

2:12-cv-1595

IN THE UNITED STATES COURT OF FEDERAL CLAIMS

VITTI & VITTI & ASSOCIATES, P.C.,
Successors in interest to Louis P. Vitti
& Associates, P.C., Louis P. Vitti and
Edith Moen Vitti,

Plaintiffs

v.

UNITED STATES,

Defendant.

No. 13-459C
Judge Susan G. Braden

RECEIVED

DEC 11 2013

CLERK, U.S. DISTRICT COURT
WEST. DIST. OF PENNSYLVANIA

RESPONSE TO MOTION TO DISMISS

I. Introduction

Plaintiffs (Vitti & Vitti & Associates, P.C.; Louis P. Vitti; and Edith Moen Vitti) commenced this lawsuit against the United States Department of Veterans Affairs ("VA") as a negligence action under the provisions of the Federal Tort Claims Act ("FTCA"), 28 U.S.C. §§ 1346, 2671 *et seq.* These claims arise out of the financial obligations incurred by Plaintiffs following a foreclosure of a residential property whose loan was guaranteed by the VA pursuant to the VA Home Loan Guarantee Program, 38 U.S.C. § 3701 *et seq.*

II. Background

A. The VA Home Loan Guarantee Program.

The VA Home Loan Guarantee Program was conceived in the Servicemen's Readjustment Act of 1944, Pub. L. 78-346, in order to assist veterans returning from World War II in the purchase of homes with favorable loan terms and interest rates. *See* Ex. 1 (Affidavit of Carl Wasson) at ¶ 3. The loan program continues in existence today

and has assisted millions of veterans in the construction, purchase, and refinance of various loans. *Id.* A key benefit of this program is the automatic guarantee by the United States Government of a veteran's loan up to a certain amount specified by statute, 38 U.S.C. § 3703(a)(1)(A). This guarantee "operate[s] as the substantial equivalent of a down payment in the same amount by the veteran on the purchase price, in order to induce prospective mortgagee creditors to provide 100% financing for a veteran's home." *United States v. Shimer*, 367 U.S. 374, 383 (1961). As a result, veterans are able to obtain favorable mortgage credit that would otherwise not be available. Ex. 1 at ¶ 3.

B. The Guaranteed VA Loan, Default, and Foreclosure.

Carmen Miller, a veteran, obtained a loan of \$45,750 on September 11, 1996, for a residential property located at 2116 Walton Avenue, Pittsburgh, Pennsylvania ("the Walton Avenue property"). *See* Ex. 2 (Loan Guaranty Certificate). The loan was initially financed through Allstate Financial Services, Inc., with a mortgage that was guaranteed by the VA. *Id.*; Ex. 1 at ¶ 5. The loan was eventually transferred and serviced by the Pennsylvania Housing Finance Agency ("PHFA"). Compl. at ¶¶ 7, 10.

Ms. Miller defaulted on the loan, and the PHFA instituted foreclosure proceedings. Ex. 1 at ¶ 5, Att. 1. As part of the foreclosure procedure, PHFA requested that the property be appraised. Ex. 3 (Appraisal Request); 38 C.F.R. § 36.4322(b)(1). The Walton Avenue property was physically inspected on August 22, 2009, and an appraisal report was finalized on August 31, 2009, valuing the property at \$48,000. *See* Ex. 4 (Uniform Residential Appraisal Report); Compl. at ¶ 9. The appraisal report noted

that the property was "functionally acceptable," and there were "[n]o apparent problems with the heating, electrical or plumbing systems." Ex. 4 at p. 1 of 6. The appraisal report further indicated that there were no "physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property." *Id.* An additional inspection of the Walton Avenue property was conducted on October 13, 2009, and the property was found to be "secure" and "okay." *See* Ex. 5 (Property Inspection Report dtd. 10-13-09).

The foreclosure proceeded with a liquidation sale of the Walton Avenue property on October 5, 2009, and the property was conveyed to the VA. Ex. 6 (Sheriff's Sale Documents); Compl. at ¶ 10 (indicating that "the Defendant VA did take possession of the property and relieved the servicer PHFA of the obligation to secure the property."); *see also* 38 U.S.C. § 3732(c)(1)(B) (stating that "[t]he term 'liquidation sale' means a judicial sale or other disposition of real property to liquidate a defaulted loan that is secured by such property."). This conveyance was made by the transferring and recording of the deed into the VA's name, and the assurance from the PHFA (and its foreclosing attorney - Plaintiff Louis Vitti) that the property was transferred with a valid, fee-simple title. In fact, the title is and had become a valid, fee simple title which is acceptable to the VA but which the VA arbitrarily refused to accept. *See* Ex. 6 (Deed); 38 C.F.R. §§ 36.4323(d)(5)(i)(B), (d)(5)(iii)(A). Because the Walton Avenue property involved a guaranteed VA loan, the conveyance also required the VA to pay the mortgage holder (*i.e.*, PHFA) for the net value of the property, which was calculated as \$42,303. Ex. 1 at ¶

5, Att. 1 (Net-Value Calculation); 38 U.S.C. §§ 3732(c)(3)(B), (c)(6). On October 21, 2009, a check from the United States Treasury, in the amount of \$42,303, was issued to the PHFA. Ex. 7 (PHFA Check); Compl. at ¶ 12.

C. The Additional Appraisals, Attempted Sale, and Reconveyance.

The Walton Avenue residence was now considered a "foreclosed" property, and it was prepared for sale. As part of this process, a contractor performed maintenance on the residence, and the "Completion Results" for this work, dated November 12, 2009, did not reveal any major problems. Ex. 8 (REM Agent Walk Thru Check List - Completion Results). On January 21, 2010, an official inspection was conducted of the Walton Avenue property that included "visual inspection of the interior" and an appraisal. Ex. 9 (Uniform Appraisal Report dtd. 1-21-10). The report did not reveal any major discrepancies, and the property was described as follows: "[t]he dwelling is generally consistent with others in the area and is functionally acceptable . . . [n]o functional inadequacies or external obsolescence noted." *Id.* at p. 1 of 6. The report also did not identify any "physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property." *Id.* The appraisal compared the Walton Avenue property to three other sales within a 2-mile radius and concluded that the comparable value of the property was \$28,000. *Id.* at p. 2 of 6.

On January 29, 2010, an additional inspection and appraisal of the property was conducted in the form of a "Residential Broker Price Opinion." Ex. 10 (Broker Price Opinion dtd. 1-29-10). Once again, the property was described as being in "overall fair

condition" with "[n]o adverse conditions noted." *Id.* Comparable listings and sales were analyzed, and the Broker Price Opinion determined that the suggested list price of the property ("as is") was \$27,900. *Id.*

On February 15, 2010, the VA accepted a cash offer of \$24,900 from Hanula Properties, L.L.C., to purchase the Walton Avenue property. Ex. 11 (Offer to Purchase and Contract of Sale). As part of the proposed sale, the VA identified a title insurance policy dated October 22, 2009, and represented that it had "a good, fee-simple title to the property." Ex. 12 (VA Letter dtd. 2-23-10). However, during the closing process, an open mortgage was discovered on the Walton Avenue property that was not previously revealed by the foreclosing attorney (*i.e.*, Plaintiff Louis Vitti) at the October 2009 foreclosure. Ex. 13 (Affidavit of Richard Zimnoch) at ¶ 4. During the ensuing months, the foreclosing attorney was able to resolve the outstanding lien and obtain clear title to the Walton Avenue property; however, the VA chose not to complete the proposed sale of the property.

On August 25, 2010, the VA, through its contracted agent, Bank of America, sent a letter to U.S. Bank notifying them of the "open mortgage" issue. *See* Ex. 13 at ¶ 4, Ex. 14 (Bank of America ltr. dtd. 8-25-2010). The letter stated that the foreclosing attorney provided a Letter of Indemnity, but this was insufficient to satisfy the open mortgage, and a release was never recorded. *Id.* The VA further indicated that when a holder conveys property to the VA, such conveyance is conducted with the understanding that "the title should be in such condition 'as is or would be generally acceptable to prudent lending

institutions, informed buyers, title companies, and attorneys in the community in which the property is situated." *Id.* (quoting 38 C.F.R. § 36.4320(h)(5)). The August 25, 2010 letter notified U.S. Bank that the VA would reconvey the property and request reimbursement of the funds that were paid by the VA at foreclosure. Ex. 14. On September 23, 2010, the VA (again, through its contracted agent, Bank of America) sent U.S. Bank a "Final-Reconveyance" letter stating the reason for reconveyance as follows:

The property has been in our inventory for 288 days. There is an open mortgage. The foreclosing attorney was able to provide a Letter of Indemnity, but it is not sufficient as the underwriter for the buyer was not addressed/indemnified. There is no record of release.

Ex. 15 (Final-Reconveyance Letter). Attached to the letter was a "Quit Claim Deed" evidencing the VA's termination of rights and claims to the Walton Avenue property and transferring said property back to U.S. Bank. *Id.* The Final-Reconveyance letter also requested payment of the original net value of the property along with other expenses. *Id.*; *see also* 38 C.F.R. § 36.4328(c) (VA's recovery provision).

D. Post-Conveyance Activity, Tort Claim, and Federal Court Complaint.

On December 28, 2010, over three months after the reconveyance, the Walton Avenue property was inspected and appraised via a Broker Price Opinion. Ex. 16 (Broker Price Opinion dtd. 12-27-10). An interior inspection of the property revealed that it was in "fair condition"; however, repairs totaling \$7,000 were needed to replace copper plumbing that had been removed and to repair damage to walls, ceilings, and the kitchen

area. *Id.* Although the current market conditions were listed as "slow," the broker still suggested that the property be listed, "as is," for \$28,000 based on other comparables in the area. *Id.*

On March 25, 2011, Plaintiff, Louis P. Vitti, Esquire, submitted an administrative tort claim to the VA. Ex. 17 (Claim for Damage, Injury, or Death). In the claim, Mr. Vitti explained that his interest in this property was based upon an obligation to indemnify the PHFA. *Id.* At Statement of Case at ¶ 2. The tort claim further alleged that while the Walton Avenue property was in the custody of the VA, it was vandalized and damaged, resulting in a lower appraisal and thousands of dollars in repair costs. Ex. 17 at Box 8. The tort claim requested \$23,100 in total damages. *Id.* at Box 12d. However, the VA investigated the tort claim and concluded that there was no evidence of any negligence or wrongful act while the Walton Avenue property was in the VA's possession. Ex. 18 (Administrative Claim - Denial Letter). Therefore, the claim was denied by the VA in a letter dated May 24, 2012. While in possession of property a duty to protect and maintain is incurred as the property was essentially being held for the benefit of a third party.

On November 1, 2012, Plaintiffs filed the instant Complaint and raised two claims. First, Plaintiffs presented a negligence claim, pursuant to the FTCA, alleging that the "VA had an obligation to secure the property in such a way as to preserve its value and prevent vandals from entering the property and taking copper pipes, or in the alternative be responsible for the diminution in value." Compl. at ¶ 21. Second, Plaintiffs

presented a contract claim alleging that the "VA entered into an agreement [with Plaintiffs] to convey the property valued at \$48,000.00" and that this agreement was allegedly breached. *Id.* at ¶ 25. Plaintiffs requested \$42,000 in damages or, alternatively, the sum of \$48,000 and reconveyance of the property back to the VA. *Id.* at p. 7.

III. Statement of the Case

"A secured party shall use reasonable care in the custody and preservation of collateral and the secured property's possession." 13 Pa.CSA 9207 Restatement (Second) of Torts 324a.

In any case sounding in negligence, a Plaintiff must demonstrate (1) a duty of care; (2) the breach of the duty; (3) a causal connection between the conduct and the resulting injury; and (4) actual loss or damage resulting to the Plaintiff.

To prove a cause of action for negligence, a Plaintiff must show "(1) a legal duty to use reasonable care, (2) breach of that duty, and (3) approximate cause between the breach and for the Plaintiff's injury", *Mendoza v. City of Los Angeles*, 66 Cal App. 4th 1333, 1339, 78 Cal Rptr 2d 525(2d Dist. 1998). The existence of a legal duty to use reasonable care in a particular factual situation is a question of law for the Court to decide. *Vasquez v. Residential Invs., Inc.*, 118 Cal App. 4th 269, 278, 12 Cal Rptr. 3d 846 (4th Dist. 2004).

Plaintiffs in the within case argue that while the VA takes under its care, custody and control real property and elects to transfer such property in a deteriorated or inferior condition and demand the same consideration for the property while being transferred

while the property was maintained and without the necessity for repairs caused during the ownership or control of the VA. In the event that the VA were to select the option or elect to transfer the property back to the original conveying party, it would stand to reason that the property be in the identical or, at least, similar condition requiring the grantee to accept the property in a damaged condition should allow the grantee to recover the difference in the value or the cost of repair.

In an instance where an individual has the right to possession of property, a party having the lawful right to exercise dominion and control over his own property may not sit idly by and see that property destroyed through forces negligently set in motion by another and then collect damages occasioned by his own failure to make reasonable exertions to arrest the threat and disaster. In such a case, the party whose property is jeopardized is required to act when the fact of jeopardy is known and upon the theory that the way is open to that party to act. *Palmer v. Costello*, 41 App. D.C. 165 L.R.A. 1915a, 193 (1913), *Mark Hudson River Bridge Company*, 103 N.Y. 28, 8 N.E. 243. It can easily be said that the VA being the property owner sat idly by and permitted their own property over which they exercised unquestionable dominion and control to suffer damage. See also *Western Real Estate v. Hughes*, 96 C.C.A. 658, 172 Fed. 206; *Pennsylvania R. Co. v. Washburn*, 50 Fed. 335; *Harrison v. Missouri*, P.R.Co. 88 Mo. 625.

At all times the VA had total control over the property in question and under 42 Pa. C.S. 8542(b)(3), following the *City of Pittsburgh v Estate of Stahlman*, 677A.2d 384, 387 (Pa. Cmwlth. 1996), "possession under the real property exception means total

control over the premises”. According to the VA Handbook 5.04 Risk of Loss, (38 CFR 36.4320(h)(10), “The holder remains responsible for loss due to property damage or personal injury at the property from the date it acquires the property until risk of loss is assumed by VA. Assumption of the risk of loss by VA usually occurs when VA receives the holder’s VA Form 26-8903 and accepts custody. At this time the holder should discontinue all property management functions unless it is retaining custody.” Clearly by the rules set forth by the VA after they accepted the property and before reconveyance to the servicer, the risk of loss was clearly upon the VA.

Liability is imposed for any negligence in the care, custody and control of real property in the possession of the Defendant, *Hough v Commonwealth, Department of Transportation*, 155 Pa. Cmwlth. 162, 624 A.2d 780, Petition for Disallowance of Appeal denied, *City of Pittsburgh v Estate of Stahlman*, 677 A.2d 384 (1996).

The question whether the Defendant owes a duty to the Plaintiff is a question of law, *Greater Houston Transportation Company v Phillips*, 801 S.W. 2d 523, 525 (Tex. 1990), but whether the duty was breached or whether the Defendant failed to adhere to the applicable standard of care is a question of fact. *Rudolph v ABC Pest Control, Inc.*, 763 S.W. 2d 930, 933, *McGonigal v Gearhart Indus., Inc.*, 788 F.2d 321, 326 (5th Cir. 1986). Standard of care is question of law, while negligence is for fact finder. Fed.R.Civ.P. 52(a); *Beckby Chain v Thompson*, 818 F.2d 1204, 1208 (5th Cir. 1987).

All individuals owe a duty to exercise reasonable care to avoid foreseeable injuries to others.

This action is viable and exclusive jurisdiction rests in the claims court as:

1. the action is against the United States;
2. the action seeks monetary relief in excess of \$10,000.00; and,
3. the action is founded upon government contract.

The Federal Tort Claims Act provides generally that the United States shall be liable to the same extent as a private party for injury or loss of property caused by the negligent or wrongful act or omission of any employee of the government while acting within the scope of his office or employment. During the period of time when the Defendant was in possession of the real estate and pending a reconveyance back to the assignor of the Plaintiff, a trust relationship occurs.

Given the existence of a trust relationship, it naturally follows that the government should be liable in damages for the breach of its fiduciary duties as a trustee is accountable for damages for the breach of that trust. *Mitchell* 2, 4th 63 US at 226103 Sup.Ct. 2961. Analogous provisions are section 139 and 187 of the Restatement (First) of Property (1936), a beneficiary has an immediate claim for money damages for any alleged failure to maintain and repair buildings. Section 139 entitled Duty Not to Permit Deterioration of Land or Structures provides in pertinent part that the owner of an estate for life has a duty to preserve the land and structures in a reasonable state of repair. Pursuant to the same VA Handbook cited above H26-94-1, Section 5.06, "a. During the time between the foreclosure sale date or confirmation of sale date, and the date of receipt by the VA of the holder's notice of election to convey the property, holders should

perform emergency property preservation repairs not in excess of \$500. Repairs in excess of \$500 must be approved in advance by VA. This limitation does not apply to expenditures for heat, water, electricity, or other services where: (1) Properties are occupied by tenants, (2) The terms of the rental agreements require the landlord to furnish such services; and (3) Upon acquisition of the property by the holder the tenants are obligated to pay rents to the holder. B. VA will generally assume these functions when custody of the property is transferred.”

A repair or act of preservation is clearly within such duty whenever such repair or act is necessary to prevent a progressive deterioration of the land or structures or whenever the condition existing as a result of the failure to make such repair will amount to substantial deterioration of the land or structures from the condition in which such land and structure were at the time of the commencement of the fiduciary relationship.

Respectfully submitted,

Dated: 9/30/2013

/s/ Louis P. Vitti
Louis P. Vitti, Esquire
Vitti & Vitti & Associates, P.C.
215 Fourth Avenue
Pittsburgh, PA 15222
(412) 281-1725

Exhibit “ 1 ”

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

VITTI & VITTI ASSOCIATES, P.C.,)	
<i>successors in interest to Louis P. Vitti &</i>)	
<i>Associates, P.C., Louis P. Vitti and Edith</i>)	Civil Action No. 12-1595
<i>Moen Vitti,</i>)	
)	
Plaintiffs,)	
)	
v.)	
)	Judge Nora Barry Fischer
UNITED STATES DEPARTMENT OF)	
VETERANS AFFAIRS,)	
)	
Defendant .)	

