

From: Daniel T. Martonis (dan.martonis@portville-ny.com)
To: Terry Keeley
Date: Friday, April 11, 2008 9:10:10 AM
Subject: Re: Appraisal (104.002-1-27)

Terry,

I've read over the appraisal and have concluded that it is accurate and just. The data is sound. I will be changing your assessment to that of the appraisal, as is my practice with just appraisals.

--Dan

On Thu, Apr 10, 2008 at 2:51 PM, Terry Keeley <terry.keeley@portville-ny.com> wrote:

Dan,

Here's the appraisal on my house. Please let me know what, if any, adjustment there will be.

Thanks,

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APPRAISAL OF



Single Family Residence

LOCATED AT:

1280 Portville Obi Road
Portville, NY 14770

FOR:

Mr Harry Keeley
1280 Portville Obi Road
Portville, NY 14770

BORROWER:

Harry & Cynthia Keeley

AS OF:

April 8, 2008

BY:

Joseph C. Butler
154 North Union Street Olean, NY 14760

April 8, 2008

Mr Harry Keeley
1280 Portville Obi Road
Portville, NY 14770

File Number: Keeley

Dear Mr Keeley

In accordance with your request, I have appraised the real property at:


1280 Portville Obi Road
Portville, NY 14770

The purpose of this appraisal is to develop an opinion of the market value of the subject property, as improved. The property rights appraised are the fee simple interest in the site and improvements.

In my opinion, the market value of the property as of April 8, 2008 is:

\$179,000
One Hundred Seventy-Nine Thousand Dollars

The attached report contains the description, analysis and supportive data for the conclusions, final opinion of value, descriptive photographs, limiting conditions and appropriate certifications.


Joseph C. Butler
154 North Union Street Olean, NY 14760

Uniform Residential Appraisal Report

File No. **Keeley**

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 1280 Portville Obi Road	City Portville	State NY Zip Code 14770
Borrower Harry & Cynthia Keeley	Owner of Public Record Harry & Cynthia Keeley	County Cattaraugus
Legal Description Liber 1031 Page 628 Cattaraugus County Clerk's Office		
Assessor's Parcel # 104002127	Tax Year 2008	R.E. Taxes \$ 7,313.00
Neighborhood Name None	Map Reference 104.002-1-27	Census Tract 9612.00
Occupant <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant	Special Assessments \$ None	<input type="checkbox"/> PUD HOA \$ None <input type="checkbox"/> per year <input type="checkbox"/> per month
Property Rights Appraised <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)		
Assignment Type <input type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input checked="" type="checkbox"/> Other (describe) Assessment Grievance		
Lender/Client Mr Harry Keeley Address 1280 Portville Obi Road, Portville, NY 14770		
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Report data source(s) used, offering price(s), and date(s). Per the Catt Co and WSTAR MLS the subject has not been listed for sale in the last 12 months.		

I <input type="checkbox"/> did <input checked="" type="checkbox"/> 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. The subject is not under contract.
Contract Price \$ _____ Date of Contract _____ Is the property seller the owner of public record? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s) Catt Co Clerk
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 %
Location <input type="checkbox"/> Urban <input type="checkbox"/> Suburban <input checked="" type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE _____ AGE _____	One-Unit 90 %
Built-Up <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$(000) _____ (yrs) _____	2-4 Unit 10 %
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	20 Low 5 Multi-Family _____ %	Commercial _____ %
Neighborhood Boundaries Neighborhood boundaries include the town of Portville, NY.		300 High 185 Other _____ %	60 Pred. 50 _____ %

Neighborhood Description **The subject is located in a small rural town consisting of mobile homes ranch cape cod and two story houses showing average to good maintenance. Schools shopping etc are located within a reasonable distance.**

Market Conditions (including support for the above conclusions) **The general market is average in Portville. Seller paid points or other sales concessions are sometimes used. The concessions have a moderate increase on values. The average marketing time is stable at 3-6 months. Supply and demand are in balance. Ample Conventional FHA and VA financing is available from area lending institutions.**

