



## VeroVALUE Valuation Report

SUBJECT PROPERTY:

**4189 N FUTURA LANE  
 ORANGE, CA 92865**

OWNER OF RECORD:

**JOHNNY DOE**

<b>VEROVALUE</b>	<b>\$605,000</b>	<b>CONFIDENCE SCORE</b>	<b>FORECAST</b>
<b>VALUE RANGE</b>	<b>\$595,000 to \$667,000</b>	<b>95</b>	

**TRANSACTION QUALITY ANALYSIS**

The Transaction Quality Score (TQS) indicates the likelihood of non-standard transfer activity involving the subject property or its immediate market area. The TQS ranges from 100 (low risk) to 0 (high risk) and may be used as an indicator to warrant further investigation or risk analysis.

**TQ SCORE**

**99**

**SUBJECT PROPERTY INFORMATION**

APN:	37409140	YEAR BUILT:	1962	POOL:	
LIVING SF:	1,404	BEDROOMS:	4	FIREPLACE:	
LOT SF:	8,874	BATHROOMS:	2.00	GARAGE:	1
ASS'D VALUE: TOTAL:	\$232,516	COUNTY:	ORANGE	STORIES:	1
ASS'D VALUE: IMPROVEMENTS:	\$66,482	LAND USE:	SFR	A/C:	
ASS'D VALUE: LAND:	\$166,034	CENSUS TRACT:	076208	VIEW:	

**SUBJECT SALES HISTORY**

	SALE DATE	SALE PRICE	LOAN AMOUNT	SELLER	BUYER
1	10-JAN-2000	\$375,000	\$320,000	DOUG ANDERSEN	JOHNNY DOE
2	15-AUG-1999	\$202,000	\$189,000	FABIO ALBERTIN	DOUG ANDERSEN
3	23-SEP-1997	\$199,000	\$159,200	RICK ADKINS	FABIO ALBERTIN

**MARKET DATA SUMMARY**

	ADDRESS	DIST (MI)	SALE PRICE	SALE DATE	LIVING SF	LOT SF	BED	BATH	YR BUILT
1	19 N SHAFFER DR	0.74	\$680,000	14-MAY-2007	1,635	8,500	4	2.00	1962
2	6383 W CULLY ST	0.66	\$645,000	11-MAY-2007	1,605	12,000	3	2.00	1964
3	3381 E REDWOOD DR	0.14	\$599,000	03-MAY-2007	1,540	7,000	3	2.00	1963
4	351 E HAYFORD ST	0.35	\$600,000	24-APR-2007	1,528	8,500	3	2.00	1962
5	517 N FERNSIDE ST	0.44	\$640,000	19-APR-2007	1,640	7,400	4	2.00	1964
6	276 N ASHWOOD LANE	0.40	\$585,000	17-APR-2007	1,393	7,810	3	2.00	1964

Detailed property information is provided on the next page.

**1** 19 N SHAFFER DR OWNER: JOHN SWEENEY DISTANCE (MI): 0.74

SALE PRICE:	\$680,000	APN:	37421526	YR BUILT:	1962	POOL:	
SALE DATE:	14-MAY-2007	LIVING SF:	1,635	BED:	4	FP:	
PRIOR SALE PRICE:	\$600,000	LOT SF:	8,500	BATH:	2.00	GARAGE:	1
PRIOR SALE DATE:	31-MAY-2005	ASS'D TOTAL:	\$612,000	COUNTY:	ORANGE	STORIES:	1
		ASS'D IMPROV:	\$112,061	LAND USE:	SFR	A/C:	
		ASS'D LAND:	\$499,939	CENSUS:	076208	VIEW:	

**2** 6383 W CULLY ST OWNER: LUTHER WELSH DISTANCE (MI): 0.66

SALE PRICE:	\$645,000	APN:	37461214	YR BUILT:	1964	POOL:	
SALE DATE:	11-MAY-2007	LIVING SF:	1,605	BED:	3	FP:	
PRIOR SALE PRICE:	\$230,000	LOT SF:	12,000	BATH:	2.00	GARAGE:	
PRIOR SALE DATE:	24-NOV-1998	ASS'D TOTAL:	\$263,851	COUNTY:	ORANGE	STORIES:	1
		ASS'D IMPROV:	\$84,828	LAND USE:	SFR	A/C:	
		ASS'D LAND:	\$179,023	CENSUS:	076204	VIEW:	