DECLARATION OF CARL W. WASSON

1. I, Carl W. Wasson, declare as follows pursuant to 28 U.S.C. § 1746:

2. I have been employed by the United States Department of Veterans Affairs for approximately 35 years. I am currently a Supervisory Loan Specialist in the Loan Management Section of the VA Loan Guaranty Service in Washington, D.C. I have been working in the area of veteran loans for the majority of my career.

3. In my capacity as a Supervisory Loan Specialist, I am intimately familiar with the VA Home Loan Guarantee Program. This program was first conceived in the aftermath of World War II in order to assist returning veterans in obtaining favorable credit so their readjustment to civilian life was easier. Favorable credit was used by veterans in such areas as: obtaining home mortgages, beginning a business, or stabilizing a farming venture. In the area of home mortgages, this favorable credit enabled veterans to obtain a home loan with typically no down

payment, no private mortgage insurance, negotiable interest rates, and many other benefits. The VA Home Loan Guarantee Program has assisted millions of veterans over the years and continues to be a beneficial program for veterans today.

4. I am generally familiar with the underlying financial terms regarding VA Loan No. 111160247126 which was used to purchase a residential home at 2116 Walton Avenue, Pittsburgh, Pennsylvania. This familiarity is based on my inspection of the loan information records for this loan located on the VA's electronic loan records system which is named, the VA Loan Electronic Reporting Interface ("VALERI"). Attached to this declaration are two documents that have been retrieved from the VALERI system and provide specific details regarding the guaranteed VA loan for the Walton Avenue residence. See Attachment 1 (Loan Information - Summary Page) and Attachment 2 (Loan Information - Payment Page). To the best of my knowledge, these documents are true and accurate copies.

5. Based on my review of the records regarding VA Loan No. 111160247126, I can state that a VA Loan Guaranty Certificate was issued on January 18, 1997 to Allstate Financial Services in order to guarantee a loan provided by that institution to veteran, Carmen A. Miller. The veteran subsequently went into default on this loan, remaining delinquent for the November 1, 2008, and all subsequent installments, so foreclosure proceedings were initiated. The VA eventually obtained the Walton Avenue property via a conveyance at a liquidation sale in October 2009. The conveyance paperwork indicates that the property was conveyed from U.S. Bank, acting as trustee for the Pennsylvania Housing Finance Agency.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 13, 2013.



Carl W. Wasson

Loan Information

VA Loan Number	111160247126	Payment Due Date	11/1/2008
Origination Date	9/11/1996	Borrower Name	CARMEN MILLER
Loan Amount	\$45,750.00	Servicer	PA HOUSING FINANCE AGENCY
Servicer Loan Number	0000631986	Interest Rate	7.6500%
Property Address	2116 WALTON AVENUE PITTSBURGH, PA 15210		

Loan Information	
VA Loan Number	111160247126
Borrower	CARMEN MILLER
Loan Status	Terminated
Origination Date	09/11/1996
Termination Date	10/05/2009
First Payment Date	11/01/2004
Loan Amount	\$41,471.19
Loan Term	264 months
Interest Rate	5.8750%
Original Guaranty %	49.1803%
Current Guaranty %	49.1803%
Original Guaranteed Amount	\$22,500.00
Is Indemnified	No
Execution Date	N/A
Expired Date	N/A
Audit Number	N/A

Event Inbox			
<input type="checkbox"/> Show Hidden	1/1/1900	to	1/30/2013
<input checked="" type="checkbox"/> All Events	MM/DD/YYYY		MM/DD/YYYY
Basic Claim	✓	03/31/10	04/05/10
Transfer of Custody	✓	10/13/09	10/17/09
Results of Sale	✗	10/12/09	10/16/09
Contact Information Change	✓	10/12/09	10/16/09
Results of Sale	✓	10/09/09	10/13/09
Delinquency Status	✓	10/01/09	10/05/09
Foreclosure Sale Scheduled	✓	09/23/09	09/27/09
Delinquency Status	✓	09/01/09	09/05/09
Delinquency Status	✓	08/01/09	08/05/09
Delinquency Status	✓	07/01/09	07/13/09

Pending
 Not Processed
 Accepted
 Requires Review
 Accepted with Errors
 Rejected

Attachment 1

VALERI - Windows Internet Explorer

https://www.vbavaleri.com/NewTrak/LaserTrakScreen.aspx?request= Search Results

Loan Information

Current Guaranty %	49.1803%
Original Guaranteed Amount	\$22,500.00
Is Indemnified	No
Execution Date	N/A
Expired Date	N/A
Audit Number	N/A
UPB	\$37,091.73
Payment Due Date	11/01/2008
Appraised Value	\$48,000.00
Net Value	\$42,303.00
NOV Issue	08/31/2009
NOV Expiration	02/19/2010
P&I Amount	\$280.22
T&I Amount	\$206.78
Other Payments	\$0.00
Total Payment	\$487.00
Total Delinquency	\$30,720.31

Event Inbox

Show Hidden All Events

1/1/1900 to 1/30/2013

Event	Status	Start Date	End Date
Basic Claim	✓	03/31/10	04/05/10
Transfer of Custody	✓	10/13/09	10/17/09
Results of Sale	✗	10/12/09	10/16/09
Contact Information Change	✓	10/12/09	10/16/09
Results of Sale	✓	10/09/09	10/13/09
Delinquency Status	✓	10/01/09	10/05/09
Foreclosure Sale Scheduled	✓	09/23/09	09/27/09
Delinquency Status	✓	09/01/09	09/05/09
Delinquency Status	✓	08/01/09	08/05/09
Delinquency Status	✓	07/01/09	07/13/09

Attachment 2

Exhibit “ 2 ”



Oct. 9. 2009 1:51PM

US BANK DOCUMENT CUSTODY

- 801 L No. 5732 P. 2

UNITED STATES OF AMERICA

LOAN GUARANTY CERTIFICATE

ISSUED TO:

631986

ALLSTATE FINANCIAL SERVICES INC
ONE FORESTWOOD DRIVE
PITTSBURGH PA 15237

RECEIVED BY FVFA

FEB 13 1997

LOAN NUMBER	DATE OF LOAN	AMOUNT OF LOAN	PERCENT GUARANTEED
11-11-6-0247126	09/11/96	\$ 45,750	49.18 %

CERTIFICATION TO FINANCIAL INSTITUTION

This is to certify that, in this case, the Department of Veterans Affairs (VA) has complied with the applicable provisions of the Right to Financial Privacy Act of 1978, title xi of Public Law 95-630. Pursuant to section 1113(h)(2) of the Act, no further certification shall be required for subsequent access by the Department of Veterans Affairs, Loan Guaranty Service or Division to financial records on this loan during the term of the loan guaranty.

This is to certify that pursuant to chapter 37, title 38, U.S.C., as amended, and the regulations effective thereunder on the date of this certificate, the indebtedness outstanding from time to time under the loan identified herein is guaranteed in the following amount(s):

FULL NAME(S) OF VETERAN(S)	AMOUNT OF LOAN	AMOUNT OF GUARANTY
CARMEN A MILLER	45,750	22,500

BY 
(SIGNATURE OF AUTHORIZED AGENT)

for SECRETARY OF VETERANS AFFAIRS

DATE OF THIS CERTIFICATE 01/18/97

ISSUING OFFICE VARO Pittsburgh PA (MFB)

Upon full satisfaction of this loan by payment or otherwise, this certificate must be appropriately endorsed and signed, dated, and returned to VA pursuant to 38 CFR 36.4218 or 36.4333. Check the appropriate box to show the reason for the termination for VA's guaranty liability.

PAID-IN-FULL

CLAIM PAID

CANCELED

Exhibit “ 3 ”

RESPONDENT BURDEN: We need this information to request an appraisal on the property for which VA guarantee of the loan is requested (38 U.S.C. 3701(b)), Title 38, United States Code, allows us to ask for this information. We estimate that you will need an average of 12 minutes to review the instructions, find the information, and complete this form. VA cannot conduct or sponsor a collection of information unless a valid OMB control number is displayed. You are not required to respond to a collection of information if this number is not displayed. Valid OMB numbers can be located on the OMB internet Page at www.whitehouse.gov/omb/library/OMB/INVA.EPA.htm. If desired, you can call 1-800-827-1000 to get information on where to send comments or suggestions about this form. Your obligation to respond is required to obtain or retain this benefit.

OMB Approved No.: 2900-0045
Respondent Burden: 12 minutes

Department of Veterans Affairs		VA REQUEST FOR DETERMINATION OF REASONABLE VALUE (Real Estate)		1. Case Number – LGI 11-11-6-0247126
2. Property Address 2116 WALTON AVENUE MOUNT OLIVER, PA 15210 ALLEGHENY		3. Legal Description 2116 Walton Avenue		4. Title Limits & Restrictive Covenants
5. Name and Address of Firm or Person Making Request/Application (Include ZIP Code) PA HOUSING FINANCE AGENCY 211 NORTH FRONT STREET HARRISBURG, PA 17101 E.Mail: [REDACTED]		6. Lot Dimensions: 1. Irregular/Square Feet: 2. Acres:		7. Utilities
9. Building Status Existing		10. Building Type:	12A. No. of Bldgs:	13A. Street Access:
11. Factory Fabricated?		12B. No. of Living Units: 1	13B. Street Maint.:	
14A. Construction Warranty Included?		14B. Name of Warranty Program:		
14C. Expiration Date:		15. Constr. Completed:		
16. Name of Owner: CARMEN A. MILLER 2116 WALTON AVENUE PITTSBURGH, PA 15210				17. Property:
18. Rent	19. Keys At 211 N. FRONT ST. HBG, PA		20. Telephone No.: [REDACTED]	
21. Name of Broker:		22. Telephone No.:		
23. Date and Time Available for Inspection:		24. Mobile Home Liquidation? NO		
25. Originator's Ident. No.: 6070030000		26. Sponsor's Ident. No.:		27. Institution's Case No.: 691986
28. Contact Person: KIMBERLEY AYA A Work Phone: [REDACTED] Home Phone: [REDACTED]		EQUAL OPPORTUNITY IN HOUSING NOTE: Federal laws and regulations prohibit discrimination because of race, color, religion, sex, or national origin in the sale or rental of residential property. Numerous State statutes and local ordinances also prohibit such discrimination. In addition, section 805 of the Civil Rights Act of 1968 prohibits discriminatory practices in connection with the financing of housing. If VA finds there is noncompliance with any antidiscrimination laws or regulations, it may discontinue business with the violator.		
29. NEW OR PROPOSED CONSTRUCTION (Complete items 29A through 29G for new or proposed construction cases only.)				
29A. Compliance Inspections Will Be or Were Made By:		29B. Plans		29C. Plans Previously Submitted Under Case No.
29D. Name and Address of Builder			29F. Name and Address of Warrantor	
29E. Telephone No.:			29E. Telephone No.:	
30. Comments on Special Assessments or Home Owner's Association Charges:				33. Leasehold Cases
31. Annual Real Estate Taxes		32. Mineral Rights Reserved?		A. Lease Is:
34. Sale Price of Property		34A. Is Buyer Purchasing Lot Separately?		B. Expires:
35. Refinancing-Amount of Proposed Loan:		36. Proposed Sale Contract Attached?		
CERTIFICATIONS FOR SUBMISSIONS TO VA				
On receipt of "Certificate of Reasonable Value" or advice from the Department of Veteran's Affairs that a "Certificate of Reasonable Value" will not be issued, we agree to forward to the appraiser the approved fee which we are holding for this purpose.				
CERTIFICATION REQUIRED ON CONSTRUCTION UNDER FHA SUPERVISION				
I hereby certify that plans and specifications and related exhibits including acceptable FHA Change Orders, if any, supplied to VA in this case are identical to those approved by FHA, and that FHA inspections have been made pursuant to FHA approval for mortgage insurance on this basis of proposed construction under SEC.				
38. Signature of Person Authorizing This Request KIMBERLEY AYALA [Signature]			39. Title:	41. Date 08/11/2009
42. Date of Assignment: 08/11/2009			40. Telephone Number: (7[REDACTED])	
43. Name of Appraiser: (0078) HARRY J SMELTZER ([REDACTED])				
WARNING: Section 1010 of title 18, U.S.C. provides "Whoever for the purpose of ... including such Administration ... makes, passes, utters or publishes any statement knowing the same to be false ... shall be fined not more than \$5,000 or imprisoned not more than two years or both."				

VA FORM 26-1805-1
AUG 2007

LGI Case: 11-11-6-0247126

Date: 08/11/2009
Requester Data: Servicer: 6070030000
[REDACTED]

Case Description

Address: 2116 WALTON AVENUE
MOUNT OLIVER, PA 15210
County: ALLEGHENY
Owner: CARMEN A. MILLER
Sales Date: 10/05/2009

Appraiser Data

Appraisers Assigned: 1

0078 HARRY J. SMELTZER
Address: 7 [REDACTED]
C [REDACTED]
Office Phone: [REDACTED]
Cell Phone: [REDACTED]
FAX: [REDACTED] 97
E-Mail: hj [REDACTED]@net

Inspector Data

Inspectors Assigned: 0

Return to: Assignment -- Single Property

Exhibit “ 4 ”

C. Miller

Smeizer Appraisal Service (724)733-3505

File No. 92076 Page #1

11-11-6-0247126

File # 92076

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 2116 Watton Ave City Pittsburgh State PA Zip Code 15210-4148
Borrower Any Qualified Veteran **Owner of Public Record** Miller, Carmen County Allegheny

Legal Description DBV 9780 P 633 **Assessor's Parcel #** 95-F-99 **Tax Year** 2009 **R.E. Taxes \$** 1,932
Neighborhood Name Overbrook, 32nd Ward/Pittsburgh **Map Reference** 38300 **Census Tract** 3204.00

Occupant Owner Tenant Vacant **Special Assessments \$** NA PUD HOA \$ NA per year per month

Property Rights Appraised Fee Simple Leasehold Other (describe) _____
Assignment Type Purchase Transaction Refinance Transaction Other (describe) Liquidation

Lender/Client Department of Veterans Affairs **Address** INTENDED USER ANY VA APPROVED LENDER
 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): West Penn Multi-List

CONTRACT

I did did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

Contract Price \$ NA **Date of Contract** _____ **Is the property seller the owner of public record?** Yes No **Data Source(s)** _____
 Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? Yes No
 If Yes, report the total dollar amount and describe the items to be paid.

NEIGHBORHOOD

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Location	Build-Up	Growth	Neighborhood Boundaries	Neighborhood Description	PRICE (\$/1000)	AGE (yrs)	One-Unit	Two-Unit	Three-Unit	Four-Unit	Five-Unit	Six-Unit	Seven-Unit	Eight-Unit	Nine-Unit	Ten-Unit	Other
<input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural	<input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	<input checked="" type="checkbox"/> Stable <input type="checkbox"/> Rapid <input type="checkbox"/> Slow	Overbrook. The subject's market area encompasses both the Overbrook and Carrick neighborhoods.	This residential neighborhood is within reasonable proximity to employment and amenities. Employment appears stable, and there are no special adverse factors affecting the subject's marketability. This is the Pittsburgh City School District.	180	High	140	Commercial	10%								

Market Conditions (including support for the above conclusions) See page 3 of 6 and attached form 1004MC.

SITE

Dimensions 37 X 100 **Area** 3,850 Sq.Ft. **Shape** Roughly Rectangular **View** Residential
Zoning Description Residential
Specific Zoning Classification Residential
Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe) _____
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe _____

Utilities Public Other (describe) _____ Public Other (describe) _____ **Off-site improvements - Type** Public Private
 Electricity 100 Amp 100 Amp **Water** Premier 40 gal ghw Street Brick _____
 Gas GFA Furnace Sanitary Sewer Alley Asphalt _____

FEMA Special Flood Hazard Area Yes No **FEMA Flood Zone** X **FEMA Map #** 42003C0363E **FEMA Map Date** 10/4/1995
 Are the utilities and off-site improvements typical for the market area? Yes No If No, describe _____
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe _____

IMPROVEMENTS

Units	# of Stories	Type	Design (Style)	Year Built	Effective Age (Yrs)	Attic	Floor	Basement	Roof	Gutters & Downspouts	Window Type	Storm Sash/Insulated	Insulated/Good	Screens/Good	Woodstoves/ #	Garage	# of Cars
<input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	2.6	<input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det/End Unit	2.5 Sty/Avg	1930	25	<input type="checkbox"/> None <input checked="" type="checkbox"/> Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	<input checked="" type="checkbox"/> Drop Stair <input checked="" type="checkbox"/> Stairs <input type="checkbox"/> Scuttle	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	682 sq.ft.	<input checked="" type="checkbox"/> Comp Shingle/Avg	Double Hung/Good	Insulated/Good	Screens/Good	Double Hung/Good	None	Garage	# of Cars

Appliances Refrigerator Range/Oven Dishwasher Disposal Microwave Washer/Dryer Other (describe) _____
 Finished area above grade contains: 5 Rooms 2 Bedrooms 1 Bath(s) 1,056 Square Feet of Gross Living Area Above Grade
 Additional features (special energy efficient items, etc.): enclosed rear porch.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The dwelling is generally consistent with others in the area and is functionally acceptable. Physical deficiencies noted include: some missing shingles on dormer; damaged drywall in basement PR and RR; soiled carpeting; marked walls; new shower head in main bath. Recent improvements include newer kitchen and baths and attic finish. Functional inadequacies include a very narrow staircase to the finished, unheated attic. Utilities were not functioning at inspection. Subject appears to be winterized - date of winterization unknown. No apparent problems with heating, electrical or plumbing systems.
 Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes No If Yes, describe _____

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? Yes No If No, describe _____

Uniform Residential Appraisal Report

There are 21 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 40,000 to \$ 60,000					
There are 40 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 40,000 to \$ 60,000					
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3	
Address	2116 Walton Ave Pittsburgh 15210	2275 Spokane Ave Pittsburgh 15210	2308 Walton Ave Pittsburgh 15210	2324 Walton Ave Pittsburgh 15210	
Proximity to Subject	3.48 blocks SE	3.12 blocks S	3.72 blocks S		
Sale Price	\$ NA	\$ 53,000	\$ 50,000	\$ 48,000	
Sale Price/Gross Liv. Area	\$ sq.ft. \$ 53.00	\$ 52.63 sq.ft.	\$ 50.68 sq.ft.		
Data Source(s)	MLS #736734 DOM = 102	MLS #744074 DOM = 103	MLS #770548 DOM = 45		
Verification Source(s)	County Record	County Record	County Record		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing Concessions	FHA	None Known		Conventional	FHA
Date of Sale/Time	12/8/2008	12/29/2008		7/31/2009	
Location	Average	Average		Average	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple	
Site	37X100/Avg	25X100/Avg		37X100/Avg	
View	Residential	Residential		Residential	
Design (Style)	2.5 Stv/Avg	2 Stv/Avg		2.5 Stv/Avg	
Quality of Construction	Brick/Avg	Brick/Siding/Avg		Siding/Gup	-3,000
Actual Age	79	84		77	
Condition	Average	Superior	-3,000	Superior	-3,000
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths	
Room Count	5 2 1	5 2 2	-3,000	5 2 1	
Gross Living Area	1,056 sq.ft.	1,000 sq.ft.		950 sq.ft.	+2,000
Basement & Finished Rooms Below Grade	682 Sq.Ft. RFR/Bath/No Cpt	Full/ Open	+2,000	Full/ Open	+2,000
Functional Utility	Average	Average		Average	
Heating/Cooling	FA/No CAC	FA/No CAC		FA/CAC	-1,000
Energy Efficient Items	Included	Included		Included	
Garage/Carport	None	None		None	
Porch/Patio/Deck	Porch, Enc Proch	Similar		Superior Deck	-1,500
Attic	Finish	None	+1,500	None	+1,500
Fireplace	No FP	1 FP	-500	No FP	
Net Adjustment (Total)			\$ -3,000		\$ -3,000
Adjusted Sale Price of Comparables	Net Adj. 5.7%	Net Adj. 6.0%		Net Adj. 1.0%	
	Gross Adj. 18.9%	Gross Adj. 28.0%		Gross Adj. 15.6%	
			\$ 50,000	\$ 47,000	\$ 48,500

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) MLS & County 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) MLS & County 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 #1	COMPARABLE SALE #2	COMPARABLE SALE #3
Date of Prior Sale/Transfer	NA	NA	NA	NA
Price of Prior Sale/Transfer	NA	NA	NA	NA
Data Source(s)	MLS/County Records	MLS/County Records	MLS/County Records	MLS/County Records
Effective Date of Data Source(s)	8/31/2009	8/31/2009	8/31/2009	8/31/2009

Analysis of prior sale or transfer history of the subject property and comparable sales Available sources do not indicate that the subject sold during the 36 months preceding the effective date, or that any of the comparables had any additional sale during the 12 months preceding their sale dates above.

