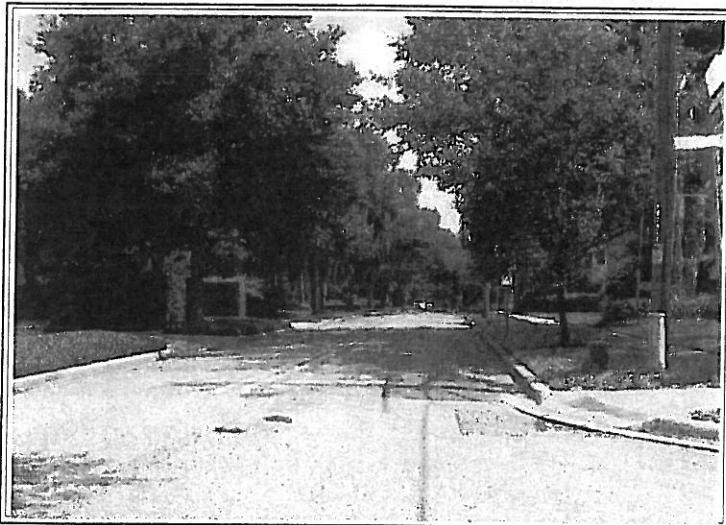


FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: June 17, 2011
Appraised Value: \$ 2,700,000



REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE

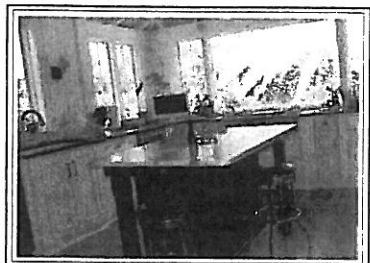
Borrower: Clardy Malugen	File No.: 11-0346
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Living Room