Dimensions 97.95 Acres	Area 97.95 Acres	Shape Irregular	View Average
Specific Zoning Classification None		Zoning Description None	
Zoning Compliance <input type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input checked="" type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)			
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe. _____			
Utilities Public <input checked="" type="checkbox"/> Other (describe) _____	Public <input type="checkbox"/> Other (describe) _____	Off-site Improvements—Type _____	Public <input checked="" type="checkbox"/> Private <input type="checkbox"/>
Electricity <input checked="" type="checkbox"/>	Water <input type="checkbox"/> Well	Street Blacktop	<input checked="" type="checkbox"/>
Gas <input checked="" type="checkbox"/>	Sanitary Sewer <input type="checkbox"/> Septic System	Alley None	<input type="checkbox"/>
FEMA Special Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	FEMA Flood Zone C	FEMA Map # 360093 0002B	FEMA Map Date 04/17/1978
Are the utilities and off-site improvements typical for the market area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe. _____			
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe. _____			

GENERAL DESCRIPTION	FOUNDATION	EXTERIOR DESCRIPTION materials/condition	INTERIOR materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls Conc Block-Avg	Floors Carpet-Lamin-Av
# of Stories One	<input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls Vinyl-Avg	Walls Drywall-Avg
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 1440 sq. ft.	Roof Surface Asphalt Sh-Avg	Trim/Finish Pine-Avg
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 0 %	Gutters & Downspouts Metal-Avg	Bath Floor Fiberglass-Avg
Design (Style) Ranch	<input checked="" type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type Casement-Avg	Bath Wainscot Laminate-Avg
Year Built 1982	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated Vinyl-Avg	Car Storage <input type="checkbox"/> None
Effective Age (Yrs) 20	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens Vinyl-Avg	<input checked="" type="checkbox"/> Driveway # of Cars 4
Attic <input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities <input type="checkbox"/> WoodStove(s) # _____	Driveway Surface Blacktop
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other _____ Fuel Gas	<input type="checkbox"/> Fireplace(s) # _____	<input checked="" type="checkbox"/> Garage # of Cars 2
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Patio/Deck <input checked="" type="checkbox"/> Porch 4	<input type="checkbox"/> Carport # of Cars _____
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool <input type="checkbox"/> Other	<input type="checkbox"/> Att. <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Built-in
Appliances <input type="checkbox"/> Refrigerator <input type="checkbox"/> Range/Oven <input type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input checked="" type="checkbox"/> Other (describe) None			
Finished area above grade contains: 6 Rooms 3 Bedrooms 2 Bath(s) 1,440 Square Feet of Gross Living Area Above Grade			
Additional features (special energy efficient items, etc.). Amana gas forced warm air furnace, Bradford White gas hot water tank, Central Air Conditioning, 4 porches, deck, pole barn, frame barn.			
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). Phys Dep. Normal wear and tear. Func Dep. None noted. Ext Dep. None noted.			

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

Uniform Residential Appraisal Report

File No. Keeley

There are **3** comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ **169,000** to \$ **335,000**

There are **3** comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ **110,000** to \$ **119,000**