Summary of Sales Comparison Approach: Comparables #1 & #2 sold in excess of six months prior to the effective date, but were used because of similar characteristics and proximity. The quality adjustment to comparable #3 reflects market value differences due to the comparable's inferior non-masonry exterior and its superior hardwood floors and upgraded cabinetry and trim work. Condition adjustments reflect the subject's physical deficiencies noted above. Adjustments for differences in gross living areas were calculated at \$20/sf. Gross living areas of comparables are estimates based on sources listed. The necessary use of dissimilar properties resulted in adjustments to sales prices in excess of recommended guidelines. The adjustments are warranted, and the adjusted comparables are reflective of the market for the subject. All comparables were given similar weight in estimating market value, due to the tight value range.

Indicated Value by Sales Comparison Approach \$ 48,000 Cost Approach (if developed) \$ NA Income Approach (if developed) \$ NA

The Income Approach was deemed not applicable due to a lack of sufficient data to arrive at a reliable indication of market rent and gross rent multiplier. The Sales Comparison Approach was given primary weight as it most closely reflects the actions of the market. See additional comments on page #3.

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 \$ 48,000 as of 8/22/2009, which is the date of inspection and the effective date of this appraisal.

Uniform Residential Appraisal Report

11-11-6-0247126
File # 92076

This report is intended for use only by the lender/client as stated on page four of this report and identified on page one. The use of the term rely in Item #23 on page six of this report is simply acknowledgement by the appraiser of the possibility that the parties identified therein might choose rely on the report. The parties identified in Item #23 on page six of this report are not intended users of this report.

The income and cost approaches would not add to the reliability of the report, and have not been performed as a part of this appraisal.

A complete visual inspection does not include inspection of any hidden or unapparent physical deficiencies. Please see item five on page four of this report.

• URAR : Neighborhood - Market Conditions

Property values appear stable. The summary of One-Unit Housing Trends is for comparable properties (see attached form 1004MC). Demand and supply for the neighborhood are not in balance (based on data provided by West Penn Mull List, there are currently 119 listings in the subject's neighborhood, with 123 sales closed over the past 12 months). A review of sales indicates a marketing time (list to contract date) of 90-120 days. Interest rates are at an effective level. I have considered relevant competitive listings and/or contract offerings in the performance of this appraisal and in trending information reported in this section. If a trend is indicated, I have attached an addendum providing relevant competitive listings/contract offering data. Estimated sale/list price ratio is 95%. Unusual financing (discounts, concessions) is rare. VA and FHA financing is not uncommon, nor are nominal seller concessions.

The appraisal request was received on 8/11/2009. After receipt of key from applicant on 8/14. The subject was inspected at the earliest convenience on 8/22/2009. The report was uploaded on 8/31/2009.

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)

COST APPROACH	ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$	
	Source of cost data	DWELLING	Sq.Ft. @ \$ = \$	
	Quality rating from cost service		Sq.Ft. @ \$ = \$	
	Effective date of cost data		= \$	
	Comments on Cost Approach (gross living area calculations, depreciation, etc.)	Garage/Carport	Sq.Ft. @ \$ = \$	
		Total Estimate of Cost-New	= \$	
		Less Physical	Functional	External
		Depreciation		= \$()
		Depreciated Cost of Improvements		= \$
		As-Is Value of Site Improvements		= \$
Estimated Remaining Economic Life (HUD and VA only)	35 Years	INDICATED VALUE BY COST APPROACH	= \$	

INCOME APPROACH TO VALUE (not required by Fannie Mae)
Estimated Monthly Market Rent \$ X Gross Rent Multiplier = \$ Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM)

PROJECT INFORMATION FOR PUDs (if applicable)
Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s) Detached Attached
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
Legal Name of Project
Total number of phases Total number of units Total number of units sold
Total number of units rented Total number of units for sale Data source(s)
Was the project created by the conversion of existing building(s) into a PUD? Yes No If Yes, date of conversion.
Does the project contain any multi-dwelling units? Yes No Data Source
Are the units, common elements, and recreation facilities complete? Yes No If No, describe the status of completion.
Are the common elements leased to or by the Homeowners' Association? Yes No If Yes, describe the rental terms and options.
Describe common elements and recreational facilities.

Uniform Residential Appraisal Report

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

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Uniform Residential Appraisal Report

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

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:

- 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 [Signature]
 Name Harry J. Smeltzer, MBA
 Company Name Smeltzer Appraisal Service
 Company Address 4803 Northridge Ct, Mukysville, PA 15668
 Telephone Number (724) 695-2007
 Email Address hjs21@comcast.net
 Date of Signature and Report August 31, 2009
 Effective Date of Appraisal 8/22/2009
 State Certification # RL001972L
 or State License # _____ State # _____
 or Other (describe) _____ State # _____
 State PA
 Expiration Date of Certification or License 6/30/2011

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 _____

ADDRESS OF PROPERTY APPRAISED

2116 Walton Ave
Pittsburgh, PA 15210-4148
 APPRAISED VALUE OF SUBJECT PROPERTY \$ 48,000

LENDER/CLIENT

Name _____
 Company Name Department of Veterans Affairs
 Company Address INTENDED USER ANY VA APPROVED
LENDER
 Email Address _____

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 _____

File No. 620761 Page #7

11-11-6-0247128

File No. 92076

Market Conditions Addendum to the Appraisal Report

The purpose of this addendum is to provide the lender/client with a clear and accurate understanding of the market trends and conditions prevalent in the subject neighborhood. This is a required addendum for all appraisal reports with an effective date on or after April 1, 2009.

Property Address: 2116 Walton Ave City: Pktsburgh State: PA ZIP Code: 15210-4148

Borrower: Any Qualified Veteran

Instructions: The appraiser must use the information required on this form as the basis for his/her conclusions, and must provide support for those conclusions, regarding housing trends and overall market conditions as reported in the Neighborhood section of the appraisal report form. The appraiser must fill in all the information to the extent it is available and reliable and must provide analysis as indicated below. If any required data is unavailable or is considered unreliable, the appraiser must provide an explanation. It is recognized that not all data sources will be able to provide data for the shaded areas below; if it is available, however, the appraiser must include the data in the analysis. If data sources provide the required information as an average instead of the median, the appraiser should report the available figure and identify it as an average. Sales and listings must be properties that compete with the subject property, determined by applying the criteria that would be used by a prospective buyer of the subject property. The appraiser must explain any anomalies in the data, such as seasonal markets, new construction, foreclosures, etc.

Inventory Analysis	Overall Trend			
	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	
Total # of Comparable Sales (Settled)	11	1	8	<input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	1.83	0.33	2.67	<input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining
Total # of Comparable Active Listings	67	64	66	<input checked="" type="checkbox"/> Declining <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab. Rate)	36.66	194.85	24.7	<input checked="" type="checkbox"/> Declining <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Increasing
Median Sale & List Price, DOM, Sale/List %	Overall Trend			
	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	
Median Comparable Sale Price	55,000	59,000	54,750	<input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining
Median Comparable Sales Days on Market	102	147	109	<input type="checkbox"/> Declining <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Increasing
Median Comparable List Price	64,750	50,000	52,450	<input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Declining
Median Comparable Listings Days on Market	170	143	128.5	<input checked="" type="checkbox"/> Declining <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Increasing
Median Sale Price as % of List Price	85.16	92.19	94.89	<input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining

Seller (developer, builder, etc.) paid financial assistance prevalent? Yes No

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.). Seller concessions of 3% to 6% are not uncommon, and have remained steady.

Are foreclosure sales (REO sales) a factor in the market? Yes No If yes, explain (including the trends in listings and sales of foreclosed properties). Approximately 24% of all sales in this market over the past 12 months were REOs, while approximately 14% of active listings are REOs.

Cite data sources for above information. West Penn Multi-List.

Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions. The One-Unit Housing Trends grid in the Neighborhood Section of the appraisal report reflects the above data for comparable sales (2 and 2.5 story dwellings in Carrick and Overbrook with sale and list prices between \$40,000 and \$60,000). Therefore, it does not reflect market conditions in general in the neighborhood, and should not be interpreted as representative of general market conditions for the neighborhood. Data indicates increasing sales and absorption rates, increasing listings and decreasing months of housing supply (however, this last indicator is mathematically flawed, as it divides the number of listings over a period of time by the absorption rate, instead listings as of a point in time by sales over a period of time). Data also indicates a declining listing DOM.

The number of active listings on page 2 may not correspond with the number of listings in the "Current-3 Month" column above, because that represents the number of listings on the market over a three month period, while page 2 is the number of listings as of a point in time.

If the subject is a unit in a condominium or cooperative project, complete the following:

Subject Project Data	Overall Trend			
	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	
Total # of Comparable Sales (Settled)				<input type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)				<input type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining
Total # of Active Comparable Listings				<input type="checkbox"/> Declining <input type="checkbox"/> Stable <input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab. Rate)				<input type="checkbox"/> Declining <input type="checkbox"/> Stable <input type="checkbox"/> Increasing

Are foreclosure sales (REO sales) a factor in the project? Yes No If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

Summarize the above trends and address the impact on the subject unit and project.

Signature Appraiser Name: Harry J. Smeltzer, MBA	Signature Supervisory Appraiser Name:
Company Name: Smeltzer Appraisal Service	Company Name:
Company Address: 4603 Northridge Ct, Murfreesville, PA 15668	Company Address:
State License/Certification #: RL001972L State: PA	State License/Certification #: State:
Email Address: hjs21@comcast.net	Email Address:

92076

LIQUIDATION APPRAISAL ADDENDUM Case No.: 11-11-6-0247126

Address: 2116 Walton Ave City: Pittsburgh State: PA Zip Code: 15210-4148
 Legal Description: DBV 9780 P 633 County: Allegheny

INTERIOR ENTERED? Yes No (If unable to gain access, show at least three earnest attempts)

Date	Time	Phone	Contact	Comments
1.				
2.				
3.				

PROPERTY IS: Vacant Occupied Secured

REPAIRS NEEDED? No Yes (Indicate emergency repairs with an asterisk by the number)

* Description	VA MPR Violation	Estimated Cost	Estimated Contributory Value
1. Date of winterization is unknown. The subject appears to have been winterized (taped			
2. toilet seal, utilities off) but a definitive statement cannot be made.			
3.			
4. While carpet cleaning and painting would likely increase the value of the subject			
5. beyond cost, the repairs are not deemed "necessary".			
6.			
7.			
8.			
9.			
10.			
Totals		\$ _____	\$ _____

ANALYSIS OF LISTINGS AND OFFERS:

No. 1 Address: 443 Overbrook Blvd

Current List or Sales Price	Current List or Sales Date	Previous List or Sales Price	Previous List or Sales Date	Days on Market
\$ <u>44,900</u>	<u>7/21/2009</u>	\$ <u>46,000</u>	<u>7/8/2009</u>	<u>120</u>

Comparison with Subject: The comparable is similar in GLA, is of brick construction, has an updated kitchen and bath, no finished attic and no finished basement.

No. 2 Address: 2317 Almont Ave

Current List or Sales Price	Current List or Sales Date	Previous List or Sales Price	Previous List or Sales Date	Days on Market
\$ <u>61,900</u>	<u>7/20/2009</u>	\$ <u>65,000</u>	<u>6/27/2008</u>	<u>660</u>

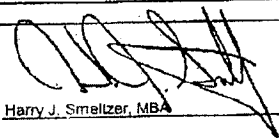
Comparison with Subject: Larger GLA (150 sf larger) with superior 3 bedrooms, no finished basement, and an integral 1 car garage.

No. 3 Address: 2327 Fairland St

Current List or Sales Price	Current List or Sales Date	Previous List or Sales Price	Previous List or Sales Date	Days on Market
\$ <u>68,500</u>	<u>7/7/2009</u>	\$ <u>64,900</u>	<u>6/5/2009</u>	<u>440</u>

Comparison with Subject: Larger GLA (175 sf larger) with superior 3 BR, no finished attic, superior detached garage.

COMMENTS/CONTINUATIONS:

Appraiser: Harry J. Smeltzer, MBA  Date: August 31, 2009

Subject Photo Page

Borrower/Client	Any Qualified Veteran				
Property Address	2116 Walton Ave				
City	Pittsburgh	County	Allegheny	State	PA Zip Code 15210-4148
Lender	Department of Veterans Affairs				



Subject Front

2116 Walton Ave
 Sales Price NA
 Gross Living Area 1,056
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1
 Location Average
 View Residential
 Site 37X100/Avg
 Quality Brick/Avg
 Age 78



Subject Rear



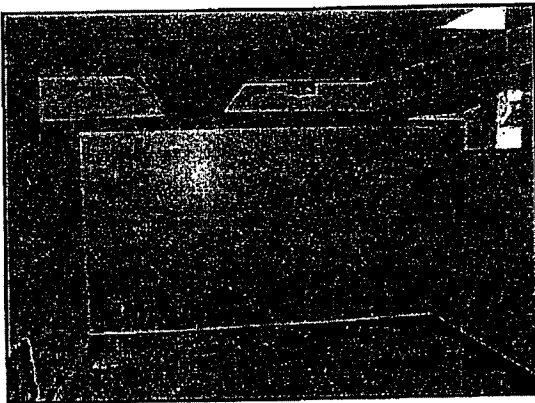
Subject Street

Photograph Addendum

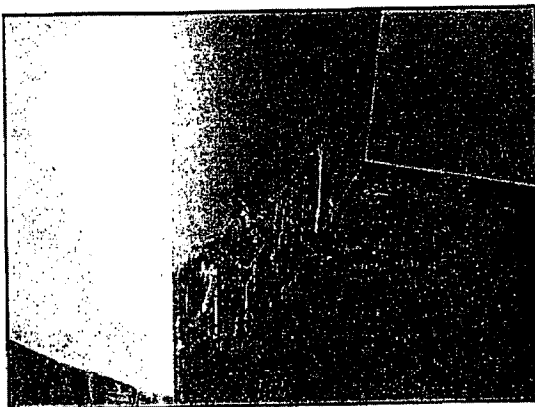
Borrower/Client	Any Qualified Veteran			
Property Address	2116 Walton Ave			
City	Pittsburgh	County	Allegheny	State PA Zip Code 15210-4148
Lender	Department of Veterans Affairs			



Missing shingles on dormer



Basement finish: drywall walls and ceiling; no carpeting; graffiti on wall



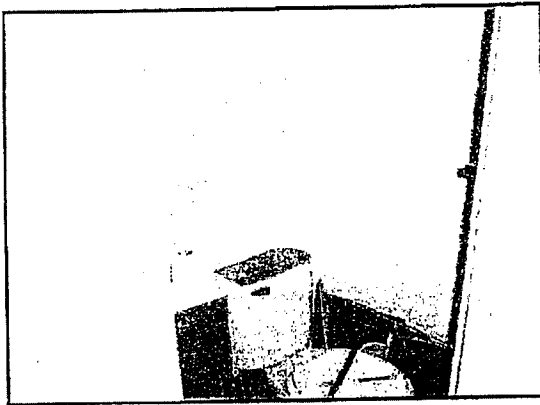
Damaged drywall in basement

Photograph Addendum

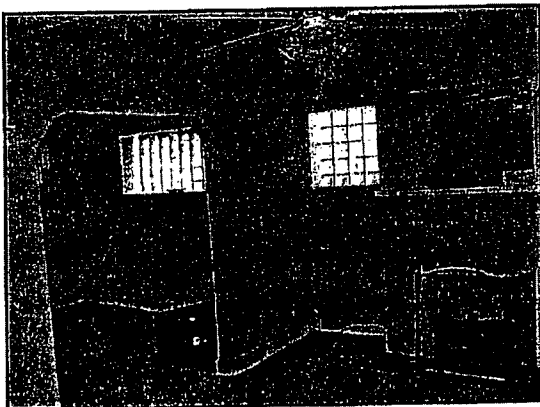
Borrower/Client	Any Qualified Veteran				
Property Address	2116 Walton Ave				
City	Pittsburgh	County	Allegheny	State	PA Zip Code 15210-4148
Lender	Department of Veterans Affairs				



Furnace



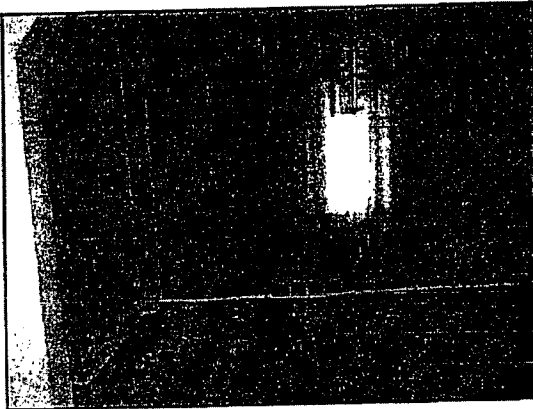
Basement bath with damaged drywall



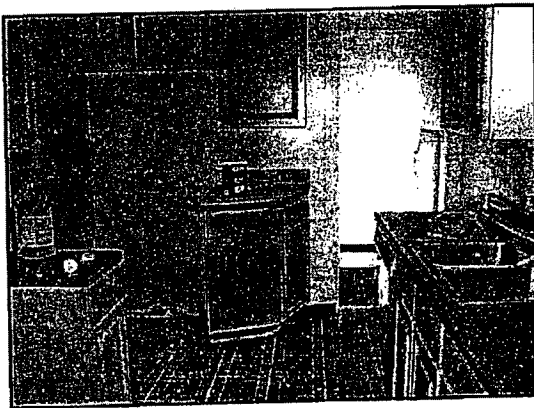
Living room

Photograph Addendum

Borrower/Client	Any Qualified Veteran		
Property Address	2116 Wallon Ave		
City	Pittsburgh	County	Allegheny State PA Zip Code 15210-4148
Lender	Department of Veterans Affairs		



Dining room



Kitchen - one mismatched counter top.