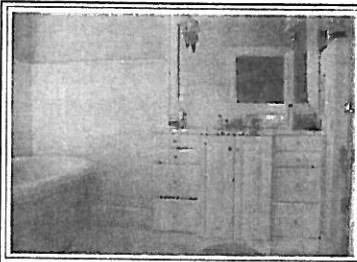
Parlor



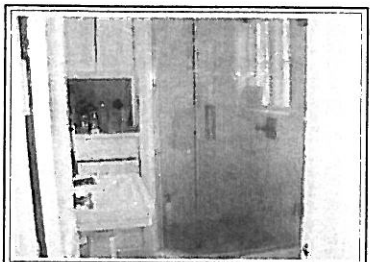
Kitchen



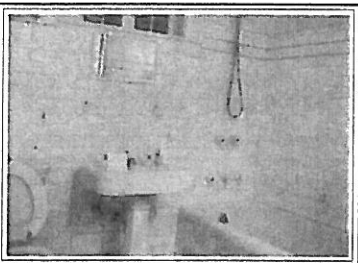
Master BDR



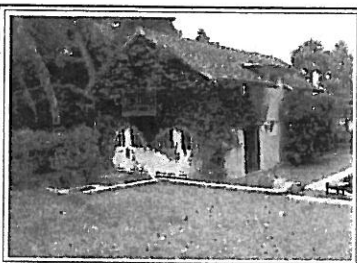
Master Bath



Upstairs Bath



Downstairs Bath



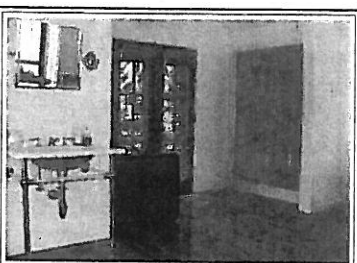
Detached Carriage House



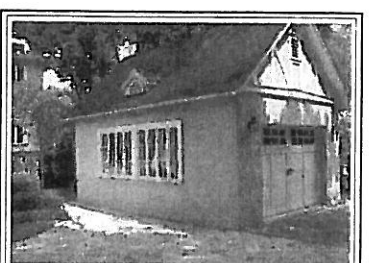
Carriage House, 1st floor



Carriage House, 2nd floor

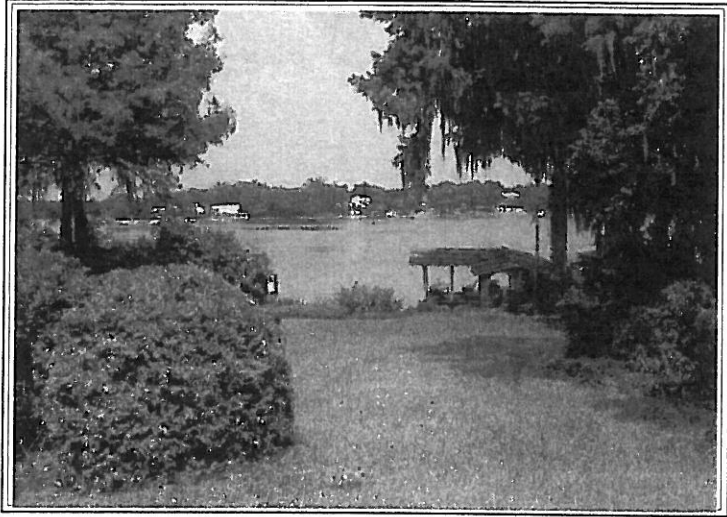


Carriage House, upstairs Bath

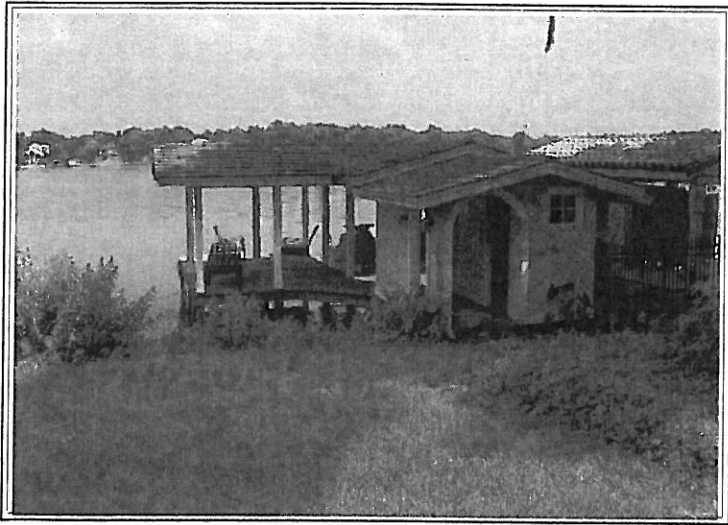


Detached, 1 Car Garage

Borrower: Clardy Malugen	File No.: 11-0346
Property Address: 520 N Interlachen Avenue	Case No.: 11-002961-01-1
City: Winter Park	State: FL
Lender: SunTrust Bank	Zip: 32789



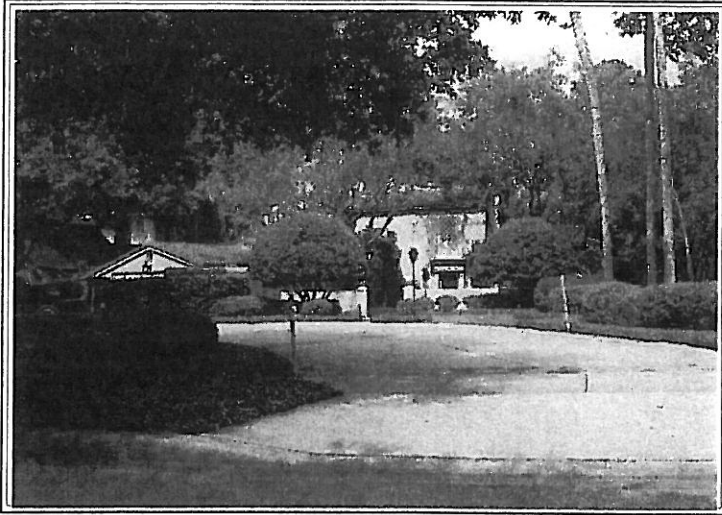
Lakeview



Boat Dock

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Clardy Malugen	File No.: 11-0346
Property Address: 520 N Interlachen Avenue	Case No.: 11-002961-01-1
City: Winter Park	State: FL
Lender: SunTrust Bank	Zip: 32789