FEATURE	SUBJECT	COMPARABLE SALE NO. 1		COMPARABLE SALE NO. 2		COMPARABLE SALE NO. 3	
1280 Portville Obi Road Address Portville, NY 14770		1397 Portville Obi Road Genesee, NY 14770		4500 Route 305 Cuba, NY 14727		4275 Gile Hollow Road Hinsdale, NY 14743	
Proximity to Subject		0.74 miles NE		10.10 miles NNE		10.06 miles NNW	
Sale Price	\$	\$ 110,000		\$ 119,000		\$ 112,000	
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 89.29 sq. ft.		\$ 79.33 sq. ft.		\$ 69.83 sq. ft.	
Data Source(s)	Inspection	MLS		MLS		MLS	
Verification Source(s)	Catt Co Clerk	Alleg Co Clerk		Alleg Co Clerk		Catt Co Clerk	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+() \$ Adjustment	DESCRIPTION	+() \$ Adjustment	DESCRIPTION	+() \$ Adjustment
Sale or Financing Concessions		Conv		Conv		Conv	
Date of Sale/Time	4/8/08	10/9/07		Dec 2007		Jan 2008	
Location	Average	Average		Average		Average	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	97.95 Ac-Good	6 Acres-Avg	+46,000	1 Ac-Avg	+48,500	3 Ac-Avg	+47,500
View	Average	Average		Average		Average	
Design (Style)	Ranch-Avg	Ranch-Avg		Ranch-Avg		Split Level-Avg	
Quality of Construction	Frame-Mod-Avg	Brick-Avg		Modular-Avg		Frame-Avg	
Actual Age	26+/- Years	43 Yrs		5 Yrs		31 Yrs	
Condition	Average	Average		Average		Average	
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Room Count	6 3 2	6 3 1	+2,000	7 3 2		6 3 1.5	+1,000
Gross Living Area	1,440 sq. ft.	1,232 sq. ft.	+2,000	1,500 sq. ft.	+500	1,604 sq. ft.	-1,500
Basement & Finished Rooms Below Grade	Full/1440 Sq.Ft. Unfinished	100% Bsmt Partially Fin	-3,000	Similar		Similar	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	FWA C/Air	HWBB-None	+2,000	FWA C/Air		HWBB-None	+2,000
Energy Efficient Items	Average	Average		Average		Average	
Garage/Carport	2 Car Garage	2 Car Garage		1 Car	+1,000	2 Car Garage	
Porch/Patio/Deck	4 Porches-Deck	Similar		Similar-WBFP	-1,000	Similar	
	Barn- Pole Barn	None	+11,000	None	+11,000	None	+11,000
MLS #	None	14066		15021		14890	
Days On Market		141		114		43	
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 60,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 60,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 60,000
Adjusted Sale Price of Comparables		Net Adj. 54.5% Gross Adj. 60.0%	\$ 170,000	Net Adj. 50.4% Gross Adj. 52.1%	\$ 179,000	Net Adj. 53.6% Gross Adj. 56.3%	\$ 172,000

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) **Catt Co Clerk**

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) **Catt & Allegany Co Clerk's**

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	11/14/03	No prior sale in the last		No prior sale in the last		No prior sale in the last	
Price of Prior Sale/Transfer	\$229,900	12 months		12 months		12 months.	
Data Source(s)	Catt Co Clerk	Alleg Co Clerk		Alleg Co Clerk		Catt Co Clerk	
Effective Date of Data Source(s)	4/8/08	4/8/08		4/8/08		4/8/08	

Analysis of prior sale or transfer history of the subject property and comparable sales **All prior sales of the three comparables were valid transfers.**

Summary of Sales Comparison Approach. For this appraisal the most consideration was given to comparable number two. All three comparables used are closed sales. Normal appraisal guidelines were exceeded for this report as 2 sales used are located more than one mile from the subject. Also a larger than 10% line adjustment was made and the net and gross adjustments are higher than normal due to the large difference in lot sizes. Exceeding guidelines is common in a small rural town with a limited number of closed sales similar to the subject available. The difference in lot size was adjusted at \$500 per acre, the difference in house size was adjusted at \$10.00 per square foot, a full bathroom was adjusted at \$2000, a half bathroom was adjusted at \$1000, a partially finished basement was adjusted at \$3000, central air conditioning was adjusted at \$2000, a 2 car garage was adjusted at \$2000, a wbf was adjusted at \$1000. The pole barn has 1530 SF, the frame barn has 2160 SF. The total 3690 SF was adjusted at \$3.00 per SF or a + \$11,000 to the comps.

Indicated Value by Sales Comparison Approach \$ **179,000**

Indicated Value by: Sales Comparison Approach \$ **179,000** Cost Approach (if developed) \$ **196,400** Income Approach (if developed) \$ _____

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 \$ **179,000** as of **April 8, 2008**, which is the date of inspection and the effective date of this appraisal.