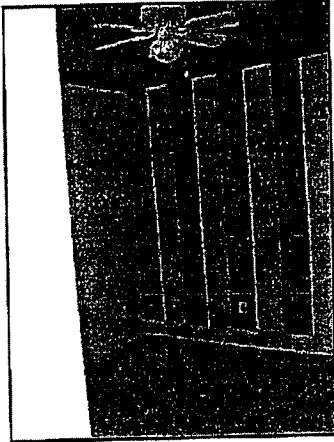


2nd floor bath

Photograph Addendum

Borrower/Client	Any Qualified Veteran		
Property Address	2116 Walton Ave		
City	Pittsburgh	County Allegheny	State PA Zip Code 15210-4148
Lender	Department of Veterans Affairs		

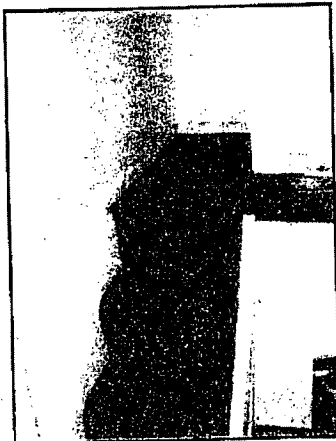
Bedroom



Bedroom with repaired ceiling

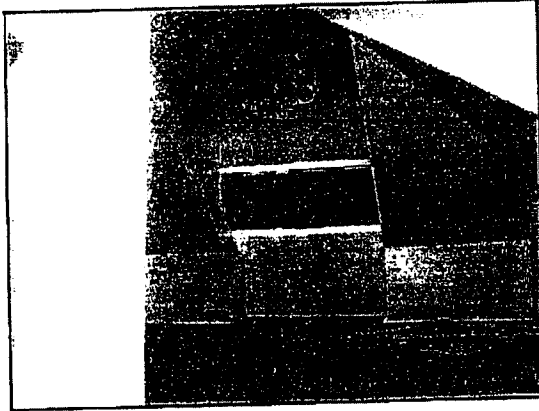


Narrow stairway to attic



Photograph Addendum

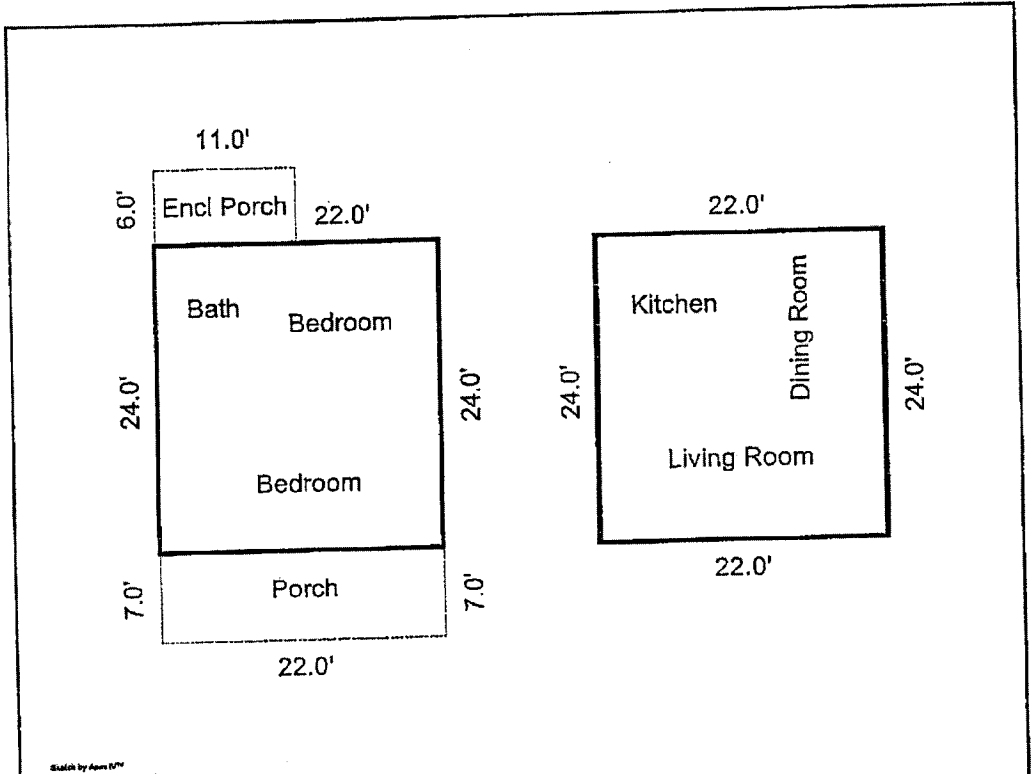
Borrower/Client	Any Qualified Veteran		
Property Address	2116 Walton Ave	County Allegheny	State PA Zip Code 15210-4148
City	Pittsburgh		
Lender	Department of Veterans Affairs		



Finished, unheated attic

Building Sketch

Borrower/Client	Any Qualified Veteran		
Property Address	2116 Walton Ave		
City	Pittsburgh	County	Allegheny
		State	PA
		Zip Code	15210-4148
Lender	Department of Veterans Affairs		



Sketch by Apem 1/11

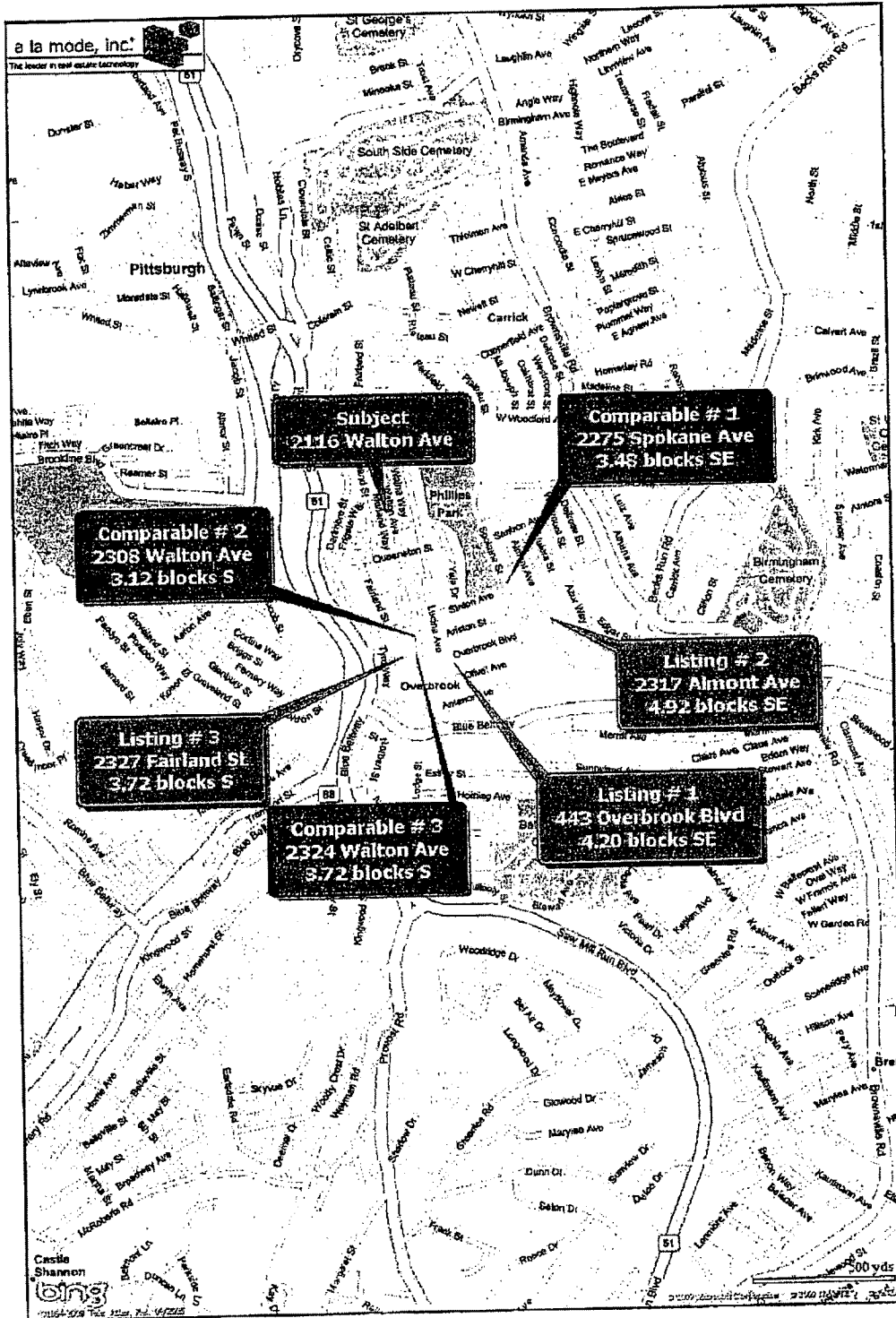
Comments:

Code	Description	Net Size	Net Totals
GLA1	First Floor	528.0	528.0
GLA2	Second Floor	528.0	528.0
F/P	Porch	154.0	
	Porch	66.0	220.0
Net LIVABLE Area		(Rounded)	1056

Breakdown		Subtotals
First Floor		528.0
	22.0 x 24.0	
Second Floor		528.0
	22.0 x 24.0	
2 Items	(Rounded)	1056

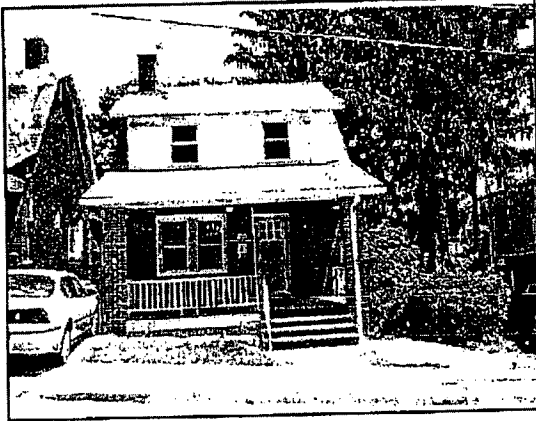
Location Map

Borrower/Client	Any Qualified Veteran			
Property Address	2116 Walton Ave			
City	Pittsburgh	County	Allegheny	State PA Zip Code 15210-4148
Lender	Department of Veterans Affairs			



Comparable Photo Page

Borrower/Client	Any Qualified Veteran				
Property Address	2116 Walton Ave				
City	Pittsburgh	County	Allegheny	State	PA Zip Code 15210-4148
Lender	Department of Veterans Affairs				



Comparable 1

2275 Spokans Ave
 Prox. to Subject 3.48 blocks SE
 Sale Price 53,000
 Gross Living Area 1,000
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 2
 Location Average
 View Residential
 Site 25X100/Avg
 Quality Brick/Siding/Avg
 Age 84



Comparable 2

2308 Walton Ave
 Prox. to Subject 3.12 blocks S
 Sale Price 50,000
 Gross Living Area 950
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1
 Location Average
 View Residential
 Site 25X100/Avg
 Quality Siding/Sup
 Age 81



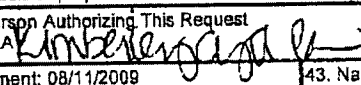
Comparable 3

2324 Walton Ave
 Prox. to Subject 3.72 blocks S
 Sale Price 48,000
 Gross Living Area 950
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1
 Location Average
 View Residential
 Site 37X100/Avg
 Quality Brick/Siding/Avg
 Age 77

The Appraisal System

RESPONDENT BURDEN: We need this information to request an appraisal on the property for which VA guarantee of the loan is requested (38 U.S.C. 3701(b)). Title 38, United States Code, allows us to ask for this information. We estimate that you will need an average of 12 minutes to review the instructions, find the information, and complete this form. VA cannot conduct or sponsor a collection of information unless a valid OMB control number is displayed. You are not required to respond to a collection of information if this number is not displayed. Valid OMB numbers can be located on the OMB Internet Page at www.whitehouse.gov/omb/library/OMB/INVA/EPA.html#VA. If desired, you can call 1-800-827-1000 to get information on where to send comments or suggestions about this form. Your obligation to respond is required to obtain or retain this benefit.

OMB Approved No.: 2900-0045
Respondent Burden: 12 minutes

Department of Veterans Affairs		VA REQUEST FOR DETERMINATION OF REASONABLE VALUE (Real Estate)		1. Case Number -- LGI 11-11-6-0247126	
2. Property Address 2116 WALTON AVENUE MOUNT OLIVER, PA 15210 ALLEGHENY		3. Legal Description 2116 Walton Avenue		4. Title Limits & Restrictive Covenants	
5. Name and Address of Firm or Person Making Request/Application (Include ZIP Code) PA HOUSING FINANCE AGENCY 211 NORTH FRONT STREET HARRISBURG, PA 17101 E.Mail: kayala@phfa.org		6. Lot Dimensions: 1. Irregular/Square Feet: 2. Acres:		7. Utilities	
9. Building Status Existing		10. Building Type: 11. Factory Fabricated?		12A. No. of Bldgs: 12B. No. of Living Units: 1	
14A. Construction Warranty Included?		14B. Name of Warranty Program:		13A. Street Access: 13B. Street Maint.:	
14C. Expiration Date:		15. Constr. Completed:		17. Property:	
16. Name of Owner: CARMEN A. MILLER 2116 WALTON AVENUE PITTSBURGH, PA 15210		18. Rent		20. Telephone No.: (717)780-1815	
19. Keys At: 211 N. FRONT ST, HBG, PA		21. Name of Broker:		22. Telephone No.:	
23. Date and Time Available for Inspection:		24. Mobile Home Liquidation? NO		27. Institution's Case No.: 631986	
25. Originator's Ident. No.: 6070030000		26. Sponsor's Ident. No.:		28. Contact Person: KIMBERLEY AYA A Work Phone: (717)780-1815 Home Phone: (717)780-1815	
EQUAL OPPORTUNITY IN HOUSING					
NOTE: Federal laws and regulations prohibit discrimination because of race, color, religion, sex, or national origin in the sale or rental of residential property. Numerous State statutes and local ordinances also prohibit such discrimination. In addition, section 805 of the Civil Rights Act of 1968 prohibits discriminatory practices in connection with the financing of housing. If VA finds there is noncompliance with any antidiscrimination laws or regulations, it may discontinue business with the violator.					
28. NEW OR PROPOSED CONSTRUCTION (Complete items 29A through 29G for new or proposed construction cases only.)					
28A. Compliance Inspections Will Be or Were Made By:		29B. Plans		29C. Plans Previously Submitted Under Case No.	
28D. Name and Address of Builder		28E. Telephone No.:		29F. Name and Address of Warrantor	
29F. Name and Address of Warrantor		29E. Telephone No.:		33. Leasehold Cases A. Lease is: B. Expires: C. Annual Ground Rent:	
30. Comments on Special Assessments or Home Owner's Association Charges:		31. Annual Real Estate Taxes		32. Mineral Rights Reserved?	
34. Sale Price of Property		34A. Is Buyer Purchasing Lot Separately?		35. Refinancing-Amount of Proposed Loan:	
36. Proposed Sale Contract Attached?		CERTIFICATIONS FOR SUBMISSIONS TO VA			
On receipt of "Certificate of Reasonable Value" or advice from the Department of Veteran's Affairs that a "Certificate of Reasonable Value" will not be issued, we agree to forward to the appraiser the approved fee which we are holding for this purpose.					
CERTIFICATION REQUIRED ON CONSTRUCTION UNDER FHA SUPERVISION					
I hereby certify that plans and specifications and related exhibits including acceptable FHA Change Orders, if any, supplied to VA in this case are identical to those approved by FHA, and that FHA inspections have been made pursuant to FHA approval for mortgage insurance on this basis of proposed construction under SEC.					
38. Signature of Person Authorizing This Request KIMBERLEY AYALA 		39. Title:		41. Date 08/11/2009	
42. Date of Assignment: 08/11/2009		40. Telephone Number: (717)780-1815		43. Name of Appraiser: (0078) HARRY J SMELTZER (O): (724)695-2007 E.Mail: hjs21@comcast.net	
WARNING: Section 1010 of title 18, U.S.C. provides "Whoever for the purpose of ... including such Administration ... makes, passes, utters or publishes any statement knowing the same to be false ... shall be fined not more than \$5,000 or imprisoned not more than two years or both."					