**3** 3381 E REDWOOD DR OWNER: DAN GILLMOR DISTANCE (MI): 0.14

SALE PRICE:	\$599,000	APN:	37436412	YR BUILT:	1963	POOL:	
SALE DATE:	03-MAY-2007	LIVING SF:	1,540	BED:	3	FP:	
PRIOR SALE PRICE:	\$229,000	LOT SF:	7,000	BATH:	2.00	GARAGE:	1
PRIOR SALE DATE:	26-AUG-1999	ASS'D TOTAL:	\$257,554	COUNTY:	ORANGE	STORIES:	1
		ASS'D IMPROV:	\$73,821	LAND USE:	SFR	A/C:	
		ASS'D LAND:	\$183,733	CENSUS:	076201	VIEW:	

**4** 351 E HAYFORD ST OWNER: MARC HONEY DISTANCE (MI): 0.35

SALE PRICE:	\$600,000	APN:	37410503	YR BUILT:	1962	POOL:	
SALE DATE:	24-APR-2007	LIVING SF:	1,528	BED:	3	FP:	
PRIOR SALE PRICE:		LOT SF:	8,500	BATH:	2.00	GARAGE:	1
PRIOR SALE DATE:		ASS'D TOTAL:	\$59,575	COUNTY:	ORANGE	STORIES:	1
		ASS'D IMPROV:	\$38,962	LAND USE:	SFR	A/C:	
		ASS'D LAND:	\$20,613	CENSUS:	076208	VIEW:	

**5** 517 N FERNSIDE ST OWNER: JOHNATHAN ALABASTAR DISTANCE (MI): 0.44

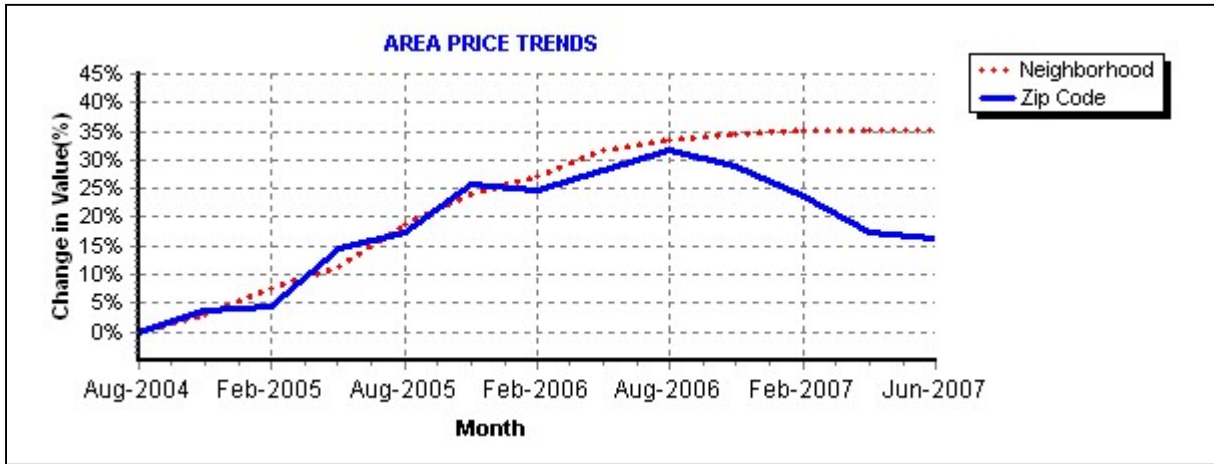
SALE PRICE:	\$640,000	APN:	37428302	YR BUILT:	1964	POOL:	
SALE DATE:	19-APR-2007	LIVING SF:	1,640	BED:	4	FP:	
PRIOR SALE PRICE:		LOT SF:	7,400	BATH:	2.00	GARAGE:	1
PRIOR SALE DATE:		ASS'D TOTAL:	\$131,143	COUNTY:	ORANGE	STORIES:	3
		ASS'D IMPROV:	\$67,256	LAND USE:	SFR	A/C:	
		ASS'D LAND:	\$63,887	CENSUS:	076201	VIEW:	

**6** 276 N ASHWOOD LANE OWNER: STEVEN BERRY DISTANCE (MI): 0.40

SALE PRICE:	\$585,000	APN:	37430120	YR BUILT:	1964	POOL:	
SALE DATE:	17-APR-2007	LIVING SF:	1,393	BED:	3	FP:	
PRIOR SALE PRICE:	\$315,000	LOT SF:	7,810	BATH:	2.00	GARAGE:	1
PRIOR SALE DATE:	30-AUG-2002	ASS'D TOTAL:	\$333,843	COUNTY:	ORANGE	STORIES:	1
		ASS'D IMPROV:	\$70,452	LAND USE:	SFR	A/C:	
		ASS'D LAND:	\$263,391	CENSUS:	076201	VIEW:	



