

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

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Meeting Date: August 2, 2007 [] Consent [X] Regular [] Public Hearing

Department: Housing and Community Development

Submitted By: Housing and Community Development

Submitted For: Commission on Affordable Housing

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I. EXECUTIVE BRIEF

Motion and Title: Staff recommends a motion to approve: a loan of \$34,000 for the purchase of a condominium home for a moderate income employee of Housing and Community Development. The funding sources and amounts are as follows: (a) \$121,050 first mortgage from HSBC Bank repaid over 30 years at 5.625% interest; (b) \$34,000 from the State Housing Initiatives Partnership Program at zero percent (0%) interest for thirty (30) years with no monthly payment; and (c) \$5,592.55 in down payment and closing costs from Kimberly Spence.

Summary: Kimberly Spence has been employed with Palm Beach County since January 2007. She is a Planner I working exclusively with the Community Development Block Grant (CDBG) and Emergency Shelter Grant Programs (ESG) funded by the U.S. Department of Housing and Urban Development (HUD). CDBG and ESG funds are not a component of this financing. The existing condominium is 923 square feet; 2 bedrooms 2 baths; is selling for \$153,000; and is appraised at \$155,000. This application was presented to and recommended for funding by the Commission on Affordable Housing's Advisory Committee on June 29, 2007. **These are SHIP funds which do not require a local match. Countywide (TKF)**

Background and Justification: The State Housing Initiatives Partnership Program is funded by the Florida Housing Finance Corporation and is primarily used to finance second mortgages for income eligible first time homebuyers (120% or below the area median income). No monthly payment is required as long as the home is the primary residence. However, if the property is sold, leased, or there is a transfer of title during the thirty (30) year encumbrance period, the entire amount of SHIP assistance must be repaid.

- Attachments:
- A. Mortgage Approval Notice
 - B. Copy of the Mortgage Work Write-up
 - C. Copy of the Appraisal

Recommended By: *Edward R. Hornum* 8/9/07
 Department Director Date

Approved By: *Sharon L. Boyer* 8/14/07
 Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	<u>34,000</u>	_____	_____	_____	_____
External Revenues	<u><34,000></u>	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>-0-</u>	_____	_____	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes No Budget Account No.:
 Fund 1107 Agency 143 Org. 7706 Object 8301 Program Code/Period SH35/GY07

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Approval of this agenda item will appropriate \$34,000 of SHIP funds to Kimberly Spence to assist with the purchase of a condominium home in West Palm Beach.

C. Departmental Fiscal Review:

Shariette Major 8-9-07
 Shariette Major, Fiscal Manager I

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

Elizabeth Blasen 8/14/07 *Jim J. Wood* 8/14/07
 OFMB VO Contract Dev. and Control
 8/13/07 8/14/07

B. Legal Sufficiency:

[Signature] 8/14/07
 Assistant County Attorney

C. Other Department Review:

Edward B. [Signature]
 Department Director

This summary is not to be used as a basis for payment.



APPROVAL NOTICE

07/09/2007

KIMBERLY S. SPENCE

790 MALIBU BAY DRIVE, APT 207
WEST PALM BEACH, FL 33401

Subject: Loan Number 0839519559

Dear KIMBERLY S. SPENCE

We are pleased to inform you that your application for a mortgage loan has been approved by HSBC Mortgage Corporation (USA) ("HSBC") and is subject to the terms and conditions listed below:

PROPERTY ADDRESS: 3500 BRIAR BAY BLVD, Unit 103, WEST PALM BEACH, FL 33411

BORROWER(S): KIMBERLY S. SPENCE

LOAN AMOUNT/TERM: \$ 121,050.00 / 360 months

TYPE OF LOAN: Loan Program: CommunityWorks
Purchase STANDARD DOCS
Owner Occupied
CONDOMINIUM

INITIAL INTEREST RATE: 5.6250 %

INDEX:

The Index used is :

TOTAL POINTS: 0.5000 = \$ 605.25

a. LOCK-IN FEE \$ is the amount you prepaid for your lock-in fee

c. POINTS DUE \$605.25 This represents the total points due less any prepaid points or credit fees (if applicable)

\$0.00 must be paid with the return of this commitment letter. All points due will be collected at closing.