VA FORM 26-1805-1
AUG 2007

LGI Case: 11-11-6-0247126

Date: 08/11/2009
Requester Data: Servicer: 6070030000
717-780-1815 - Ayala

Case Description

Address: 2116 WALTON AVENUE
MOUNT OLIVER, PA 15210
County: ALLEGHENY
Owner: CARMEN A. MILLER
Sales Date: 10/05/2009

Appraiser Data

Appraisers Assigned: 1

0078 HARRY J. SMELTZER
Address: 707 LINDENWOOD DR
CORAOPOLIS, PA 15108
Office Phone: (724)-695-2007
Cell Phone: (724)-494-3532
FAX: (724)-695-2007
E-Mail: hjs21@comcast.net

Inspector Data

Inspectors Assigned: 0

Return to Assignment - Single Property

Exhibit “ 5 ”

631986
Miller

REO SERVICING, LTD

PROPERTY INSPECTION REPORT

ADDRESS: 2116 WALTON

CUSTOMER: PHFA

An inspection was performed at this property on 13 OCT 09 at 10:15 AM/PM:

Property listed for sale by: _____ Phone: _____

OCCUPANCY: Mortgagor Tenant Unknown Vacant 24 Hour posting Yes No

Utilities: GAS: On Off Locked out Electric: On Off Water: On Off Well Yes No

Overall appearance of building: Excellent Good Fair Poor

Type of home: Ranch 1 Sty 2.5 Sty Wood Wood W/siding Brick Other _____

Foundation: Concrete block Sandstone Concrete

Is lawn being maintained: Yes No Grass height: _____

Any visible hazards or damage present: Yes No If yes explain: _____

Any visible postings on the property? If yes what are they: _____

COMMENTS: Property Secure OK

Complete only if previously winterized by another company....
Winterized stickers put on front door and interior of property? Yes No
Reasons for re-winterizing this property: Water present in lines? Yes No
Antifreeze present? Yes No Water closets taped shut? Yes No HW Tank drained? Yes No

Services completed on this date:
Winterized? Yes No Lock Changed? Yes No Other: _____
Rekeyed to kwikset code number: _____ Lock box code: _____
Locks: Front: K D M R P Side: K D M R P Rear: K D M R P Other: K D M R P

Inspector: [Signature] 13 OCT 09
Inspector's signature Date of inspection

Exhibit “ 6 ”



Vaerie McDonald Roberts
Department of Real Estate
Pittsburgh, PA 15219

Instrument Number: 2009-27760 BK-DE VL-14078 PG-7

Recorded On: October 22, 2009 As-Deed

Parties: MILLER CARMEN A BY SHFF

To UNITED STATES OF AMERICA BY SEC VETS AFFRS

of Pages: 6

Comment: GD 09 602

***** THIS IS NOT A BILL *****

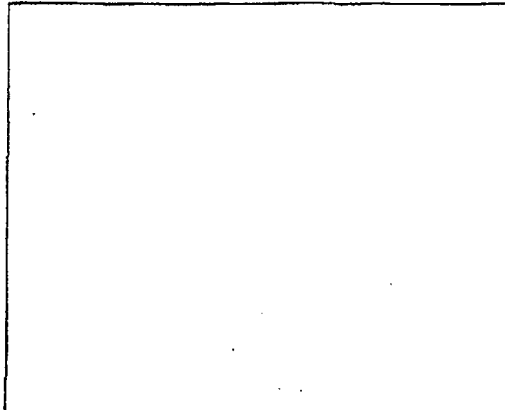
Deed 67.00
Pages > 4 1
Names > 4 0

Total: 67.00

Realty Transfer Stamp

Affidavit Attached-Yes	Stamp Num-T377251	
PITTSBURGH		EXEMPT
Ward-32-OVERBROOK		
Blk/Lot-85F99	Value	0.00
Commonwealth of Pennsylvania		0.00
Munic-Pittsburgh City of		0.00
School District-Pittsburgh		0.00
Munic-Penalty		0.00
Munic-Interest		0.00
School-Penalty		0.00
School-Interest		0.00

Department of Real Estate Stamp



I hereby certify that the within and foregoing was recorded in the Department of Real Estate in Allegheny County, PA

DO NOT REMOVE-THIS PAGE IS PART OF THE RECORDED DOCUMENT*

File Information:

Document Number: 2009-27760
Receipt Number: 1452839
Recorded Date/Time: October 22, 2009 10:30:35A
Book-Vol/Pg: BK-DE VL-14078 PG-7
User / Station: A Matthews - Cash Super 04

Record and Return To:

SHERIFFS OFFICE
WILL CALL
PITTSBURGH PA 15219



Valerie McDonald Roberts, Manager
Dan Osopate, County Executive

Form 38 SHERIFF

GD 09-602.
Sale No. 141, October 2009

Know All Men by these Presents,

That I, WILLIAM P. MULLEN, Sheriff, JOSEPH A. RIZZO, CHIEF DEPUTY SHERIFF
of the County of Allegheny, in the State of Pennsylvania, for and in consideration of the
sum of ONE THOUSAND SEVEN HUNDRED FIVE AND 95/100 (\$1,705.95)

Dollars,

to me in hand paid, do hereby grant and convey to THE SECRETARY OF VETERANS AFFAIRS

I hereby certify that the precise residence of the Grantee _____

is VETERANS ADMINISTRATION

1240 EAST NINTH STREET

CLEVELAND, OHIO 44199

ALL those certain lots or pieces of ground situate in the 32nd Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, being Lot No. 299 and the adjoining 12 1/4 feet of Lot No. 298 in the Engiert Brother's Plan of Lots called "Inglewood Gardens", as recorded in the Recorder's Office of Allegheny County, Pennsylvania, in Plan Book Volume 30, page 118, being bounded and described as follows, to-wit:--

BEGINNING at a point on the Westerly side of Walton Avenue at the dividing line between Lots Nos. 299 and 300 in said plan; thence along said dividing line South 81° 30' 40" West, a distance of 100 feet to a point on the Easterly side of Marland Way; thence along the Easterly side of Marland Way, North 8° 29' 20" West, a distance of 37.50 feet to a point; thence by a line through said Lot No. 298, North 81° 30' 40" East, a distance of 100 feet to a point on the Westerly line of Walton Avenue; thence along the Westerly side of Walton Avenue, South 8° 29' 20" East, a distance of 37.50 feet to the dividing line between Lots Nos. 299 and 300 aforesaid, the place of beginning.

UNDER and subject to reservations, restrictions, easements and rights of way as recorded in prior instruments of record.

HAVING erected thereon a dwelling known as 2116 Walton Avenue, Pittsburgh, Pennsylvania 15210.

BEING the same premises which Carol R. McConnell, a single woman, by Deed dated September 11, 1996 and recorded in the Office of the Recorder of Deeds of Allegheny County on September 11, 1996 in Deed Book Volume 9780, page 633, granted and conveyed unto _____.

BLOCK and Lot No. 95-F-99.

the same having been sold to the said grantees on the 5TH day of OCTOBER Anno Domini two thousand and 09 after due advertisement according to law, under and by virtue of a writ of EXECUTION issued on the 28TH day of JULY Anno Domini 20 09, out of the Court of Common Pleas of said County as of MG Term, two thousand and 09 Number 000602 at the suit of U.S. BANK NATIONAL ASSOCIATION, (TRUSTEE FOR THE PENNSYLVANIA HOUSING FINANCE AGENCY, PURSUANT TO A TRUST INDENTURE DATED AS OF APRIL 1, 1982)

against CARMEN A. MILLER

In Witness Whereof, I have hereunto affixed my signature, this 13TH day of OCTOBER Anno Domini, two thousand and 09

William P. Mullen 
WILLIAM P. MULLEN, Sheriff

Commonwealth of Pennsylvania, ss:

Before the undersigned, Director of Court Records for The Court of Common Pleas of Allegheny County personally appeared WILLIAM P. MULLEN Sheriff of Allegheny County aforesaid and in due law declared that the facts as set forth in the foregoing deed are true, and that he acknowledged the same in order that said deed might be recorded.

Witness my hand and seal of said Court this 13th day of October Anno Domini two thousand and 09

Kate Berkman
Director
By *Raymond P. Henao*
Clerk

Commonwealth of Pennsylvania, } ss:
County of Allegheny,


Recorded on the _____ day of _____ A.D. 20 _____ in the Department of Real Estate of said County, in Deed Book Volume _____, Page _____

Given under my hand and seal of said office the day and year aforesaid.

Director
By _____
Clerk

Exhibit “ 7 ”

United States Treasury ¹⁸⁻⁵¹/₀₀₀ A 544,924,212

Check No. 


10 21 09 98 AUSTIN, TEXAS 2221 90832554
 2221 90832554 36001200 M2 36 M101019403

Pay to the order of PA HOUSING FINANCE AGENCY
 211 N FRONT ST
 HARRISBURG PA 171011406

\$42303.00

VOID AFTER ONE YEAR

#631986
 PER ENCLOSED MAILING NOTICE



⑆000000518⑆ 90832554 011809

Exhibit “ 8 ”



REM Agent Walk Thru Check List

Broker/Agent: JEFF GRASHA
 Asset no: 00438963
 Property Address: 2116 WALTON AVE
PITTSBURGH PA 15210

Email Address: [REDACTED]
 Date Work Completed: _____
 Appointment Date: _____

The following work has been reported as completed at this property. Please review the "Completion Results" and give your evaluation regarding the quality of the work. If any areas need further work, please describe in the Comments section below.

<u>Work Status</u>	<u>Completion Results</u>	<u>Broker/Agent Response: Is Work Satisfactory?</u>		
		<u>Yes</u>	<u>No</u>	<u>N/A</u>
Lockwork:	Contractor rekeyed all exterior doors on the property to Kwikset code 35241 and installed a lockbox coded to 2313 on the front door. Padlock key located in lock box if required.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Board Up:	Contractor boarded property as necessary to secure it until windows can be replaced. Bids have been submitted to replace broken door or windows. Is additional board up needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Debris Removal:	Contractor completed the debris removal including hazards	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yard Care:	Contractor completed the initial yard care including weeding, edging, trimming	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pool Service:	Contractor found the property to be equipped with a pool. Contractor has provided a bid to drain, acid wash, and refill the pool. Is the pool secure.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Personal Property:	Contractor found personal at property and changed exterior door locks to 35241 and we installed a 2313 lockbox on the front door. (or as required by local eviction guidelines)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Initial Sales Clean:	Contractor completed the initial sales clean.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Smoke Detector Check:	Contractor completed the smoke detector check and the light bulb check if the utilities are on.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sprinkler Check:	Contractor did not find the property equipped with a sprinkler system.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Winterization:	Contractor performed correctly and properly labeled	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Broker/Agent Comments:

Please list repairs needed:

* Listed repairs require scope

AGENT SIGNATURE: JEFF GRASHA

DATE: 11-12-09

CONTRACTOR SIGNATURE: _____

DATE: _____

Exhibit “ 9 ”

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 2116 Walton Ave City Pittsburgh State Pa Zip Code 15210-4148
 Borrower N/A Owner of Public Record Veterans Affairs County Allegheny
 Legal Description Deed Book Volume 140078 Page 7
 Assessor's Parcel # Block & Lot 95-F-99 Tax Year 2009 R E Taxes \$ 1,932.24
 Neighborhood Name 32nd Ward of the City of Pittsburgh Map Reference 6280 Census Tract 3204.00
 Occupant Owner Tenant Vacant Special Assessments \$ 0.00 PUD HOA \$ N/A per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe) _____
 Assignment Type Purchase Transaction Refinance Transaction Other (describe) Foreclosed Property
 Lender/Client Bank of Am LP-REO Mark/Landsafe App Address 2375 N. Glenville Drive Richardson Texas 75082-4315
 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).
Public Records, West Penn Multi List, Owner

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.
 Not under agreement of sale to my knowledge

Contract Price \$ N/A 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 %
Location <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE \$ (000)	AGE (yrs)
Built-Up <input checked="" type="checkbox"/> Over 75% <input 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	15	Low 50
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	100+	High 115+
Neighborhood Boundaries See attached addenda.		68	Pred. 78
Neighborhood Description See attached addenda.			One-Unit 70 % 2-4 Unit 15 % Multi-Family 3 % Commercial 8 % Other 4 %
Market Conditions (including support for the above conclusions) See attached addenda.			

Dimensions See Legal Description Area Per County- 3,850 Sf Shape Rectangle View Residential
 Specific Zoning Classification Residential Zoning Description Single and Multi Family Residence Dist
 Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe) _____
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe.
 Utilities **Public Other (describe)** **Public Other (describe)** **Off-site Improvements-Type** **Public** **Private**
 Electricity Water Street Asphalt
 Gas Sanitary Sewer Alley Yes - Asphalt Paved
 FEMA Special Flood Hazard Area Yes No FEMA Flood Zone X FEMA Map # 42003C0363E FEMA Map Date 10/4/1995
 Are the utilities and off-site improvements typical for the market area? Yes No If No, describe.
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe.
 The subject's utilities and other amenities are typical and competitive in this market. No apparent adverse factors noted.

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 <u>Concrete Block/Avg</u>	Floors <u>WW Carpet/Avg</u>
# of Stories <u>2+Attic</u>	<input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls <u>Brick/Avg</u>	Walls <u>Plaster/Avg</u>
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det/End Unit	Basement Area <u>540</u> sq ft.	Roof Surface <u>Comp Shingle/Avg</u>	Trim/Finish <u>Wood/Avg</u>
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish <u>0%</u> %	Gutters & Downspouts <u>Aluminum/Avg</u>	Bath Floor <u>Car Tile/Ab Avg</u>
Design (Style) <u>2 Story + Attic</u>	<input checked="" type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type <u>Vinyl Thermo/Avg</u>	Bath Wainscot <u>Comp Board/Ab Avg</u>
Year Built <u>App 1930</u>	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated <u>Yes/Avg</u>	Car Storage <input checked="" type="checkbox"/> None
Effective Age (Yrs) <u>App 40 Yrs</u>	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens <u>Yes/Avg</u>	<input type="checkbox"/> Driveway # of Cars _____
Attic <input type="checkbox"/> None <input type="checkbox"/> Drop Stair <input checked="" type="checkbox"/> Stairs	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities <input type="checkbox"/> WoodStove(s) # _____	Driveway Surface _____
<input checked="" type="checkbox"/> Floor <input type="checkbox"/> Scuttle	<input type="checkbox"/> Other _____ Fuel <u>Gas</u>	<input checked="" type="checkbox"/> Fireplace(s) # <u>1</u> <input type="checkbox"/> Fence	<input type="checkbox"/> Garage # of Cars _____
<input checked="" type="checkbox"/> Finished <input checked="" type="checkbox"/> Heated	Cooling <input type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Patio/Deck <input checked="" type="checkbox"/> Porch	<input type="checkbox"/> Carport # of Cars _____
	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool <input type="checkbox"/> Other _____	<input type="checkbox"/> Att. <input type="checkbox"/> Det <input type="checkbox"/> Built-in
Appliances <input type="checkbox"/> Refrigerator <input type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe) _____			

Finished area above grade contains: 5 Rooms 2 Bedrooms 1 Bath(s) 1.079 Square Feet of Gross Living Area Above Grade
 Additional features (special energy efficient items, etc.)
Glass block windows in the basement, updated circuit breaker panel box, updated kitchen and bathroom, covered concrete front porch, enclosed rear porch (access from kitchen only - no exterior access)
 Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.).
The dwelling is generally consistent with others in the area and is functionally acceptable. All utilities were off at the time of the inspection. No functional inadequacies or external obsolescence noted. See Page Three

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes No If Yes, describe _____

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? Yes No If No, describe _____

Uniform Residential Appraisal Report

There are 6 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 18,000 to \$ 38,000
 There are 7 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 18,000 to \$ 38,000

FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3
Address	2116 Walton Ave 32nd Ward/Pittsburgh	2236 Fairland Street 32nd Ward/Pittsburgh	112 Sherman Street Mount Oliver	339 Quincy Street Mount Oliver Borough
Proximity to Subject		0.20 miles	1.70 miles	1.17 miles
Sale Price	\$ N/A	\$ 22,000	\$ 18,000	\$ 33,500
Sale Price/Gross Liv. Area	\$ sq. ft.	\$ 21.57 sq. ft.	\$ 16.14 sq. ft.	\$ 27.35 sq. ft.
Data Source(s)		MLS/Public Records	MLS/Public Records	MLS/Public Records
Verification Source(s)				
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION + (-) \$ Adjustment	DESCRIPTION + (-) \$ Adjustment	DESCRIPTION + (-) \$ Adjustment
Sale or Financing		Cash	Conventional	Cash
Concessions		None Known	None Known	None Known
Date of Sale/Time		4/30/09	12/30/09	11/31/09
Location	Urban/Average	Urban/Average	Urban/Average	Urban/Average
Leasehold/Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Site	App 3,850 Sf	App 4000 Sf	App 2500 Sf	App 3025 Sf
View	Residential/Avg	Residential/Avg	Residential/Avg	Residential/Avg
Design (Style)	2 Story + Attic	2 Story/Average	2 Story + Attic	2 Story/Average
Quality of Construction	Brick/Average	Brick/Average	Brick/Average	Brk&Frame/Avg
Actual Age	App 79 Yrs	App 79 Yrs	App 79 Yrs	App 95 Yrs
Condition	Average	Inferior +4,000	Inferior +6,000	Superior -4,000
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths	Total Bdrms. Baths	Total Bdrms. Baths
Room Count	5 2 1	5 2 1	5 2 1	6 2 1
Gross Living Area	1,079 sq. ft.	1,020 sq. ft. +885	1,115 sq. ft. 0	1,225 sq. ft. -2,190
Basement & Finished	Full-Unfinished	Full-Unfinished	Full-Unfinished	Full-Unfinished
Rooms Below Grade	Full Bath	Powder Room +500	No Bath +1,500	No Bath +1,500
Functional Utility	Average	Average	Average	Average
Heating/Cooling	Forced Air/None	Forced Air/None	Forced Air/None	Forced Air/None
Energy Efficient Items	Included	Included	Included	Included
Garage/Carport	No Garage	No Garage	No Garage	No Garage
Porch/Patio/Deck	Fr & Rr Porches	Fr & Rr Porches	Fr & Rr Porches	Fr & Rr Porches
Other	1 Gas Log Fp	No Fireplace +500	No Fireplace +500	No Fireplace +500
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 5,885	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 8,000	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ 4,190
Adjusted Sale Price of Comparables		Net Adj. 26.8 % Gross Adj. 26.8 % \$ 27,885	Net Adj. 44.4 % Gross Adj. 44.4 % \$ 26,000	Net Adj. 12.5 % Gross Adj. 24.4 % \$ 29,310

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) Public Records/MLS

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/MLS

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	10/22/09	No prior sale in the past	No prior sale in the past	No prior sale in the past
Price of Prior Sale/Transfer	\$1,705.00	12 month period.	12 month period.	12 month period.
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
 As stated above, the subject last transferred for \$1705.00 on 10/22/09. This was a foreclosure, and therefore not considered to be an "arm's length" transaction. There were no other sales in the previous thirty six month period.