COMPARABLE SALE #1

500 Interlachen Avenue
Lt500-1 Town of Winter Park
Sale Date: Clsd. 2-2011
Sale Price: \$ 3,200,000



COMPARABLE SALE #2

490 E Webster Avenue
Lt14-1 Town of Winter Park
Sale Date: Clsd. 4-2011
Sale Price: \$ 3,200,000



COMPARABLE SALE #3

375 Virginia Drive
Lt2A Shadow Hill
Sale Date: Clsd. 5-2010
Sale Price: \$ 2,525,000

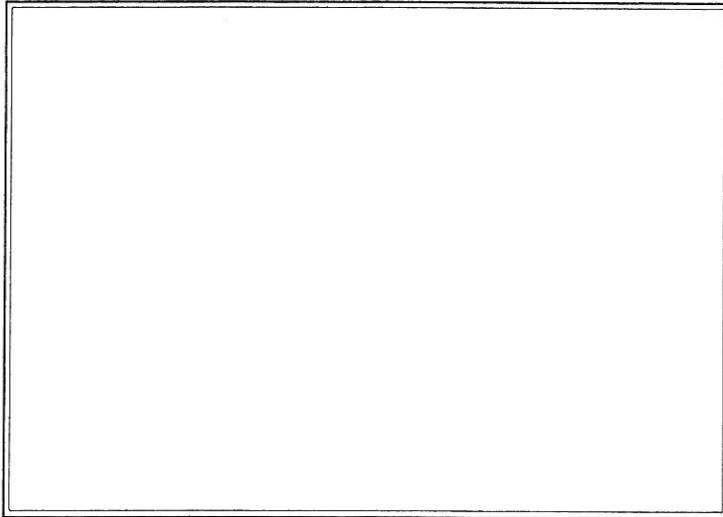
COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Clardy Malugen	File No.: 11-0346
Property Address: 520 N Interlachen Avenue	Case No.: 11-002961-01-1
City: Winter Park	State: FL
Lender: SunTrust Bank	Zip: 32789