Uniform Residential Appraisal Report

File No. Keeley

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.

Uniform Residential Appraisal Report

File No. Keeley

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.

Uniform Residential Appraisal Report

File No. Keeley

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

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

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

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

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

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

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature *Joseph C. Butler*
Name Joseph C. Butler
Company Name Southern Tier Realty Co Inc
Company Address 154 North Union Street
Olean, NY 14760
Telephone Number 716 372 3141 x 16
Email Address joebutler@aol.com
Date of Signature and Report 04/10/2008
Effective Date of Appraisal April 8, 2008
State Certification # _____
or State License # 47000007133
or Other (describe) _____ State # _____
State NY
Expiration Date of Certification or License 3/2/10

ADDRESS OF PROPERTY APPRAISED

1280 Portville Obi Road
Portville, NY 14770

APPRAISED VALUE OF SUBJECT PROPERTY \$ 179,000

LENDER/CLIENT

Name _____
Company Name Mr Harry Keeley
Company Address 1280 Portville Obi Road
Portville, NY 14770
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 _____

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Harry & Cynthia Keeley	File No.: Keeley	
Property Address: 1280 Portville Obi Road	Case No.:	
City: Portville	State: NY	Zip: 14770
Lender: Mr Harry Keeley		



FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: April 8, 2008
Appraised Value: \$ 179,000



REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Harry & Cynthia Keeley	File No.: Keeley	
Property Address: 1280 Portville Obi Road	Case No.:	
City: Portville	State: NY	Zip: 14770
Lender: Mr Harry Keeley		



COMPARABLE SALE #1

1397 Portville Obi Road
Genesee, NY 14770
Sale Date: 10/9/07
Sale Price: \$ 110,000



COMPARABLE SALE #2

4500 Route 305
Cuba, NY 14727
Sale Date: Dec 2007
Sale Price: \$ 119,000



COMPARABLE SALE #3

4275 Gile Hollow Road
Hinsdale, NY 14743
Sale Date: Jan 2008
Sale Price: \$ 112,000

Borrower: Harry & Cynthia Keeley
Property Address: 1280 Portville Obi Road
City: Portville
Lender: Mr Harry Keeley

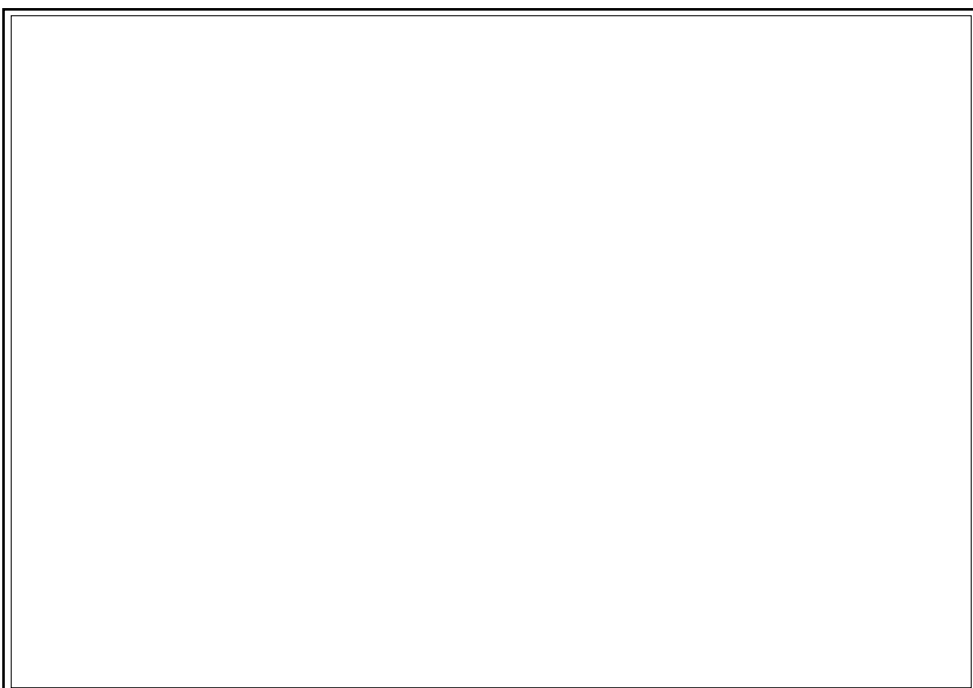
File No.: Keeley
Case No.:
State: NY
Zip: 14770