Summary of Sales Comparison Approach
 The subject represents a typical improvement for this neighborhood, and is compatible in age, style, size, and amenities. The subject's overall condition, degree of updating, room sizes and floor plan, and amenities are acceptable. Subject's value and age range are consistent with the neighborhood, and there are no observable conditions which would limit its appeal or marketability. A comprehensive study of the real estate market in this area has been performed, and the comparable sales utilized were felt to be the best data available on which to base a Market Value conclusion. See Attached Addendum

Indicated Value by Sales Comparison Approach \$ 28,000

Indicated Value by: Sales Comparison Approach \$ 28,000 Cost Approach (if developed) \$ Income Approach (if developed) \$ Not Develop

The Income Approach was not utilized due to lack of relevant market data. The Cost Approach is subject to rapidly changing construction costs, as well as a high degree of subjectivity in estimating accrued depreciation. Therefore, the Market Approach was given the most emphasis as it is well supported and best illustrates current market conditions.

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 \$ 28,000 as of Jan. 21, 2010, which is the date of inspection and the effective date of this appraisal.

Uniform Residential Appraisal Report

The third floor of the subject dwelling is finished with wall to wall carpeting, drywall walls, heat and electric. However, access to this area is via a very narrow and steep stairway, which is difficult and dangerous to use (would also be next to impossible to get any furniture up to this space). Also, the actual area has severely sloped ceilings, with very short knee-walls. This makes mobility and useability very difficult. For these reasons, this area was not included in room count or gross living area (it is probably suitable for a young child's playroom or something on that order)

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)

COST APPROACH

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW Source of cost data _____ Quality rating from cost service _____ Effective date of cost data _____ Comments on Cost Approach (gross living area calculations, depreciation, etc.) _____ Estimated Remaining Economic Life (HUD and VA only) <u>30</u> Years	OPINION OF SITE VALUE = \$ _____ Dwelling _____ Sq. Ft. @ \$ _____ = \$ _____ _____ Sq. Ft. @ \$ _____ = \$ _____ _____ = \$ _____ Garage/Carport _____ Sq. Ft. @ \$ _____ = \$ _____ Total Estimate of Cost-New = \$ _____ Less Physical Functional External Depreciation = \$ (_____) Depreciated Cost of Improvements = \$ _____ "As-is" Value of Site Improvements = \$ _____ Indicated Value by Cost Approach = \$ _____
--	---

INCOME APPROACH TO VALUE (not required by Fannie Mae)

INCOME

Estimated Monthly Market Rent \$ N/A X Gross Rent Multiplier _____ = \$ Not Develop Indicated Value by Income Approach
 Summary of Income Approach (including support for market rent and GRM)
N/A

PROJECT INFORMATION FOR PUDs (if applicable)

PUD INFORMATION

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s) Detached Attached
 Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
 Legal Name of Project N/A
 Total number of phases _____ Total number of units N/A Total number of units sold _____
 Total number of units rented _____ Total number of units for sale N/A Data source(s) _____
 Was the project created by the conversion of existing building(s) into a PUD? Yes No If Yes, date of conversion _____
 Does the project contain any multi-dwelling units? Yes No Data source(s) _____
 Are the units, common elements, and recreation facilities complete? Yes No If No, describe the status of completion.

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

 Describe common elements and recreational facilities
N/A

Uniform Residential Appraisal Report

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

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

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 *John P. Kennedy Jr.*
 Name John P. Kennedy Jr.
 Company Name Kennedy Appraisal Services
 Company Address 2209 Ardmore Blvd, 2nd Floor
Pittsburgh Pa. 15221
 Telephone Number (412) 271-7039
 Email Address jaykennedy@verizon.net
 Date of Signature and Report Jan. 26, 2010
 Effective Date of Appraisal Jan. 21, 2010
 State Certification # GA-000532-L
 or State License # _____
 or Other (describe) _____ State # _____
 State PA
 Expiration Date of Certification or License June 30, 2011

ADDRESS OF PROPERTY APPRAISED
2116 Walton Ave
Pittsburgh Pa 15210-4148

APPRAISED VALUE OF SUBJECT PROPERTY \$ 28,000

LENDER/CLIENT

Name Bank of Am LP-REO Mark/Landsafe App
 Company Name Bank of Am LP-REO Mark/Landsafe App
 Company Address 2375 N. Glenville Drive Richardson
Texas 75082-4315
 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 _____

TEXT ADDENDUM

File No. 100110

Borrower/Client	N/A		
Property Address	2118 Walton Ave		
City	Pittsburgh	County	Allegheny State Pa Zip Code 15210-4148
Lender	Bank of Am LP-REO Mark/Landsafe App		Bank of Am LP-REO Mark/Landsafe App

General Text Addendum

* URAR : Neighborhood - Boundaries

The typically recognized boundaries of this area are the 32nd Ward lines as delineated by the City of Pittsburgh, as well as neighboring Mt Oliver Borough (same school district and socio-economic influences)

* URAR : Neighborhood - Description

The subject property is located in a predominantly residential urban neighborhood within the City of Pittsburgh. This area is within convenient proximity to major employment centers, shopping facilities, recreational facilities, public transportation, and most urban amenities. Employment appears stable, and there are no observable adverse factors which would have a negative impact on appeal or marketability. Although there is a wide variance of land usage in this area, this is typical of densely populated urban neighborhoods throughout the City, and is not considered to be detrimental to appeal/marketability/market value. The subject is serviced by the City of Pittsburgh Public School System.

* URAR : Neighborhood - Market Conditions

Property values appear to be stable. Supply and demand factors appear to be in balance (based on data from the West Penn Multi-List). A review of comparable sale data indicates a reasonable exposure time (list to contract date) of 90-120 days. Interest rates are at a favorable level. Unusual financing (discounts, buydowns, concessions, etc) is a fairly common practice in this market area, but this does not appear to favorably or adversely affect market values.

COMMENTS ON SALES COMPARISON

The subject property is located in an urban area. Comparables #2 and #3 are located in the same municipality, serviced by the same school district, and offers similar amenities - therefore the market appeal is the same. Although slightly further than one mile from the subject property, they better represent the market than other sales that are geographically closer, and are felt to be the best data available on which to base a market value conclusion.

Comparable #1 is more than six months old. Due to the relative infrequency of recent sales which are comparable to the subject, it was necessary to broaden the time period. The sales are limited due to the fact that there are few offerings and not because of an imbalance of supply and demand. No time adjustment was warranted due to the stable nature of this market during this period.

While there is a variation in lot size between the subject and the comparables, there was no adjustment made as all of the properties represent typical building sites for this market area, with no measurable dollar difference.

No adjustment for exterior construction was made due to the fact that the exteriors of the subject and all of the comparables are low maintenance and have similar market appeal. No discernible dollar difference could be extracted which would warrant an adjustment for this feature.

No adjustment for age was taken due to the fact that the effective ages of the subject and all of the comparables are similar.

Condition adjustments were made to all three Comps to reflect the degree of updating and cosmetic repairs that these properties have received in relation to the subject.

The information regarding the interior conditions and upgrades of the comparable sales was obtained from the listing agents/agencies.

Square footage adjustments were based on \$15/sf of gross livable area. All sales are closed, and all data received pertaining to these sales is believed to be reliable. The indicated square foot area of the comparable dwellings is approximate.

All three sales were given equal emphasis in arriving at my Market Value conclusion.

Due to the limited sales activity, it was necessary to use properties which, although competing in the same market, vary more than desired in such factors as condition, square foot area, amenities, etc. Therefore, due to this wide variance, a line adjustment in excess of 10% was necessary to all three comparables under "Condition". However, these properties do have many similar physical characteristics of the subject, and are felt to provide a good indication of market values in this area.

Due to the value range of the subject property (under \$30,000), even a small dollar adjustment reflects a large percentage adjustment. Therefore, net adjustments for Comparables #1 and #2 exceed 15%, and gross adjustments for

CONTINUED ON NEXT PAGE

TEXT ADDENDUM

File No. 100110

Borrower/Client	N/A		
Property Address	2116 Walton Ave		
City	Pittsburgh	County	Allegheny
State	Pa	Zip Code	15210-4148
Lender	Bank of Am LP-REO Mark/Landsafe App		Bank of Am LP-REO Mark/Landsafe App

Comparables #1 and #2 exceed 25%. This is considered normal in this market and price range. These comparables are considered the best data available, are reflective of market activity, and after adjustments are felt to provide an accurate range of value into which the subject property could be bracketed.

COMMENTS AND CONDITIONS

The intended user of this appraisal is the client listed on page one of this report, as well as the client's assignees. The client agrees that this appraisal will only be used by the intended user for the disclosed intended use, which is for foreclosure and marketing purposes.

This report is a "Complete Appraisal" presented in "Summary Report" format as defined by the Appraisal Standards Board of the Appraisal Foundation in the Uniform Standards of Professional Appraisal Practice.

If available, a legal description reference has been provided under the "Subject" section of this appraisal in order that a comparison of the appraised property and the legal documents pertaining to this property can be facilitated.

As of the date of this appraisal report, I, John P. Kennedy Jr., have completed the requirements under the continuing education program of the Pennsylvania State Board of Certified Real Estate Appraisers.

Personal property has been given no value in this appraisal report.

This report has not been performed or completed for mortgage lending purposes.

The photographs used in this report are original photographs generated with a digital camera, and have not been enhanced or altered in any way. Additionally, the digital signatures are protected, and only the appraiser maintains control of said signature.

FHA CASE

SUPPLEMENTAL REAL ESTATE OWNED APPRAISAL ADDENDUM

File No.: 100110

Property Address 2116 Walton Ave City Pittsburgh State Pa Zip Code 15210-4148
 Legal Description Deed Book Volume 140078 Page 7 County Allegheny
 Is the subject property currently listed? Yes No Current List Price \$ _____ Agent _____
 Listing Company/Address/Phone _____

ITEM	SUBJECT	LISTING #1	LISTING #2	LISTING #3
Address	2116 Walton Ave 32nd Ward/	332 Arabella Street Mt Oliver Borough	604 Hays Avenue Mt. Oliver Borough	443 Overbrook Blvd 32nd Ward/
Proximity to Sub / Location		1.52 miles	1.29 miles	0.34 miles
Original List Price	Not Yet Listed	25,000	38,000	57,000
Current List Price	Not Yet Listed	25,000	32,500	44,900
Last Price Revision Date	N/A	N/A	6/30/09	7/21/09
Days-on-Market		112 Days	186 Days	270 Days
Site/View	Residential/Avg	Residential/Avg	Residential/Avg	Residential/Avg
Design (Style)	2 Story + Attic	2 Story + Attic	Two Story/Avg	Two Story/Avg
Age	App 79 Yrs	App 90 Yrs	App 93 Yrs	App 78 Yrs
Condition	Average	Inferior	Average	Superior
Above Grade Room Count	Tot: 5 Bdrms: 2 Ba: 1	Tot: 5 Bdrms: 2 Ba: 1	Tot: 5 Bdrms: 2 Ba: 1	Tot: 5 Bdrms: 2 Ba: 1
Approx. Gross Living Area	1,079 sq.ft	1,365 sq.ft	1,230 sq.ft	1,380 sq.ft
Basement Area	Full-Unfinished	Full-Unfinished	Full-Unfinished	Full-Unfinished
Car Storage	No Garage	No Garage	No Garage	No Garage
Other (special / financing concessions, amenities, etc.)		None Noted/Disclosed	None Noted/Disclosed	None Noted/Disclosed

Describe the value-related differences between the subject property and the competing listings (including financing, terms, condition, location, appeal, deferred maintenance, utility, style, view, days-on-market, and other amenities). In addition, comment on supply and demand, marketing times, sale-to-list price ratios, REO and new construction activity, and other factors associated with, and/or influenced by, current listings in the subject neighborhood.

* OVERFLOW - SEE "ADDITIONAL FIELD TEXT ADDENDA" *

Describe positive and negative factors that affect the marketability and value of properties in the subject subdivision, and specifically the subject property. Discuss current economic trends -- employment, increasing/decreasing property values, supply and demand, and/or seasonal marketing factors.

* OVERFLOW - SEE "ADDITIONAL FIELD TEXT ADDENDA" *

Provide an itemized list of repairs recommended to bring the property into marketable condition. Cost estimates should be based on reliable published cost sources and/or local cost resources. The appraiser is not an expert in the field of building construction and actual costs may vary from those provided. Repair costs and opinions reported herein are subject to future revision based on new repair estimates and evaluations by a licensed building contractor.

REPAIR ITEM	ESTIMATED COST
Clean entire interior, then paint entire interior	\$ 1,500.00
Install kitchen ceiling light fixture	\$ 275.00
Install interior door from kitchen to basement stairs	\$ 350.00
Professionally clean all remaining carpeting	\$ 200.00
	\$
Inspection of all mechanical system (does not include cost for any needed repairs)	\$ 400.00
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
TOTAL ESTIMATED COST OF RECOMMENDED REPAIRS	\$ 2,725

List any recommended inspections (code compliance, structural, environmental, etc.). Provide an explanation why the inspection is recommended, and comment on the affect on marketability and value. When no inspections are recommended, provide a statement to that effect.

* OVERFLOW - SEE "ADDITIONAL FIELD TEXT ADDENDA" *

List the number of days-on-market for the comparable sales used in the appraisal report: Comparable #1: 15 DOM; Comparable #2: 252 DOM; Comparable #3: 161 DOM.

Comments: _____

In addition to the "AS-IS" market value estimated on the attached appraisal report, which is based on a reasonable market exposure time determined by current market conditions and described in the Neighborhood Section of the report, the following value estimates for the subject are required. Note: The difference between the "AS-IS" and "AS-REPAIRED" value should approximate the market's reaction to the needed repairs, not necessarily the dollar-for-dollar cost to place the subject in marketable condition.

"AS-IS" estimate of market value based on a reasonable market exposure time as rendered in the attached appraisal report	\$ 29,000
"AS-REPAIRED" estimate of market value based on a reasonable market exposure time	\$ 30,000
"AS-IS" estimate of market value based on a client-imposed restricted market exposure time of <u>30</u> days (not to exceed 120 days)	\$ 21,000
"AS-REPAIRED" estimate of market value based on a client-imposed restricted market exposure time of <u>30</u> days (not to exceed 120 days)	\$ 22,500

APPRAISER: John P. Kennedy Jr. SUPERVISORY APPRAISER (ONLY IF REQUIRED):
 Signature _____ Signature _____
 Name John P. Kennedy Jr. Name _____
 Date Report Signed Jan. 26, 2010 Date Report Signed _____
 State Certification # GA-000532-L State PA State Certification # _____ State _____
 Or State License # _____ State _____ Or State License # _____ State _____

ADDITIONAL FIELD TEXT

File No. 100110

Borrower/Client	N/A		
Property Address	2116 Walton Ave		
City	County	State	Zip Code
Pittsburgh	Allegheny	Pa	15210-4148
Lender	Bank of Am LP-REO Mark/Landsafe App		

POSITIVE NEGATIVE FACTORS

As stated, supply demand factors appear to be in balance at this time. Property values have remained relatively stable over the past several year period, as has the overall employment rate. Marketing time in this area (as is true in most market areas) has increased with the general nationwide decline in the real estate industry.

RECOMMENDED INSPECTIONS

As the property has been vacant, all mechanical systems should be made operational and tested by a qualified individual. Wood infesting insect inspection - typically done at some point in time, and would be needed once the property is sold (although typically paid for by buyer at that point). All mechanical systems (plumbing, electrical, heating) should also be checked by qualified individuals.

VALUE RELATED DIFFERENCES

All three comparable listings are serviced by the same school district as the subject, and all share the same socio-economic influences. All three comparables are privately owned (not REO properties). Supply/demand factors appear to be in balance, and there is some REO activity in this market area (although no new construction)

Market Conditions Addendum to the Appraisal Report

The purpose of this addendum is to provide the lender/client with a clear and accurate understanding of the market trends and conditions prevalent in the subject neighborhood. This is a required addendum for all appraisal reports with an effective date on or after April 1, 2009.

Property Address 2116 Walton Ave City Pittsburgh State Pa ZIP Code 15210-4148

Borrower N/A

Instructions: The appraiser must use the information required on this form as the basis for his/her conclusions, and must provide support for those conclusions, regarding housing trends and overall market conditions as reported in the Neighborhood section of the appraisal report form. The appraiser must fill in all the information to the extent it is available and reliable and must provide analysis as indicated below. If any required data is unavailable or is considered unreliable, the appraiser must provide an explanation. It is recognized that not all data sources will be able to provide data for the shaded areas below; if it is available, however, the appraiser must include the data in the analysis. If data sources provide the required information as an average instead of the median, the appraiser should report the available figure and identify it as an average. Sales and listings must be properties that compete with the subject property, determined by applying the criteria that would be used by a prospective buyer of the subject property. The appraiser must explain any anomalies in the data, such as seasonal markets, new construction, foreclosures, etc.