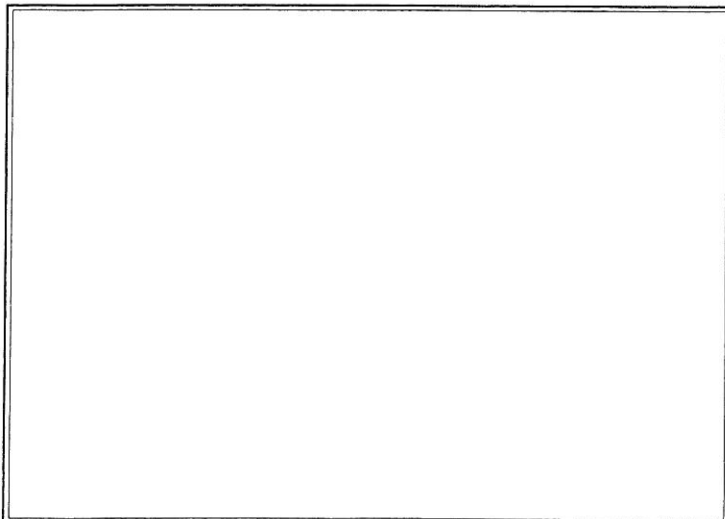
COMPARABLE SALE #4

600 Seminole Drive
Lt499-1 Town of Winter Park
Sale Date: n/a
Sale Price: \$ 2,995,000



COMPARABLE SALE #5

Sale Date:
Sale Price: \$

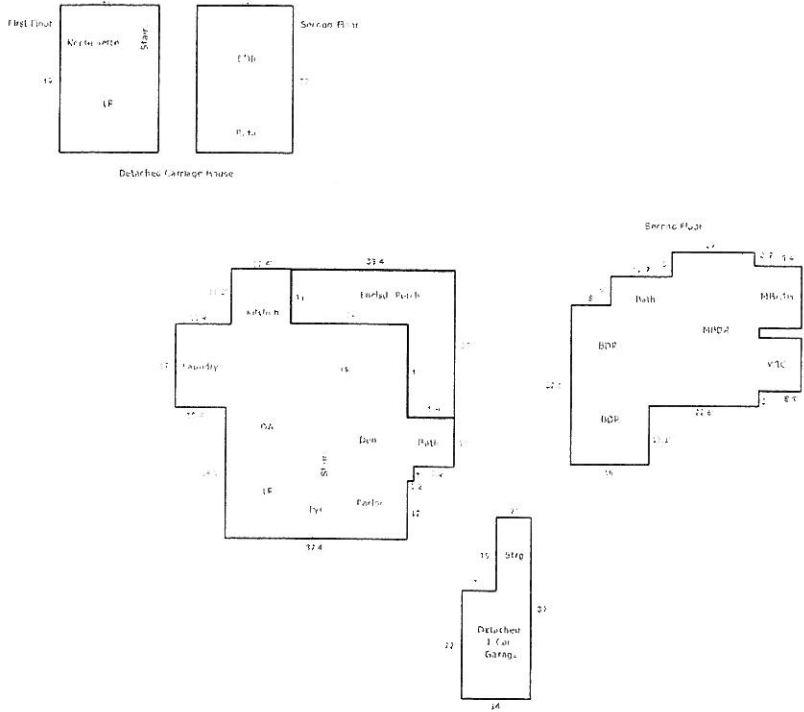


COMPARABLE SALE #6

Sale Date:
Sale Price: \$

FLOORPLAN

Borrower: Clardy Malugen File No.: 11-0346
 Property Address: 520 N Interlachen Avenue Case No.: 11-002961-01-1
 City: Winter Park State: FL Zip: 32789
 Lender: SunTrust Bank



Sketch by Apex Medina™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	2056.1	2056.1
GLA2	Second Floor	1453.2	1453.2
GAR	Garage	413.0	413.0
P/P	Porch	546.0	546.0
OTH	Storage	600.0	
	Storage	600.0	1200.0

LIVING AREA BREAKDOWN			Subtotals
Breakdown			
First Floor			
47.8	x	17.0	812.6
0.3	x	36.4	10.9
46.8	x	10.0	468.0
1.7	x	37.4	63.6
11.0	x	12.4	136.4
3.0	x	38.6	115.8
12.0	x	37.4	448.8
Second Floor			
16.0	x	12.1	193.6
38.6	x	3.0	115.8
47.1	x	11.0	518.1
2.0	x	38.6	77.2
47.1	x	4.4	207.2
2.7	x	17.0	45.9
2.3	x	26.4	60.7
6.0	x	39.1	234.6

Net LIVABLE Area (rounded) 3509 15 Items (rounded) 3509

LOCATION MAP

Borrower: Clardy Malugen

File No.: 11-0346

Property Address: 520 N Interlachen Avenue

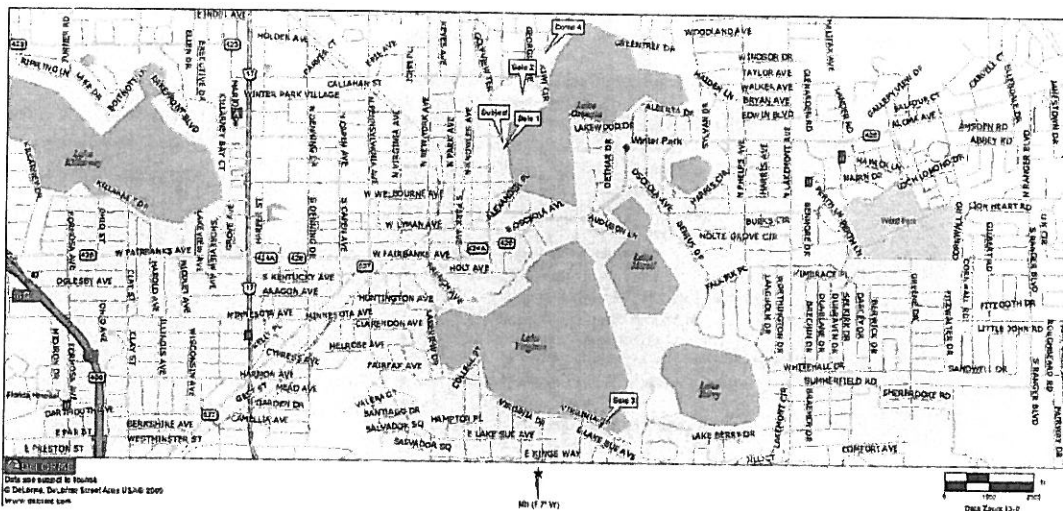
Case No.: 11-002961-01-1

City: Winter Park

State: FL

Zip: 32789

Lender: SunTrust Bank



Borrower: Clardy Malugen	File No.: 11-0346
Property Address: 520 N Interlachen Avenue	Case No.: 11-002961-01-1
City: Winter Park	State: FL
Lender: SunTrust Bank	Zip: 32789