The price range of **single family residences** in the subject property's neighborhood is from a low of **\$375,000** to a high of **\$1,027,000**, with a median price of **\$707,500**. The subject property is valued at **\$605,000** and is ranked at the **6** percentile, meaning that **6%** of the **single family residences** in the subject's neighborhood are valued less than the subject property.

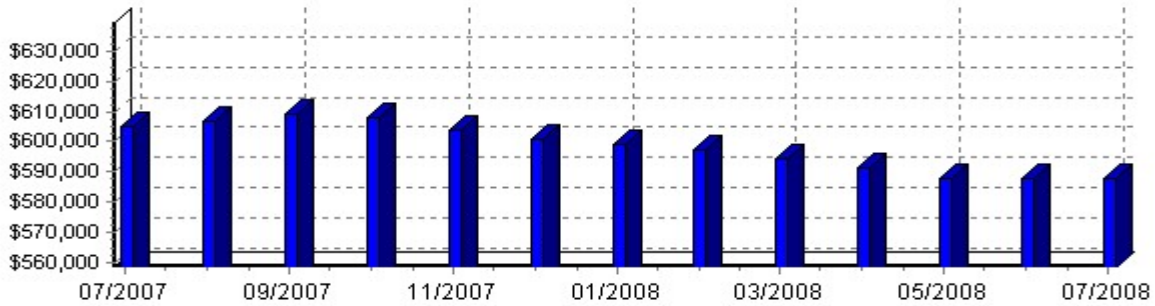


Price changes for **single family residences** in the subject property's zip code (**92865**) and neighborhood are shown for comparison of local and regional trends. Starting on the left and normalized to zero, price changes are given on a periodic basis and tracked cumulatively.

VEROFORCAST BASIC				
FORECAST RANGE	FORECAST DATE	MARKET CHANGE	MARKET DIRECTION	FORECAST VALUE
--	07/2007	--	--	\$605,000
3 months	10/2007	+0.50%	↑	\$608,000
6 months	01/2008	-0.99%	↓	\$599,000

Veroforecast indicates that market conditions for single family residential real estate will be **weak** over the next six months with housing prices **decreasing**.

**VEROFORECAST ADVANCED**



FORECAST RANGE	FORECAST DATE	MARKET CHANGE	MARKET DIRECTION	FORECAST VALUE
--	--	--	--	\$605,000
3 months	10/2007	+0.50%	↗	\$608,000
6 months	01/2008	-0.99%	↘	\$599,000
9 months	04/2008	-2.31%	↘	\$591,000
12 months	07/2008	-2.81%	↘	\$588,000

VeroFORECAST indicates that market conditions for single family residential real estate will be **weak** over the next 12 months with housing prices **decreasing**.

VeroFORECAST estimates are based upon an analysis of substantial econometric data on national, regional and local levels. The three most significant indicators in this specific forecast are: **(1) a function of the supply of available housing, (2) population influence, and (3) a function of the Federal Funds rate and the unemployment rate.** The modeling techniques, equations and specific indicators used to obtain the final forecasted estimates are proprietary to Veros Software Inc. and will not be released.

**Econometric Data**

The sections below provide additional information on four metrics that are included in the overall VeroFORECAST analysis specific to the subject property's location. The graphs depict future estimates and assumptions on which the final VeroFORECAST results are based.

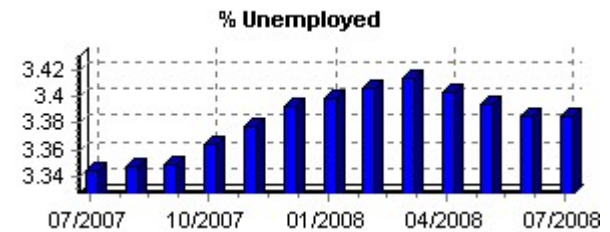
**Mortgage Interest Rates**

Mortgage rates available to qualified borrowers for a 30 year conforming loan.



**Unemployment Rate: Local**

The unemployment rate, provided by the US Dept. of Labor, represents the number unemployed as a percent of the labor force.