Inventory Analysis		Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	3	1	1	1	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	0.50	0.33	0.33	0.33	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	Not Available	Not Available	6	6	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab. Rate)	Not Available	Not Available	18.2	18.2	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale & List Price, DOM, Sale/List %		Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Median Comparable Sale Price	22,000	36,000	24,000	24,000	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	28	6	161	161	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	23,000	42,000	29,900	29,900	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	Not Available	Not Available	Not Available	Not Available	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	95.6	85.7	80.2	80.2	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Seller-(developer, builder, etc.) paid financial assistance prevalent?					<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.).

Listing entries in the West Penn Multi List (which is the main source of this appraiser's data base) do not typically disclose seller concessions, therefore this aspect of the transaction can not be ascertained with any degree of consistency or reliability. However, research indicates that buydowns, loan concessions, buyer incentives, etc have not changed to any sizeable degree over the past 12-18 month period.

ANALYSIS

Are foreclosure sales (REO sales) a factor in the market? Yes No If yes, explain (including the trends in listings and sales of foreclosed properties).

There have been several REO sales in this market area over the past 12 month period. While these sales should be analyzed in the overall market study, they must be analyzed in their correct context - that is, they are not truly "arm's length" transactions. They do, however, compete with all the other listed properties for sale in this specific market area, and therefore have a direct impact on the supply/demand ratio, overall marketing time, etc. Of the 6 active listings currently on the market, 1 is an REO property.

Cite data sources for above information.

West Penn Multi List is the only multiple listing service in the subject's area, therefore it is the main source of market data.

Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions.

Overall market trends in this area seem to be relatively stable based on the above listed statistical data. Typically, this market area has historically experienced average market acceptance, and only with the relatively recent decline in the overall economy has the real estate market in this area shown any adverse affects. The statistical data shown above indicates a relative stability in the median list price, as well as a relative stability in the median sale price in this market (due to the fact that there were only 4 comparable sales in the past 6 month period, and only 7 total sales in the entire 12 month period, it is felt that this recent data over the past 6-12 month period does not truly give an accurate or complete picture, as minimal data tends to "skew" the larger picture). The "days on the market" statistic is also stable based on the entire 12 month period. This data has been considered throughout this report, and my analysis and conclusions arrived upon are reflective of this data and its' overall affect on the real estate market in this specific market area.

If the subject is a unit in a condominium or cooperative project, complete the following: Project Name:

Subject Project Data		Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)					<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)					<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings					<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab. Rate)					<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing

Are foreclosure sales (REO sales) a factor in the project? Yes No If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

PROJECTS

Summarize the above trends and address the impact on the subject unit and project.

APPEARER

Signature John P. Kennedy Jr. Signature _____
 Appraiser Name John P. Kennedy Jr. Supervisory Appraiser Name _____
 Company Name Kennedy Appraisal Services Company Name _____
 Company Address 2209 Ardmore Blvd. 2nd Fl Pittsburgh Pa. 15221 Company Address _____
 State License/Certification # GA-000532-L State PA State License/Certification # _____ State _____
 Email Address jkennedy@verizon.net Email Address _____

Exhibit “ 10 ”

Residential Broker Price Opinion (BPO)

This BPO is the Initial 2nd Opinion Updated Exterior Only

DATE 01-29-10
Date Format (00/00/00)

PROPERTY ADDRESS: 2116 WALTON AVE SALES REPRESENTATIVE: _____
PITTSBURGH PA 15210 CLIENT NAME: _____
 FIRM NAME: Grasha Real Estate COMPLETED BY: JEFF GRASHA
 PHONE NO. 4125637200 FAX NO. 4125637281
 PARCEL NO. 95-F-99

I. GENERAL MARKET CONDITIONS

Current market condition: Depressed Slow Stable Improving Excellent
 Employment conditions: Declining Stable Increasing
 Market price of this type property has: Decreased _____ % in past _____ months
 Increased _____ % in past _____ months
 Remained stable

Estimated percentages of owner vs. tenants in neighborhood: _____ 80 % owner occupant _____ 20 % tenant
 There is a Normal supply oversupply shortage of comparable listings in the neighborhood
 Approximate number of comparable units for sale in neighborhood: _____ 6
 No. of competing listings in neighborhood that are REO or Corporate owned: _____ 2
 No. of boarded or blocked-up homes: _____ 0

II. SUBJECT MARKETABILITY

Range of values in the neighborhood is \$ _____ 16000 to \$ _____ 75000
 The subject is an over improvement under improvement Appropriate improvement for the neighborhood.
 Normal marketing time in the area is: _____ 90 days.
 Are all types of financing available for the property? Yes No If no, explain no FHA, VA
 Has the property been on the market in the last 12 months? Yes No If yes, \$ _____ list price (include MLS printout)
 To the best of your knowledge, why did it not sell? _____
 Unit Type: single family detached condo co-op mobile home VIN # _____
 single family attached townhouse modular
 If condo or other association exists: Fee \$ _____ 0 monthly annually Current? Yes No Fee delinquent? \$ _____
 The fee includes: Insurance Landscape Pool Tennis Other _____
 Association Contact: Name: n-a Phone No.: _____
 Agent believes subject property is Vacant Occupied
 Agent believes subject property is Favorable Neutral Unfavorable
 Subject property has basement? Yes No
 If subject property is Mobile Home, is it Attached to foundation? Yes No
 Owner Pride Good Average Below Average
 Does Agent feel there would be a resale problem? Yes No
 HOA Exists? Yes No
 Agent resale comments:

Subject is a two story brick SFR in overall fair condition. Interior overall fair condition with all walls needing painted, all flooring older and needs updating. Kitchen and bath overall average condition. Newer electric service. Gas f-a furnace. Full unfinished basement. On street parking. Walk-up attic with narrow stairway, not considered living space.

III. COMPETITIVE CLOSED SALES																		
ITEM	SUBJECT	COMPARABLE NUMBER 1			COMPARABLE NUMBER 2			COMPARABLE NUMBER 3										
Address		2236 Fairland			2148 Fairland			2134 Dartmore										
2116 WALTON AVE																		
City	PITTSBURGH	PITTSBURGH			PITTSBURGH			PITTSBURGH										
State	PA	PA			PA			PA										
Postal Code	15210	15210			15210			15210										
Basement	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No										
Proximity to Subject		* Proximity .3			* Proximity .2			* Proximity .2										
List Price	\$	\$ 17900			\$ 33000			\$ 31000										
Sale Price	\$	\$ 22000			\$ 30000			\$ 20000										
Price/Gross Living Area	\$ Sq.Ft.	\$ Sq.Ft.			\$ Sq.Ft.			\$ Sq.Ft.										
Data Source	int insp	MLS-int insp			MLS			MLS										
Sale Date		4-30-9			3-30-9			8-31-9										
Days on Market		15			164			149										
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+	-	Adjustment	DESCRIPTION	+	-	Adjustment	DESCRIPTION	+	-	Adjustment					
Sales or Financing Concessions		cash				cash				cash								
Location	urban	urban				urban				urban								
Leasehold/Fee Simple	FS	FS				FS				FS								
Site	37x100	40x100				37x110				30x100								
View	res	res				res				res								
Design and Appeal	2 sty	2 sty				2 sty				2 sty								
Quality of Construction	brick	brick				brick				brick-frame								
Age	78	80				80				80								
Year Built	1932	1930				1930				1930								
Condition	fair	fair				fair				fair								
Above Grade	Total	Bdms	Baths	Total	Bdms	Baths	Total	Bdms	Baths	Total	Bdms	Baths	Total	Bdms	Baths			
Room Count	5	2	1	5	2	1	6	3	1	6	3	1	6	3	1			
Gross Living Area	1100 Sq.Ft.			1500 Sq.Ft.			-2000			1100 Sq.Ft.			1400 Sq.Ft.			-1500		
Lot Size	3700			4000			-2000			4070			3000					
Basement & Finished Rooms Below Grade	full unfin			full unfin			full unfin			full unfin			full unfin					
Functional Utility	average			average			average			average			average					
Heating/Cooling	gas f-a			gas			gas f-a, cen a-c			-1000			gas h-w					
Energy Efficient Items	---			---			---			---			---					
Garage/Carport	0			0			0			0			0					
Porches, Patio, Deck	---			new int paint & flooring			-5000			---			---					
Fireplace(s), etc.	---			---			---			---			---					
Fence, Pool, etc.	---			---			---			---			---					
Other	---			---			---			---			---					
Net Adj. (total)							-7000						-3000					
Adjusted Sales Price of Comparable							15000						27000					

IV. MARKETING STRATEGY

- As-is Minimal Lender Required Repairs Repaired
- * Most Likely Buyer: 1st Time Buyer Move Up Buyer Investor Seller Assisted

V. REPAIRS

Itemize ALL repairs needed to bring property from its present "as is" condition to average marketable condition for the neighborhood. Check those repairs you recommend that we perform for most successful marketing of the property.

* Does property have evidence of mold or water damage? Y N

Description: _____

* Mold Mitigation/remediation recommended? Y N

Item	Estimated Cost	Item	Estimated Cost
<input type="checkbox"/> interior paint, minor plaster repair	\$ 3500	<input type="checkbox"/> interior flooring	\$ 3000
<input type="checkbox"/> kitchen updates	\$ 500	<input type="checkbox"/> bath updates	\$ 1000

VI. COMPETITIVE LISTINGS															
ITEM	SUBJECT			COMPARABLE NUMBER 1			COMPARABLE NUMBER 2			COMPARABLE NUMBER 3					
Address	2116 WALTON AVE			125 Carrick			1421 Nobles			202 Merideth					
City	PITTSBURGH			PITTSBURGH			PITTSBURGH			PITTSBURGH					
State	PA			PA			PA			PA					
Postal Code	15210			15210			15210			15210					
Basement	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
Proximity to Subject				* Proximity .5			* Proximity .5			* Proximity .6					
List Price	\$			\$ 35000			\$ 29900			\$ 35000					
List Date				1-22-10			9-29-09			1-21-10					
Price/Gross Living Area	\$ Sq.Ft.			\$ Sq.Ft.			\$ Sq.Ft.			\$ Sq.Ft.					
Data and/or Verification Sources	int insp			MLS			MLS			MLS					
VALUE ADJUSTMENTS	DESCRIPTION			DESCRIPTION			*(-) Adjustment			DESCRIPTION			*(-) Adjustment		
Sales or Financing Concessions				---						---					
Days on Market				7						120			8		
Location	urban			urban						urban			urban		
Leasehold/Fee Simple	FS			FS						FS			FS		
Site	37x100			30x182						30x125			21x77		
View	res			res						res			res		
Design and Appeal	2 sty			2 sty						2 sty			2 sty		
Quality of Construction	brick			brick-frame						brick-frame			frame		
Age	78			80						109			80		
Condition	fair			fair						average			-10000		
Above Grade	Total	Bdms	Baths	Total	Bdms	Baths	Total	Bdms	Baths	Total	Bdms	Baths			
Room Count	5	2	1	7	3	1	-2000	6	3	1	-2000	4	2	1	
Gross Living Area	1100 Sq.Ft.			1200 Sq.Ft.			-500			1200 Sq.Ft.			-500		
Lot Size	3700			5460			-1000			3750			1617		
Basement & Finished Rooms Below Grade	full unfin			full unfin						full unfin			full unfin		
Functional Utility	average			average						average			average		
Heating/Cooling	gas f-a			gas						gas			gas f-a		
Energy Efficient Items	----			----						----			----		
Garage/Carport	0			0						1			-2000		
Porches, Patio, Deck	----			----						porch			----		
Fireplace(s), etc.	----			----						----			-1000		
Fence, Pool, etc.	----			----						----			----		
Other	----			----						----			----		
Net Adj. (total)							-3500						-15500		
Adjusted Sales Price of Comparable							31500						14400		
													27000		

VII. THE MARKET VALUE (The value must fall within the indicated value of the Competitive Closed Sales).

	Target Price	Suggested List Price
AS IS	* \$ 20000	* \$ 27900
REPAIRED	* \$ 30000	* \$ 37900
CASH	* \$ 18000	* \$ 25900

COMMENTS

(Include specific positives/negatives, special concerns, encroachments, easements, water rights, environmental concerns, flood zones, etc.)

Immediate neighborhood is the Overbrook section of the city of Pittsburgh. Most homes in area are approx 60-80 years old. Mostly single family detached with some multi-unit residential. Average pride of ownership. Close proximity to public transportation, major highways and shopping. No adverse conditions noted.

Signature: Jeffrey Grasha

Date: 1-29-2010

Date Format (00/00/00)

Exhibit “ 11 ”

PURCHASE OFFER NO: **00438963** ONR Contract No. 2900-0009
 Respondent Number: 30 Minutes

OFFER TO PURCHASE AND CONTRACT OF SALE

Privacy Act Notice: VA and the Service Provider will not disclose information collected on this form to any agency other than what has been authorized under the Privacy Act of 1974 or Title 38, Code of Federal Regulations 1.574 for routine use (i.e., The information collected on this form will serve as an offer to purchase a VA-secured property. The acquisition and sale of such property is authorized by law 38 U.S.C. 1716 (a) (5)(A) as identified in the VA system of records, 32VAC, Loan Guaranty, Loans, Condemnation and Manufacturing Home Loan Applicant Records, Specialty Adapted Housing Applicant Records and Veterans Loan Applicant Records - VA, and published in the Federal Register. Your obligation to respond is required to obtain or retain benefits.

Response Number: We need this information to consider your offer to purchase a VA-secured property. Title 38, United States Code, allows us to ask for this information. We estimate that you will need to complete this information to review the instructions. Send the information, and complete this form. VA and the Service Provider cannot consider or sponsor a collection of information unless a valid OMB control number is displayed. You are not required to respond to a collection of information if this number is not displayed. Valid OMB control numbers can be located on the OMB Internet Page at www.omb.gov/eo/13526/p2.html. If denied, you can call 1-800-877-1008 to get information on where to send comments or suggestions about this form.

INSTRUCTIONS TO BROKER - Follow the instructions of the Service Provider to submit offers.

1A. ADDRESS OF PROPERTY TO BE PURCHASED (Avenue No., Street or rural route, City or P.O. Box, State and ZIP Code) **2116 WALTON AVE. PITTSBURGH, PA. 15210**

1B. PROPERTY IDENTIFIER **438963**

SECTION I - PURCHASER(S) INFORMATION

2A. NAME OF PURCHASER **HANULA Properties, LLC**

2B. ADDRESS OF PURCHASER (Include No., Street or rural route, City or P.O. Box, State and ZIP Code) **2152 HAZEL BELL ST. PITTSBURGH, PA. 15210**

2C. HOME PHONE **(412) 885-8080**

2D. BUSINESS PHONE ()

2E. NAME OF PURCHASER (Include No., Street or rural route, City or P.O. Box, State and ZIP Code. If same as above write "SAME")

2F. BUSINESS PHONE ()

4. STATE EXACT NUMBER BY WHICH TITLE IS TO BE CONVEYED **HANULA PROPERTIES, LLC.**

5. DO YOU PLAN TO OCCUPY THE PROPERTY? YES NO

6A. IS ANY PURCHASER A VETERAN? YES NO (If "YES", complete items 6B and 6C)

6B. SERVICE SERIAL NUMBER

6C. DATES OF LATEST SERVICE

8. IS THE PROPERTY BEING PURCHASED DIRECTLY OR INDIRECTLY BY OR FOR ANY OF THE FOLLOWING PERSONS OR THEIR CLOSE RELATIVE? (If any answer is "YES" for items 8A through 8D below "YES" give a detailed statement of circumstances on a separate sheet. The term "Close relative" as used means the spouse, parent, child, sibling, brother or sister, or any other relative who is a member of the purchaser's household.)

8A. ANY PERSON WHO AT ANY TIME OBTAINED OR GUARANTEED THE PAYMENT OF ANY LOAN MADE OR HELD BY VA OR GUARANTEED OR INSURED BY VA UNDER CHAPTER 37, TITLE 38, U.S. CODE? YES NO

8B. ANY PERSON WHO HAS BEEN EMPLOYED BY THE SERVICE PROVIDER OR ANY OTHER ENTITY UNDER COMMON OWNERSHIP WITH THE SERVICE PROVIDER WITHIN THE LAST 6 MONTHS. (If "YES," is checked please give relationship) YES NO

8C. ANY PERSON WHO AT ANY TIME WAS THE OWNER OF THE PROPERTY? YES NO

8D. ANY PERSON WHO PREVIOUSLY PURCHASED A PROPERTY FROM VA? YES NO

SECTION II - TERMS OF PURCHASE, CERTIFICATIONS AND CONDITIONS OF TRANSMITTAL OF OFFER

7. CASH OFFER 8. TERM OFFER

A. OFFERED PRICE 24,400	A. OFFERED PRICE	B. YIELD OFFER <input type="checkbox"/>
B. DEDUCTIONS:	B. LESS (-) DOWNPAYMENT	
C. LOAN ORIGINATION FEE	C. PAYMENT OF VETERAN LOAN	
D. CLOSING COSTS	D. TIMES (X) CASH EQUIVALENT FACTOR 95 %	
E. COMMISSION SALES 1,250 LISTING 1,250	E. CASH EQUIVALENT VALUE (CEV) OF LOAN AMOUNT (Item D - Item G)	
F. SALES BONUS	F. PLUS (+) FURNISHING FEE (2% of Item D)	
G. TOTAL DEDUCTIONS (Item B through Item F) 2,500	G. PLUS (+) DOWNPAYMENT (Item B)	
H. NET TO VA (Item A - Item G) 22,400	H. ADDITIONS TO CEV OF LOAN AMOUNT (Item F + Item G)	
	I. CASH EQUIVALENT VALUE OF TOTAL OFFER (Item E + Item H)	
	J. LESS (-) COMMISSION SALES LISTING	
	K. LESS (-) SALES BONUS	
	L. TOTAL DEDUCTIONS (Item J + Item K)	
	M. NET TO VA (Item I - Item L)	
	N. INTEREST RATE	O. NO. OF YEARS
		P. MONTHLY PAYMENT

9. PURCHASER(S) AGREE TO CLOSE WITHIN DAYS AFTER OFFER IS ACCEPTED BY VA **2/25/10**

9. AMOUNT OF EARNEST MONEY **\$ 2,500.00**

BASED ON CORRECT CALCULATIONS, THE OFFER WHICH PROVIDES THE HIGHEST NET RETURN TO VA WILL BE ACCEPTED. ERRORS IN THE COMPUTATION OF THE NET TO VA MAY RESULT IN THE OFFER BEING REJECTED AND ANOTHER OFFER ACCEPTED.