**QUALIFICATIONS OF
ANTHONY PUDWILL, PRESIDENT**

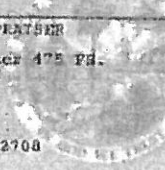
BUSINESS ADDRESS	Meridian Residential Appraisal, LLC. 1331 Sundial Point Winter Springs, Florida 32708 Phone: 407 875 6933 Fax: 407 875 1061 E-mail: tpudwill@meridianag.com
FORMAL EDUCATION	Florida State University, 1979-1981 Bachelor of Science in Business Administration, Real Estate Major
REAL ESTATE EDUCATION	Has completed all course work necessary for State-Certification and continuing education. A partial list of course work is as follows. <i>Course/Seminars/Continuing Education</i> <ul style="list-style-type: none"> • Real Estate Appraisal Principles • Uniform Standards of Professional Practice • Residential Valuation Procedures • Capitalization Theory & Techniques, Part A • SREA-Uniform Residential Appraisal Report • SREA-Depreciation Analysis Seminar • HUD Appraisal Direct Endorsement • Modern Appraisal Techniques • FHA Appraising • Appraising in the Wake of Natural Disasters • Small Residential Income Properties • Assoc. Construction Inspectors - How to Perform & Monitor Construction Inspectors • Appraising High Value & Historic Homes • FHA Appraisal Overview • Valuing High End/Unusual Properties • Professional's Guide to the New URAR • VA Appraisal Training: 2006 • FL Appraisal Laws & Regulations, 2006 • USPAP Law Update: 2006 • Institutional Fraud: 2007 • Declining Markets: 2008 • New Residential MC Form, 2009
EXPERIENCE	Have appraised various types of properties including: single-family residences, condominiums, residential income properties and vacant sites.
1/2000 - Present	Meridian Residential Appraisal, LLC (formerly Realvest Residential Appraisal, LLC) President and Principal
9/1998 - 12/1999	Realvest Appraisal Services, Inc. Director of Residential Services
1/1995 - 9/1998	Valuation Information Technology Staff Appraiser

Borrower: Clardy Malugen	File No.: 11-0346
Property Address: 520 N Interlachen Avenue	Case No.: 11-002961-01-1
City: Winter Park	State: FL Zip: 32789
Lender: SunTrust Bank	

QUALIFICATIONS OF ANTHONY PUDWILL, PRESIDENT
(Cont'd)

7/1993 - 12/1994	Norwest Mortgage, Inc. Staff Appraiser
2/1990 - 7/1993	Pardue, Heid, Church, Smith & Waller, Inc. Fee Appraiser
4/1986 - 2/1990	Clayton, Roper & Marshall, Inc. Fee Appraiser
3/1985 - 3/1986	Savings of America Staff Appraiser

CERTIFICATIONS & LICENSES State-Certified Residential Appraiser RD853

AM# 5335879			STATE OF FLORIDA	
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION FLORIDA REAL ESTATE APPRAISAL BD				
SEQ# 11011092107				
DATE	BATCH NUMBER	LICENSE NBR		
11/10/2010	108125222	RD853		
The CERTIFIED RESIDENTIAL APPRAISER Named below IS CERTIFIED Under the provisions of Chapter 475 F.S. Expiration date: NOV 30, 2012				
PUDWILL, ANTHONY RAY 1331 SUNDIAL POINT WINTER SPRING FL 32708				
CHARLIE CRIST GOVERNOR		CHARLIE LIEM SECRETARY		
DISPLAY AS REQUIRED BY LAW				

***** INVOICE *****

File Number: 11-0346

SunTrust Bank
c/o Tim Wagoner
200 S Orange Ave. Tower 5
Orlando, FL 32801

Borrower : Clardy Malugen

Invoice # : 11-0346: 06/20/2011
Order Date : 06/14/2011
Reference/Case # : 11-002961-01-1
PO Number :

520 N Interlachen Avenue
Winter Park, FL 32789

1004 (vintage Winter Park lakefront)	\$	850.00
	\$	-----
Invoice Total	\$	850.00
State Sales Tax @	\$	0.00
Deposit	(\$)
Deposit	(\$)

Amount Due	\$	850.00

Terms: Due upon receipt.

Please Make Check Payable To:

Meridian Residential Appraisal, LLC
1331 Sundial Point
Winter Springs, FL 32708

Fed. I.D. #: 59-3580040