**Population Trends**

Analysis of various local population metrics related to residential real estate.



**Consumer Price Index (CPI-U)**

The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. Base year (100) is July, 1983.



## **VeroValue Terminology**

**VeroValue:** The VeroValue is the estimated market value of a subject property based on an analysis of available physical and economic data.

**Confidence Score:** The confidence score is a predictive measurement of the accuracy of the estimated market value. Ranging from a low of 0 to a high of 100, the confidence score can be used as an analytic for automated decision making and defining levels of service. Higher confidence scores generally correlate to higher levels of accuracy.

**Value Range:** The estimated market value range of a subject property based on an analysis of available market data, market trends and the confidence score. VeroValue may need to be adjusted, lower or higher, within the value range, depending on numerous factors including condition, location and quality of construction.

**Market Value:** The market value is the most probable sales price of a property in a competitive and open market under all conditions required for an arms-length transaction.

**DISCLAIMER:** This Secured Valuation Report is provided pursuant and subject to the terms and conditions of a Secured Valuations Services Agreement. This valuation report may contain an Estimated Market Value ("EMV"), Forecast Valuation Analytics ("FVA"), Transaction Quality Analysis ("TQA"), and other associated collateral assessment analytics for residential property that is the product of automated valuation technology, public record, economic and other data, and predictive technologies combined to provide an estimate of the most probable selling price of a residential property, forecast analysis, transfer activity involving the subject property or its immediate market area, and related collateral analysis. Any warranty provided in the Secured Valuation Services Agreement is related to the EMV only and shall not apply to the FVA, TQS or any other analytic unless expressly referenced in the Secured Valuations Services Agreement. This valuation report, including but not limited to the EMV, FVA, TQA and other analytics, is not an appraisal. No physical or other inspection of the property was completed as part of this valuation report. This valuation contains no representations or warranties of any kind including but not limited to warranties regarding marketability, functional or economical obsolescence, environmental contamination or flood insurance determination. This valuation does not warrant the accuracy or completeness of any public record information or data sources used to prepare this valuation report. This data may not be re-sold, remarketed, published, or incorporated into other products or services in any form or manner whatsoever.

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**RETURN**

**PROFESSIONAL ANALYSIS**

**Selection One - Output is Reasonable**

The undersigned has reviewed the available subject property information as well as pertinent market data and has concluded that the information provided by the AVM is reasonable considering the purpose and intended use of the AVM for this assignment.

**Selection Two - Recommend Upgrade**

In my opinion the AVM Valuation Report does not provide an adequately supported valuation estimate for reasons which may include:

1. The report incorrectly describes the subject property (i.e. incorrect lot size, living area, or other significant physical attribute) such that there is a high probability of an error in the valuation estimate, or
2. The report does not consider recent improvements to the property (e.g. upgrades, remodeling, additions, etc) in the valuation estimate, or
3. The report does not provide a valuation estimate reflective of current market conditions.

Therefore, I recommend the following valuation service:

**Selection Three - Desktop Analysis**

In my opinion the AVM Valuation Report does not provide an adequately supported valuation estimate for reasons which may include:

1. The report incorrectly describes the subject property (i.e. incorrect lot size, living area, or other significant physical attribute) such that there is a high probability of an error in the valuation estimate, or
2. The report does not consider recent improvements to the property (e.g. upgrades, remodeling, additions, etc) in the valuation estimate, or
3. The report does not provide a valuation estimate reflective of current market conditions.

Therefore, I have upgraded this assignment to a Desktop Property Analysis.

Below is a summary of the market data analyzed and my opinion of value \$

	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
ADDRESS	2389 N FUTURA LANE			
CITY, STATE, ZIP	ORANGE, CA 92865			
SALES PRICE	199000			
DATE OF SALE (DD-MMM-YY)	23-SEP-1997			
LOCATION				
VIEW				
LOT SIZE	8874			
YEAR BUILT	1962			
LIVING AREA	1404			
BEDROOMS	4			
BATHROOMS	2			
POOL				
BASEMENT				
AMENITIES				
DATE SOURCE				
COMPARED TO SUBJECT PROPERTY		<input type="radio"/> INFERIOR <input checked="" type="radio"/> SIMILAR <input type="radio"/> SUPERIOR	<input type="radio"/> INFERIOR <input checked="" type="radio"/> SIMILAR <input type="radio"/> SUPERIOR	<input type="radio"/> INFERIOR <input checked="" type="radio"/> SIMILAR <input type="radio"/> SUPERIOR