INITIAL MONTHLY PAYMENT

(EXCLUSIVE OF INPOUNDS/ESCROWS): \$ 696.84

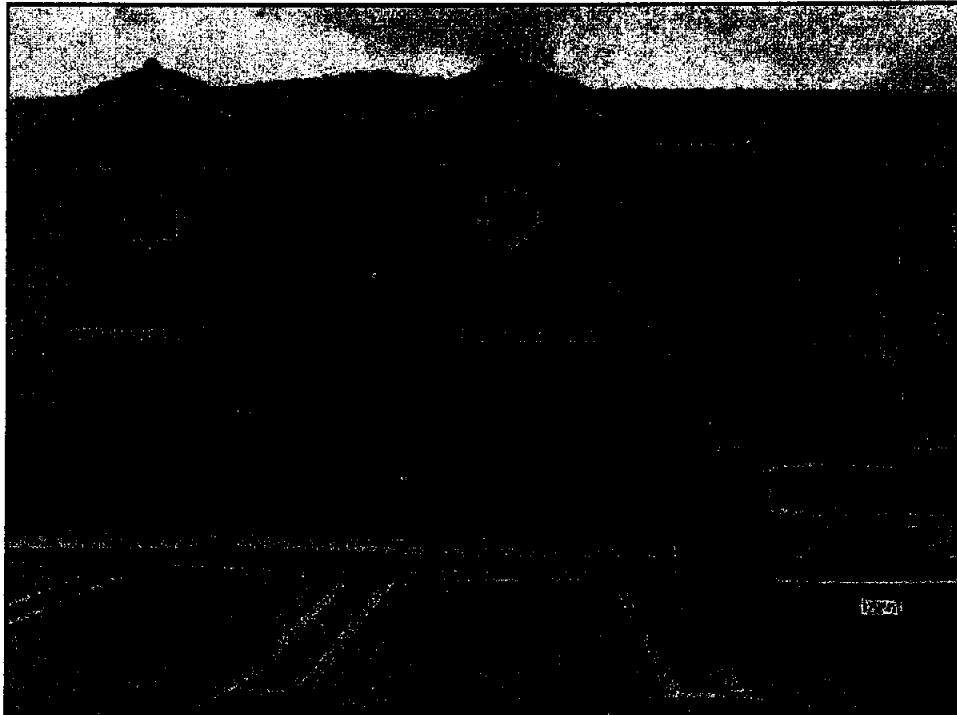
RATE LOCK EXPIRATION DATE: August 08, 2007