Pole Barn



Barn

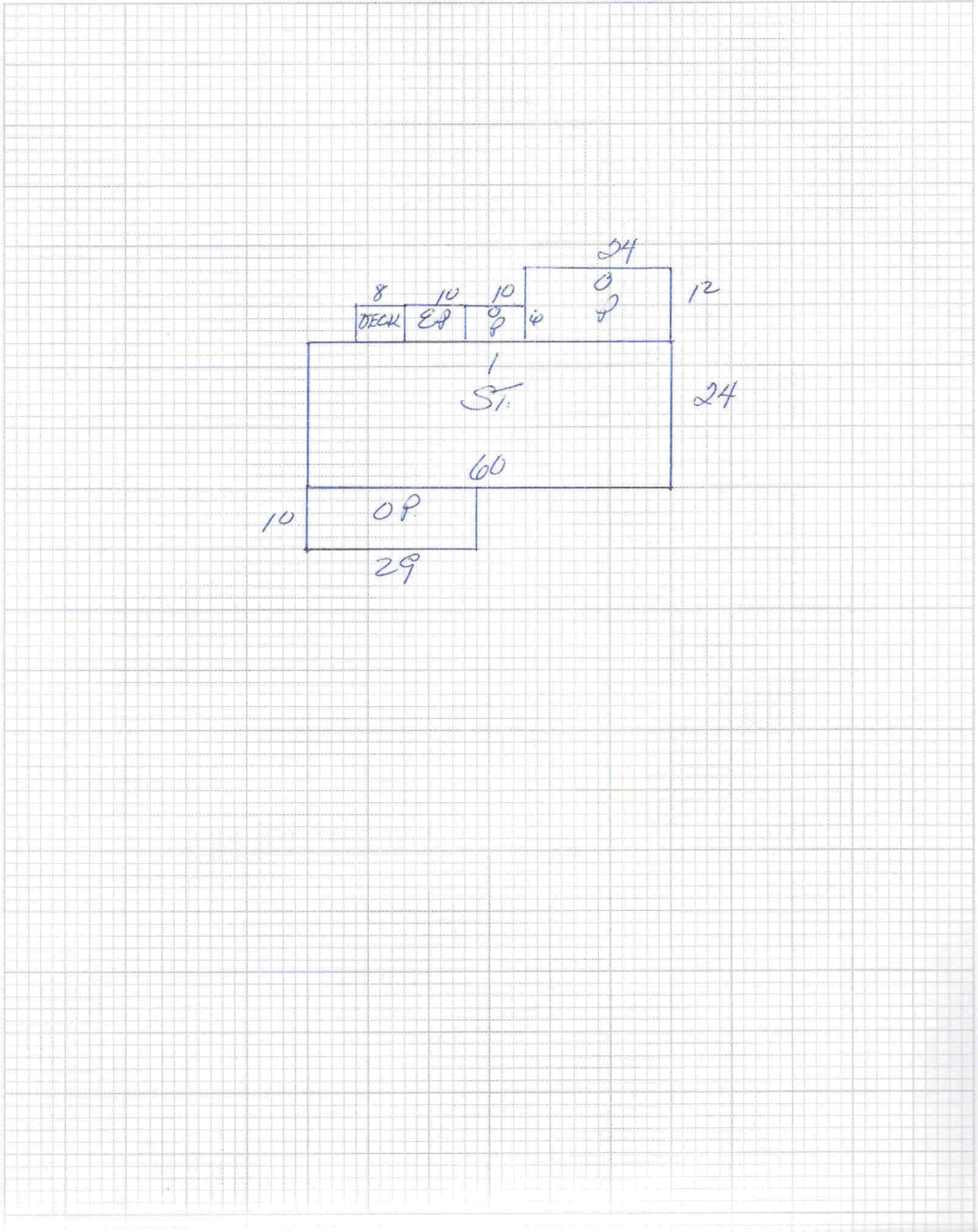


FLOORPLAN

Borrower: Harry & Cynthia Keeley File No.: Keeley
Property Address: 1280 Portville Obi Road Case No.:
City: Portville State: NY Zip: 14770
Lender: Mr Harry Keeley