COMMITMENT EXPIRATION DATE: July 26, 2007

APPLICANT PROFILE**FINAL VERSION**

Applicant's File Number:	05-1407	SPENCE, KIMBERLY
Lender / Non-Profit	HSBC / HOUSING PARTNERSHIP	
Household Size/ Annual Income:	ONE (1)	\$40,684.80 Annual \$3,390.40
Income Classification:	MODERATE INCOME	
Property Address:	3500 BRIAR BAY BLVD, #300, WPB, FL 33411	
City/Township/Range/Section Census Tract	COVE AT BRIAR BAY CONDOMINIUM UNIT 103 PHASE 5 12099-0078.11	
Status/Age:	Year Built 2003 / Effective Age 4	
Unit Size/GLA:	2 BDRM / 2 BATH	923 Sq.Ft.
Unit Size/under roof:	N/A	
Adjusted Size:	N/A	
Construction cost/cost per sq. ft. (GLA):	\$0.00 ;	\$0.00 per Sq. Ft.
Land Size: (Site Area)	N/A	
Lot Value per appraisal:	N/A	
Appraised Value:	\$155,000.00	
Sales Price; Sale P/sq.ft./GLA:	\$153,000.00 ;	N/A per Sq. Ft.
First Mortgage Loan:	\$121,050.00	Interest Rate: 5.625%
LTV Ratio:	79.12%	
Rehabilitation cost	\$0.00	
PMI, MIP:	\$0.00	
Estimated Prepays:	\$1,271.75	
Estimated Closing Costs:	\$4,070.80	Closing Cost (%) of Mtg. 3.36%
Discount:	\$0.00	
Non-Profit Fee:	\$2,300.00	
	\$0.00	
Total Project Costs:	\$160,642.55	
Seller's Concession:	\$0.00	
Other Concessions (LISC):	\$0.00	
Applicant's Contribution (\$ amount):	\$5,592.55	\$4,819.28 Minimum Required
Applicant's Contribution (%):	3.48%	
Subsidy Request (\$ amount):	\$34,000.00	
Subsidy Request (%):	21.17%	
SUBSIDY with REPAIRS/MATCH	\$34,000.00	
PITI:	\$1,165.63	per month
Total Payments on Existing Debts:	\$360.00	per month
Housing Expense/Income:	34.38%	
Housing Expense & Debts/Income:	45.00%	

SMG



APPRAISAL OF REAL PROPERTY

LOCATED AT:

3500 BRIAR BAY BLVD
COVE AT BRIAR BAY CONDOMINIUM UNIT 103 PHASE 5
WEST PALM BEACH, FL 33411

FOR:

HSBC MORTGAGE CORP USA
2929 WALDEN AVENUE, DEPEW, NY 14043

AS OF:

5/22/07

BY:

RONALD BASSRIEL

SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	3500 BRIAR BAY BLVD
	Legal Description	COVE AT BRIAR BAY CONDOMINIUM UNIT 103 PHASE 5
	City	WEST PALM BEACH
	County	PALM BEACH
	State	FL
	Zip Code	33411
	Census Tract	12099-0078.11
Map Reference	43-42-15	
SALES PRICE	Sale Price	\$ 153,000
	Date of Sale	PENDING
CLIENT	Borrower/Client	SPENCE
	Lender	HSBC MORTGAGE CORP USA
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	923
	Price per Square Foot	\$ 165.76
	Location	AVERAGE
	Age	2003
	Condition	AVERAGE
	Total Rooms	4
	Bedrooms	2
Baths	2	
APPRAISER	Appraiser	RONALD BASSRIEL
	Date of Appraised Value	5/22/07
VALUE	Final Estimate of Value	\$ 155,000

Borrower/Client	SPENCE	File No. 705118C					
Property Address	3500 BRIAR BAY BLVD						
City	WEST PALM BEACH	County	PALM BEACH	State	FL	Zip Code	33411
Lender	HSBC MORTGAGE CORP USA						

APPRAISAL AND REPORT IDENTIFICATION

This Appraisal Report is one of the following types:

- Self Contained (A written report prepared under Standards Rule 2-2(a) , pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- Summary (A written report prepared under Standards Rule 2-2(b) , pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- Restricted Use (A written report prepared under Standards Rule 2-2(c) , pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

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


- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have (or have not) made a personal inspection of the property that is the subject of this report. (If more than one person signs this certification, the certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)
- no one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated.)

Comments on Appraisal and Report Identification

Note any USPAP related issues requiring disclosure and any state mandated requirements:

APPRAISER:

SUPERVISORY APPRAISER (only if required):

Signature: 
 Name: RONALD BASSRIEL
 Date Signed: May 23, 2007
 State Certification #: ST CERT RES REA # RD6619
 or State License #: _____
 State: FL
 Expiration Date of Certification or License: 11/30/08
 Effective Date of Appraisal: 5/22/2007

Signature: N/A
 Name: _____
 Date Signed: _____
 State Certification #: _____
 or State License #: _____
 State: _____
 Expiration Date of Certification or License: _____
 Supervisory Appraiser inspection of Subject Property:
 Did Not Exterior-only from street Interior and Exterior

Individual Condominium Unit Appraisal Report

0839519559
File # 705118C

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 3500 BRIAR BAY BLVD Unit # 103 City WEST PALM BEACH State FL Zip Code 33411
 Borrower SPENCE Owner of Public Record CASTILLOUX County PALM BEACH
 Legal Description COVE AT BRIAR BAY CONDOMINIUM UNIT 103 PHASE 5
 Assessor's Parcel # 74 42 43 15 10 005 1030 Tax Year 2006 R.E. Taxes \$ 2,702
 Project Name COVE AT BRAIR BAY Phase # NA Map Reference 43-42-15 Census Tract 12099-0078.11
 Occupant Owner Tenant Vacant Special Assessments \$ NONE KNOWN HOA \$ 250 per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe) N/A
 Assignment Type Purchase Transaction Refinance Transaction Other (describe) N/A
 Lender/Client HSBC MORTGAGE CORP USA Address 2929 WALDEN AVENUE, DEPEW, NY 14043
 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 No
 Report data source(s) used, offering price(s), and date(s) MLS, \$158,900 (MLS CURRENT LISTING PRICE), \$184,900 (MLS ORIGINAL LIST PRICE)
 10/30/06 (MLS LISTING DATE)
 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. PER THE SALES CONTRACT PROVIDED BY THE LISTING AGENT, THE SUBJECT'S SALE PRICE IS \$153,000. PER THE MLS THE SUBJECT WAS LISTED FOR \$158,900.
 Contract Price \$ 153,000 Date of Contract 4/30/07 Is the property seller the owner of public record? Yes No Data Source(s) PUBLIC RECORDS
 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. PER THE BUYERS AGENT, THE BORROWER WILL BE RECEIVING A PALM BEACH COUNTY HOUSING GRANT. THE AMOUNT OF THE GRANT WAS NOT AVAILABLE.
Note: Race and the racial composition of the neighborhood are not appraisal factors.
 Location Urban Suburban Rural Property Values Increasing Stable Declining PRICE AGE One-Unit 25 %
 Built-Up Over 75% 25-75% Under 25% Demand/Supply Shortage In Balance Over Supply \$ (000) (yrs) 2-4 Unit 0 %
 Growth Rapid Stable Slow Marketing Time Under 3 mths 3-6 mths Over 6 mths 145 Low 1 Multi-Family 60 %
 Neighborhood Boundaries NORTH IS 45TH STREET, SOUTH IS OKEECHOBEE BLVD., EAST IS THE FLORIDA'S TURNPIKE AND WEST IS JOG ROAD. 250 High 6 Commercial 10 %
 Neighborhood Description THE SUBJECT IS LOCATED IN AN AREA COMPRISED PREDOMINANTLY OF CONDOMINIUMS. THE NEIGHBORHOOD IS WITHIN CLOSE PROXIMITY TO LOCAL CONVENIENCES INCLUDING SHOPPING, SCHOOLS, RECREATIONAL FACILITIES AND PUBLIC TRANSPORTATION. NO APPARENT ADVERSE FACTORS TO AFFECT SUBJECT'S MARKETABILITY. MIXED Pred. 3 Other 5 %
 Market Conditions (including support for the above conclusions) THE MARKET CONDITIONS IN THE SUBJECT'S NEIGHBORHOOD APPEAR STABLE AS DO PROPERTY VALUES. SUPPLY AND DEMAND APPEAR TO BE IN BALANCE. BASED ON MULTIPLE LISTING SERVICE AND REALTORS, THE MARKETING TIME IS TYPICALLY LESS THAN SIX MONTHS.
 Topography LEVEL Size TYPICAL FOR AREA Density AVERAGE View RESIDENTIAL
 Specific Zoning Classification RPD Zoning Description RESIDENTIAL PLANNED DEVELOPMENT
 Zoning Compliance Legal Legal Nonconforming - Do the zoning regulations permit rebuilding to current density? Yes No N/A
 No Zoning Illegal (describe) N/A
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe N/A
 Utilities Public Other (describe) Public Other (describe) Off-site Improvements - Type Public Private
 Electricity Water Street ASPHALT
 Gas NONE Sanitary Sewer Alley NONE NOTED
 FEMA Special Flood Hazard Area Yes No FEMA Flood Zone B FEMA Map # 1201920150A FEMA Map Date 2/1/1979
 Are the utilities and off-site improvements typical for the market area? Yes No If No, describe N/A
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe SURVEY WAS NOT PROVIDED. NO APPARENT ADVERSE EASEMENTS, ENCROACHMENTS OR CONDITIONS NOTED.
 Data source(s) for project information PREVIOUS APPRAISALS, JNL PROPERTY MANAGEMENT (561) 686-3600
 Project Description Detached Row or Townhouse Garden Mid-Rise High-Rise Other (describe) LOW-RISE