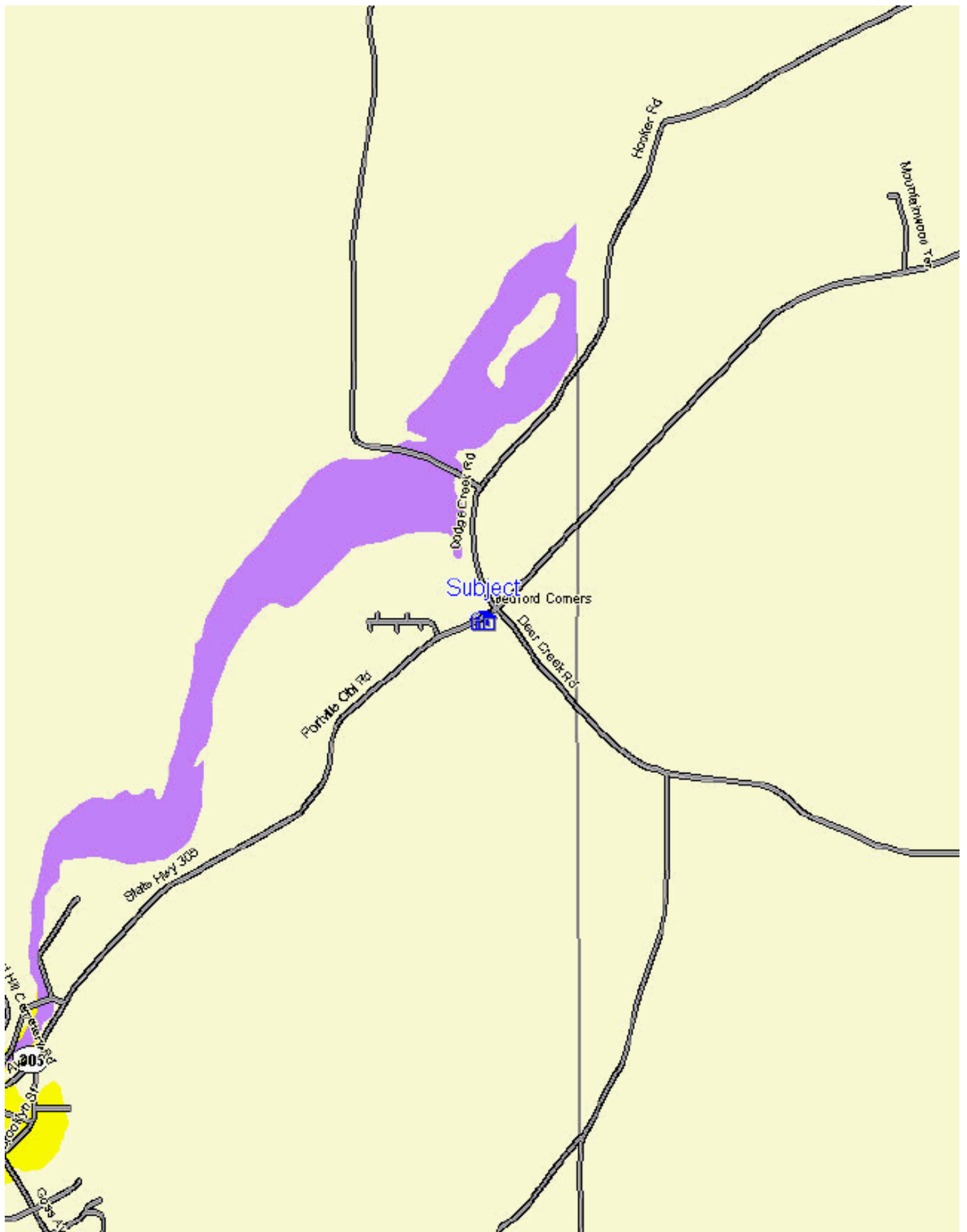
SKETCH ADDENDUM

Borrower / Client				
Property Address				
City	County	State	Zip Code	
Lender				



PLAT MAP

Borrower: Harry & Cynthia Keeley	File No.: Keeley
Property Address: 1280 Portville Obi Road	Case No.:
City: Portville	State: NY
Lender: Mr Harry Keeley	Zip: 14770



FloodMap Legend

Flood Zones

- Areas inundated by 500-year flooding
- Areas outside of the 100- and 500-year floodplains
- Areas inundated by 100-year flooding
- Areas inundated by 100-year flooding with velocity hazard
- Floodway areas
- Floodway areas with velocity hazard
- Areas of undetermined but possible flood hazards
- Areas not mapped on any published FIRM

Flood Information

Community: 360093 - PORTVILLE, TOWN OF
 Property is not in a FEMA special flood hazard area.
 Map Number: 360003 0002B Map Date: 04/17/1079
 Panel: 0002B FIPS: 36009
 Zone: C

Neither Transamerica Flood Hazard Certification (TFHC) nor ACI make any representations or warranties to any party concerning the content, accuracy or completeness of this flood report, including any warranty of merchantability or fitness for a particular purpose. Neither TFHC nor ACI nor the seller of this flood report shall have any liability to any third party for any use or misuse of this flood report.

LOCATION MAP

Borrower: Harry & Cynthia Keeley

File No.: Keeley

Property Address: 1280 Portville Obi Road

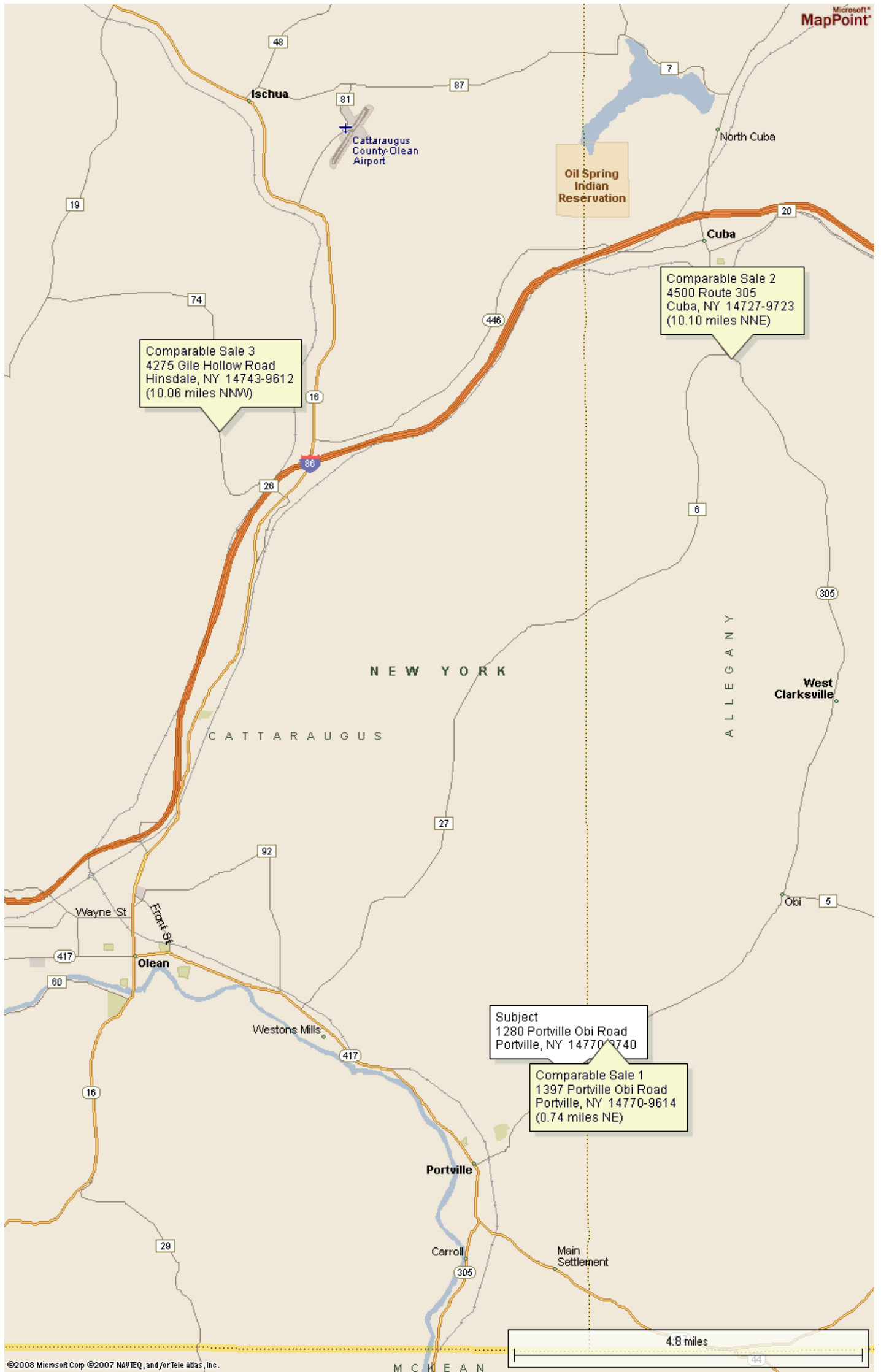
Case No.:

City: Portville

State: NY

Zip: 14770

Lender: Mr Harry Keeley



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Borrower: Harry & Cynthia Keeley

File No.: Keeley

Property Address: 1280 Portville Obi Road

Case No.:

City: Portville

State: NY

Zip: 14770

Lender: Mr Harry Keeley

UNIQUE ID NUMBER 47000007133	<i>State of New York</i> <i>Department of State</i>	FOR OFFICE USE ONLY Control No. 42431
DIVISION OF LICENSING SERVICES		
PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE EXECUTIVE LAW AS IT RELATES TO R. E. APPRAISERS.		EFFECTIVE DATE MO DAY YR 03 03 08
BUTLER JOSEPH C C/O CENTURY 21 SOUTHERN TIER R 154 N UNION ST CLEAN, NY 14760		EXPIRATION DATE MO DAY YR 03 02 10
HAS BEEN DULY LICENCED TO TRANSACT BUSINESS AS A R. E. APPRAISER		
		<small>In Witness Whereof, The Department of State has caused its official seal to be hereunto affixed.</small> LORRAINE A. CORTES-VAZQUEZ SECRETARY OF STATE
<small>DOS-1098 (Rev. 3/01)</small>		

***** INVOICE *****

File Number: Keeley

April 8, 2008

Mr Harry Keeley
1280 Portville Obi Road
Portville, NY 14770

Borrower : Harry & Cynthia Keeley

Invoice # :
Order Date :
Reference/Case # :
PO Number :

1280 Portville Obi Road
Portville, NY 14770

	\$	
	\$	

Invoice Total	\$	175.00
State Sales Tax @	\$	0.00
Deposit	(\$)
Deposit	(\$)

Amount Due	\$	175.00

Terms: Payable upon receipt.

Please Make Check Payable To:

Southern Tier Realty Co Inc
154 North Union Street
Olean, NY 14760

Fed. I.D. #: 16-0643830