# of Stories	TWO	Exterior Walls	CONCR	# of Units	288	# of Phases	1	# of Planned Phases	N/A
# of Elevators	NONE	Roof Surface	BAR TL	# of Units Completed	288	# of Units	288	# of Planned Units	N/A
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed		Total # Parking	350+/-	# of Units For Sale	21	# of Units for Sale	21	# of Units for Sale	N/A
<input type="checkbox"/> Under Construction		Ratio (spaces/units)	1 +	# of Units Sold	288	# of Units Sold	288	# of Units Sold	N/A
Year Built	2003	Type	OPEN	# of Units Rented	20+/-	# of Units Rented	20+/-	# of Units Rented	N/A
Effective Age	4 YRS	Guest Parking	AMPLE	# of Owner Occupied Units	268	# of Owner Occupied Units	268	# of Owner Occupied Units	N/A

 Project Primary Occupancy Principle Residence Second Home or Recreational Tenant N/A
 Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No
 Management Group - Homeowners' Association Developer Management Agent - Provide name of management company. JNL PROPERTY MANAGEMENT (561) 686-3600
 Does any single entity (the same individual, investor group, corporation, etc.) own more than 10% of the total units in the project? Yes No If Yes, Describe N/A
 PER PROPERTY MANAGER, APPROX. 5-10% OF THE UNITS ARE RENTED
 Was the project created by the conversion of existing building(s) into a condominium? Yes No If Yes, describe the original use and date of conversion. N/A
 Are the units, common elements, and recreation facilities complete (including any planned rehabilitation for a condominium conversion)? Yes No If No, describe N/A
 Is there any commercial space in the project? Yes No If Yes, describe and indicate the overall percentage of the commercial space. N/A

Individual Condominium Unit Appraisal Report

0839519559
File # 705118C

PROJECT INFORMATION

Describe the condition of the project and quality of construction. **THE PROJECT APPEARS TO BE WELL MAINTAINED. QUALITY OF CONSTRUCTION IS TYPICAL FOR THE AREA. THERE APPEARS TO BE A GOOD UNIT MIX AND GOOD APPEAL TO THE MARKET.**

Describe the common elements and recreational facilities. **THE SUBJECT COMPLEX INCLUDES A POOL AND SECURITY GATE.**

Are any common elements leased to or by the Homeowners' Association? Yes No If Yes, describe the rental terms and options. **NONE KNOWN**

Is the project subject to a ground rent? Yes No If Yes, \$ N/A per year (describe terms and conditions) **NONE KNOWN**

Are the parking facilities adequate for the project size and type? Yes No If No, describe and comment on the effect on value and marketability. **N/A**

PROJECT ANALYSIS

I did did not analyze the condominium project budget for the current year. Explain the results of the analysis of the budget (adequacy of fees, reserves, etc.), or why the analysis was not performed. **NO PROJECT BUDGET INFORMATION WAS AVAILABLE.**

Are there any other fees (other than regular HOA charges) for the use of the project facilities? Yes No If Yes, report the charges and describe. **NONE KNOWN**

Compared to other competitive projects of similar quality and design, the subject unit charge appears High Average Low If High or Low, describe **N/A**

Are there any special or unusual characteristics of the project (based on the condominium documents, HOA meetings, or other information) known to the appraiser? Yes No If Yes, describe and explain the effect on value and marketability. **NONE KNOWN**

Unit Charge \$ 250 per month X 12 = \$ 3,000.00 per year Annual assessment charge per year per square feet of gross living area = \$ 3.25
Utilities included in the unit monthly assessment None Heat Air Conditioning Electricity Gas Water Sewer Cable Other (describe)

BUILDING INSURANCE, ALARM MONITORING

Floor #	ONE	Floors	TILE/CARPET/AVG	Fireplace(s) #	N/A	Refrigerator	<input checked="" type="checkbox"/>	None	<input type="checkbox"/>
# of Levels	ONE	Walls	DRYWALL/AVG	WoodStove(s) #	N/A	Range/Oven	<input checked="" type="checkbox"/>	Garage	<input type="checkbox"/>
Heating Type	CNTL Fuel ELE	Trim/Finish	WOOD/AVG	Deck/Patio	CONC	Disp	<input checked="" type="checkbox"/>	Microwave	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> Central AC	<input type="checkbox"/> Individual AC	Bath Wainscot	TILE/AVG	Porch/Balcony	N/A	Dishwasher	<input checked="" type="checkbox"/>	Assigned	<input type="checkbox"/>
<input type="checkbox"/> Other (describe)	N/A	Doors	HOLLOWCORE/AV	Other	N/A	Washer/Dryer	<input checked="" type="checkbox"/>	Parking Space #	103

Finished area above grade contains: 4 Rooms 2 Bedrooms 2 Bath(s) 923 Square Feet of Gross Living Area Above Grade

Are the heating and cooling for the individual units separately metered? Yes No If No, describe and comment on compatibility to other projects in the market area. **N/A**

UNIT DESCRIPTION

Additional features (special energy efficient items, etc.) **THE SUBJECT CONTAINS STANDARD FEATURES. THERE IS A SMALL CONCRETE PATIO OFF THE REAR AND A STORAGE CLOSET IN THE FRONT.**

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). **AT THE TIME OF INSPECTION, THE SUBJECT WAS IN OVERALL AVERAGE CONDITION. FEATURES INCLUDE: TILE FLOORING THROUGHOUT EXCEPT CARPET IN THE MASTER BEDROOM, TILED KITCHEN COUNTER TOPS AND UPGRADED BATHROOMS.**

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes No If Yes, describe **THE APPRAISER DOES NOT KNOW THE SOUNDNESS OR STRUCTURAL INTEGRITY OF THE PROPERTY AND IS NOT AN EXPERT IN THIS FIELD. APPRAISER SUGGESTS A HOME INSPECTION, TO DETERMINE STRUCTURAL FEATURES IF CLIENT SO DESIRES. EXTRA ORDINARY ASSUMPTION IS MADE THAT SUBJECT IS STRUCTURALLY SOUND.**

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? Yes No If No, describe **THE SUBJECT IS A 2 BEDROOM 2 BATH CONDOMINIUM TYPICAL FOR THE AREA.**

PRIOR SALE HISTORY

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

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) **PAPA, REALIST**

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) **PAPA, REALIST**

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	2/04	8/04	9/03	9/05
Price of Prior Sale/Transfer	\$124,000	\$141,900	\$155,650	\$157,900
Data Source(s)	PAPA, REALIST	PAPA, REALIST	PAPA, REALIST	PAPA, REALIST
Effective Date of Data Source(s)	5/22/07	5/22/07	5/22/07	5/22/07

Analysis of prior sale or transfer history of the subject property and comparable sales. **NO RECENT SALES OF THE SUBJECT OR COMPARABLES NOTED IN PUBLIC RECORDS.**

Individual Condominium Unit Appraisal Report

0839519559
File # 705118C

There are 12 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 147,000 to \$ 193,000	
There are 13 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 145,000 to \$ 185,000	
FEATURE	SUBJECT
Address and Unit #	3500 BRIAR BAY BLVD, # 103 WEST PALM BEACH, FL
Project Name and Phase	COVE AT BRAIR BAY NA
Proximity to Subject	0.31 miles NW
Sale Price	\$ 153,000
Sale Price/Gross Liv. Area	\$ 165.76sq. ft.
Data Source(s)	PUBLIC RECORDS/PAPA
Verification Source(s)	MLS/REALIST
VALUE ADJUSTMENTS	DESCRIPTION
Sales or Financing Concessions	CONV MTG NONE KNOWN
Date of Sale/Time	2/07
Location	AVERAGE
Leasehold/Fee Simple	FEE SIMPLE
HOA Mo. Assessment	\$252
Common Elements and Rec. Facilities	POOL
Floor Location	1ST FLOOR
View	RESIDENTIAL
Design (Style)	LOW RISE
Quality of Construction	AVERAGE
Actual Age	2003
Condition	AVERAGE
Above Grade Room Count	Total Bdrms. Baths 4 2 2
Gross Living Area	923 sq. ft.
Basement & Finished Rooms Below Grade	N/A
Functional Utility	AVERAGE
Heating/Cooling	CENTRAL A/C
Energy Efficient Items	STANDARD
Garage/Carport	OPEN PARKIN
Porch/Patio/Deck	PATIO
Net Adjustment (Total)	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 500
Adjusted Sale Price of Comparables	Net Adj. 0.3 % Gross Adj. 0.3 % \$ 160,500
Summary of Sales Comparison Approach	THE APPRAISER ANALYZED SIX SALES IN THE SUBJECT'S AREA IN CHOOSING THREE COMPARABLES THAT APPEAR TO BEST REFLECT THE CURRENT MARKET CONDITIONS. ADJUSTMENTS IN THE MARKET ANALYSIS WERE WARRANTED VIA PAIRED SALES AND PAST APPRAISALS COMPLETED IN THIS MARKET AREA. SALES 1 & 2 ARE FROM WITHIN THE SUBJECT'S COMPLEX WHILE SALE 3 IS FROM A SIMILAR NEARBY COMPETING COMPLEX WHICH EXCEEDS THE 1 MILE GUIDELINE. PER MLS, SALE 2 LACKS THE UPGRADES AND CONDITION OF THE SUBJECT. SALE 3 OFFERS LAKE VIEWS AND ITS COMPLEX HAS SUPERIOR AMENITIES (TENNIS, CLUBHOUSE) COMPARED TO THE SUBJECT'S COMPLEX. IT ALSO ADJUSTED FOR ITS OLDER AGE. THE MOST RECENT SIMILAR PROXIMATE SALES WERE EMPLOYED.
Indicated Value by Sales Comparison Approach	\$ 155,000
Estimated Monthly Market Rent \$	N/A X Gross Rent Multiplier N/A = \$ N/A Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM)	THE INCOME APPROACH WAS NOT UTILIZED AS MOST UNITS IN THE AREA ARE OWNER OCCUPIED AND NOT PURCHASED FOR THEIR INCOME STREAMS. THE INCOME APPROACH WAS NOT APPLICABLE IN THIS APPRAISAL REPORT.
Indicated Value by: Sales Comparison Approach	\$ 155,000 Income Approach (if developed) \$ N/A
THIS APPRAISAL REPORT IS FOR USE IN A MORTGAGE FINANCE TRANSACTION ONLY. THIS REPORT IS NOT INTENDED FOR ANY OTHER USE.	
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair. N/A	
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 \$ 155,000 as of 5/22/07, which is the date of inspection and the effective date of this appraisal.	