The "Conditions of Sale" on the reverse of this offer is printed and consists of the following: (1) Administrative and Administrative is it governed by the provisions of the Conditions of Sale and a part hereof. All parties hereto acknowledge they have read and understood the "Conditions of Sale" on the reverse of this Offer to Purchase and Contract of Sale (and any required Attachments and Addendums) as evidenced by their signature(s) herein below.

PENALTY: The law provides severe penalties which include fine or imprisonment, or both, for the willful submission of any statement or evidence of a material fact, knowing it to be false.

10A. SIGNATURE OF PURCHASER **[Signature]**

10B. DATE SIGNED **2-12-10**

10C. NAME AND ADDRESS OF REAL ESTATE FIRM **GRASHA REAL Estate, Inc. 3045 W. Liberty Ave. 5D, Pittsburgh, PA. 15216**

10D. NAME OF PRINCIPAL BROKER **JEFF GRASHA**

10E. TAX ID OR SOCIAL SECURITY NUMBER **[Redacted]**

10F. NAME OF SALES PERSON **AARON KROCKE**

10G. THE BROKER NUMBER **[Redacted]**

10H. DATE SIGNED **2-12-10**

SECTION III - ACCEPTANCE BY THE DEPARTMENT OF VETERANS AFFAIRS

Acceptance of this offer is hereby indicated by my signature and use by the return to the Purchaser or Sales Broker of a copy hereof, as signed. (If the offer is not accepted it will not be signed in full. The signature of VA and the signature of the purchaser will be notified of the rejection.)

14A. THE DEPARTMENT OF VETERANS AFFAIRS

BY **[Signature]** TITLE **Acting Manager** DATE **2/15/10**

VA FORM 26-6705 (Continued on Reverse)

SECTION IV - CONDITIONS OF SALE

1. This Contract of Sale contains the final and entire agreement between the parties hereto and they shall not be bound by any terms, conditions, statements, or representations, oral or written, not contained in this contract. This Contract of Sale is not assignable by the Purchaser(s).

2. Parating Fee Notice: Title 38, U.S. Code, Section 3729 requires that VA collect a handling fee from each person who obtains a vendee (VA/Seller financed) loan to purchase a VA-acquired property. This fee must be paid in cash or certified funds at closing. The fee may not be collected from a veteran who is receiving compensation (or who, but for the receipt of retirement pay would be entitled to receive compensation) or from a surviving spouse as described in 38 U.S.C. 3701(b)(2).

3. Risk of loss or damage by fire or other causes is assumed by the Seller until the sales transaction is closed.

4. Seller may rescind this contract and return the Purchaser's earnest money deposit under any of the following conditions:

- a. The property is damaged prior to the date of closing.
- b. The Seller is unable to deliver the property vacant if so advised.
- c. The Seller is unable or unwilling to remove valid objections to title prior to closing.
- d. The Seller has not, and is unable to timely acquire title to the property.
- e. The property is subject to outstanding redemption rights and such rights are exercised. (In such cases the Seller shall be entitled to the redemption money and shall return to the Purchaser(s) all payments made by (broker to the Seller on account of this sale, without interest, less the fair rental value.)
- f. Vendee financing is requested and the Seller determines the Purchaser(s) is/are not (an) acceptable borrower(s).

5. The return of the earnest money deposited by the Purchaser(s) shall release the Seller from any and all claims arising from this transaction.

6. The seller may retain all or a portion of the earnest money deposited herewith as liquidated damages if the Purchaser(s) refuses, or if otherwise fails to perform in accordance with this Contract of Sale. Purchaser's failure to obtain mortgage financing to complete the purchase will not be considered a failure to perform and the earnest money deposit will be returned if the Purchaser(s) can show he/she reasonably and diligently pursued such financing without undue extensions of time.

7. Purchaser who request, but do not qualify for a VA Vendee (VA/Seller) loan agree that the vendee loan processing fee will not be refunded.

8. If Vendee financing is requested, the Purchaser(s) will inform the Seller of any changes in employment and/or financial position, including bankruptcy, judgments, pending litigation, income tax liens, garnishments, and other similar matters.

9. Closing shall be as soon as possible and within a reasonable time after indication by the Seller of readiness to close. Seller will indicate place of closing for Vendee financed loans. Purchaser(s) agree(s).

- a. To pay sufficient money at closing, as determined by an escrow analysis as required by Title 24 CFR, 1560, for Seller to properly establish escrow accounts to pay taxes, assessments, ground rents (if any), and hazard and flood insurance required by the Seller.
- b. To pay monthly, in addition to the monthly installments of principal and interest shown for seller-financed sales, 1/12 of the annual charges that the Seller reasonably anticipates paying from the escrow account for hazard insurance, ground rent (if any), and any and all taxes and assessments now or hereafter levied against the property, in order that the Seller may pay such charges when due.
- c. To pay for any examination of title or continuation of policies as he/she may require, documentary stamps on the deed of conveyance by the Seller and on all other closing instruments, recording taxes, recording fees, and any other expenses incidental to the closing. Copies of any title evidence in the possession of the Seller will be made available to the Purchaser(s) for examination upon request. Said evidence will be delivered to Purchaser(s) when loan is paid in full.
- d. That all assessments, rents (if any), ground rents (if any), and taxes shall be paid on the closing date, and the purchaser(s) will assume all taxes, assessments, and ground rents (if any), due on and after the closing date.
- e. To furnish hazard insurance (and flood insurance if required) policies satisfactory to the Seller, with loss-payable clauses in favor of the Seller, successors or assigns. Policies will be effective as of the closing date and will be delivered to the Seller at closing along with receipts for the payment of the first year premium.

10. The Seller/Service Provider will prepare the instruments required for closing the sale. At that time, the Seller/Service Provider, at the Seller/Service Provider's option, will deliver the deed of conveyance. The deed will contain a covenant which waives against the use of the Seller/Service Provider and all claiming by, through, or under him or her conveying good title to said real estate subject to easements, restrictions, and agreements of record. In a sales transaction financed by VA, the deed will be delivered simultaneously with the execution and delivery by the Purchaser(s) to the Seller/Service Provider of a mortgage, or deed of trust, and note covering the balance of the purchase price. In a cash sales transaction, the deed will be delivered simultaneously with the balance of the purchase price.

11. This sale is subject to the rights of any parties in possession.

SALES BROKER CERTIFICATION

12. I, the undersigned sales broker, have received from the prospective purchaser(s) the deposit shown on the reverse which I am holding for the Department of Veterans Affairs. I certify and agree that:

- a. I am acting as Trustee of these funds which will be placed in my Trust Escrow Account. If the purchase offer is not accepted by VA, the deposit shall be returned to the prospective purchaser(s), without interest.
- b. The statements of the prospective purchaser(s) shown on the reverse and in the attached credit statement, if required, are believed to be true and correct. I do not know of any loans, gifts, or financial assistance being made to the prospective purchaser(s). I will disclose to VA any such information coming to my attention if seller financing is involved.
- c. The sales commission shall not be deemed earned unless and until the sale is actually closed, and that the sales commission shall be payable in amount and time as established by the Service Provider. In addition, sales commissions may not be payable, if the purchaser(s) or co-purchaser(s) is/are a person having an identity of interest in one of the following categories:

- (1) Selling broker who has knowledge or has received a copy of either the floorplans or marketing appraisal;
- (2) Person who has control over marketing decisions has knowledge or has received a copy of the marketing analysis;
- (3) Person who procures or evaluates offers;
- (4) Spouses, parents, in-laws, children, stepchildren, brothers and sisters of, and persons who reside with any of the above; and,
- (5) The identity of instant's partners, employees and sales associates.

d. I am duly licensed to sell real estate by the appropriate governmental agency in the state where this property is located.

e. Neither the broker nor any of his/her sales, management, or rental personnel, employees, or others authorized to act for the broker will, in violation of Title VIII of the Civil Rights Act of 1968 as amended (The Fair Housing Act), or Executive Order 11063, decline to show or will discriminate in the sale or rental of any property now or here after listed with NewStar. It is further agreed that the undersigned will:

- (1) Instruct the staff in the policies of nondiscrimination and applicable laws;
- (2) Prominently display the Fair Housing Poster in all offices in which sale or rental activity takes place;
- (3) Use the approved Equal Housing Opportunity logo, slogan, or statement in all advertising in conformance with Advertising guidelines for Fair Housing;
- (4) When advertising VA-acquired properties located in predominantly white areas, utilize any available minority needs (ability or in addition to other media); and,
- (5) Maintain a nondiscriminatory hiring policy in affirmatively recruiting from both minority and majority groups for staff.

f. Non-compliance by the broker or any employee of his or her organization with the laws, executive orders, or regulations, against discrimination in the sale or rental of any property, or with this certification will be proper basis for barring the undersigned from participation in the program of selling, leasing, or managing HUD or VA owned properties. I also understand that such determination of delinquency by either HUD or VA shall be noted by both.

PURCHASER(S) CERTIFICATIONS



14. Neither I, nor anyone authorized to act for me, will refuse to sell or rent, after the making of a bona fide offer, or refuse to negotiate for the sale or rental of, otherwise make unavailable or deny the dwelling or property covered by this offer to purchase to any person because of race, color, religion, sex, marital status or national origin. I recognize that any restrictive covenant on this property relating to race, color, religion, sex, marital status, or national origin is illegal and void and any such covenant is hereby specifically disavowed. I understand that civil action for preventative relief may be brought by the Attorney General of the United States in any appropriate U.S. District Court against any person responsible for the violation of the applicable law.

Buyer Initials: [Signature]

Buyer Initials: _____

Exhibit “ 12 ”



**U.S. Department of Veterans Affairs
Office of Regional Counsel
Region 4**

Donna Binder
Program Paralegal Specialist
Direct Dial 412-954-5174
Fax 412-954-5181

VA Pittsburgh Healthcare System
7180 Highland Drive (646/02-H)
Pittsburgh, PA 15206-1297
412-954-5174

February 23, 2010

Bank of America Home Loans
Attn: VA REO
2375 N. Glenville Drive
MS TX2-983-01-01
Richardson, TX 75082

**In Reply Refer To: 646/02-H
RC 4 # 41303**

**SUBJ: VA Loan # 11-11-6-0247126
MILLER, Carmen A.
2116 Walton Avenue
Pittsburgh, PA 15210**

1. The Policy of Title Insurance No. **1622026** dated **October 22, 2009**, issued by **OHIO BAR TITLE INSURANCE COMPANY** to the Secretary of Veterans Affairs, an Officer of the United States of America, whose address is Washington, DC, insures that the Secretary of Veterans Affairs has a fee-simple estate in the property described therein, subject only to those items in Schedule B, which are not objectionable.

2. On the basis of the title policy, the Secretary has acquired a good, fee-simple title to the property described therein, subject to the items set forth in this report and to any unpaid taxes, any unpaid charges for water, sewer, and similar items, and any unpaid assessments for public improvements. It is your responsibility to make certain that the amount of insurance adequately protects the Department of Veterans Affairs' interest and that sufficient information is retained in the security envelope should an action in ejectment become necessary.

3. Please assure that any monies owing referred to in Item Nos. 5 and 6 of Schedule B of the Title Policy have been paid prior to listing the subject property for sale.

Cynthia A. Williams
for JAMES C. SINWELL
Assistant Regional Counsel

Exhibit “ 13 ”

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

VITTI & VITTI ASSOCIATES, P.C.,)	
<i>successors in interest to Louis P. Vitti &</i>)	
<i>Associates, P.C., Louis P. Vitti and Edith</i>)	Civil Action No. 12-1595
<i>Moen Vitti,</i>)	
)	
Plaintiffs,)	
)	
v.)	
)	Judge Nora Barry Fischer
UNITED STATES DEPARTMENT OF)	
VETERANS AFFAIRS,)	
)	
Defendant .)	

DECLARATION OF RICHARD ZIMNOCH

1. I, Richard Zimnoch, declare as follows pursuant to 28 U.S.C. § 1746:
2. I have been employed by the United States Department of Veterans Affairs since 1978. The majority of my career has been spent working in the area of VA loan foreclosures. I am currently a VA Realty Specialist working at the VA Headquarters in Washington, D.C.
3. In my capacity as a VA Realty Specialist, I am familiar with the circumstances surrounding the foreclosure of VA Loan Number 11-11-6-0247126 that involved a residential property located at 2116 Walton Avenue, Pittsburgh, Pennsylvania. My familiarity is based on my years of experience, personal recollection, and review of various e-mails and loan documents some of which are attached to this declaration. *See Attachments 1-3 (e-mails regarding Walton Avenue property); 4 (VA Approve Invoice - care and maintenance services).*
4. The Walton Avenue property came to my department as a foreclosed property sometime in late 2009 or early 2010. The VA accepted a contract to sell this property on

February 15, 2010. In preparation for closing, an open mortgage or lien was discovered on the Walton Avenue property thus placing in question whether the VA actually obtained a clear, fee-simple title during the October 2009 foreclosure. *See* Att. 1-3. The buyer's attorney insisted on satisfaction of the open mortgage prior to closing on the property. The VA worked with foreclosing attorney (Mr. Vitti) in an effort to obtain satisfaction of the open mortgage. *Id.* However, after several months of working with Mr. Vitti, the satisfaction of the open mortgage could not be obtained. *Id.* Because of this defect in title, the VA decided to reconvey the Walton Avenue property back to U.S. Bank, who was the original holder of the mortgage when the property was initially conveyed to the VA during the October 2009 liquidation sale. The final reconveyance letter is dated September 23, 2010. This letter was issued by Bank of America, who was contracted by the VA at that time to provide property management services for properties of the VA that had been foreclosed.


5. While the Walton Avenue property was in the VA's possession, it remained vacant, and the VA spent several thousands of dollars for the property's care and maintenance. *See* Att. 4 (VA Approve Invoice - care and maintenance services); *see also* Ex. 15 (Final Reconveyance Letter - listing expenses). For example, the interior of the home was cleaned on at least four occasions, and significant yard work was done to include the trimming of various shrubs and trees. The home was also winterized and hundreds of dollars were invested to address various electrical issues. Prior to reconveyance on September 23, 2010, I am unaware of any vandalism, theft, or destruction of the Walton Avenue property.

6. Part of my position as a VA Realty Specialist involves the monitoring of the real estate market and the fluctuation that sometimes occurs with home values. During late 2009

and into 2010, the residential housing market was slow and home values across the country declined with some areas seeing more significant reductions than others.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 13 2013.


Richard Zimnoch

Property: 2116 WALTON AVE
PITTSBURGH PA, 15210

Subject: RE: Will need to extend -- title still not clear. Extend to 4/17/10?

Body: Message Inserted (03/29/2010 03:59 PM) On: 2116 WALTON AVE, PITTSBURGH PA 15210.
Title has been sent to seller's attorney by the closing company and seller's attorney has forwarded to the FC attorney for review.

Attachment(s): No Attachment

Created By/Date: GRASHA, JEFFREY - 03/29/2010 15:59:57

Notification From: [REDACTED]

Notification To: CHAD.S [REDACTED]

Property: 2116 WALTON AVE
PITTSBURGH PA, 15210

Subject: **Pending update**

Body: Message Inserted (03/31/2010 09:00 AM) On: 2116 WALTON AVE, PITTSBURGH PA 15210.
From FC attorney. L. Vitti advised that the underwriter will indemnify over the open mortgage as they strongly believe it is paid off but the buyers attorney insists on a satisfaction piece. Waiting for an update from FC attorney on satisfaction piece. Will advise.

Attachment(s): No Attachment

Created By/Date: PHELAN, TORI - 03/31/2010 09:00:48

Notification From: TORI.PHELAN [REDACTED]

Notification To: CHAD.SPARKLING@ [REDACTED] BANK OF AMERICA.COM; STEPHANIE.M.ALLEN [REDACTED];
M; RODNEY.L.JOHNSON@ [REDACTED];

Property: 2116 WALTON AVE
PITTSBURGH PA, 15210

Subject: Email that I just sent to agent and buyers attorney:

Body: Message Inserted (04/12/2010 07:59 AM) On: 2116 WALTON AVE, PITTSBURGH PA 15210.
The FC attorney is working on obtaining a satisfaction but they are not sure that that can obtain one. They are confident that they will receive a Letter of Indemnification from the underwriter. Last we spoke, Attorney Sautel was not willing to accept a letter of Indemnification on this however; if the letter of Indemnification is issued then the seller has marketable title and will be in the position to proceed. I spoke with the FC attorney on Friday and I expect another update later today.

Attachment(s): No Attachment

Created By/Date: PHELAN, TORI - 04/12/2010 07:59:49

Notification From: TORI.PHELAN [REDACTED]

Notification To: CHAD.SPARKLING@ [REDACTED] COM; STEPHANIE.M.ALLEN [REDACTED] BANK OF AMERICA.COM;

Property: 2116 WALTON AVE
PITTSBURGH PA, 15210

Subject: *Update*

Body: Message Inserted (04/21/2010 06:38 AM) On: 2116 WALTON AVE, PITTSBURGH PA 15210.
The claim was submitted to First American by the FC attorney and they are waiting for the response. From my experience it usually only takes a few days to a week to get a response from them. Jeff, I will be out from 4/22-4/27 however someone will be here to coordinate with attorney Sautel if all goes well before the 27th.

Attachment(s): No Attachment

Created By/Date: PHELAN, TORI - 04/21/2010 06:38:40

Notification From: TORI.PHELAN [REDACTED]

Notification To: JEFF@GRASHA [REDACTED] D.SPARKLING@ [REDACTED] STEPHANIE.M.ALLEN [REDACTED];

To:

Property: 2116 WALTON AVE
PITTSBURGH PA, 15210

Subject: Update..

Body: Message Inserted (06/22/2010 11:17 AM) On: 2116 WALTON AVE, PITTSBURGH PA 15210.
I've been in touch with Francie Crowley via email this afternoon. I was concerned when she asked for the buyers title which I sent over in early March however she advised that she is working on obtaining a release. She also resent the LOI addressed to her office and I advised once more that it is doing us no good and needs to Indemnify Stewart title and the buyers attorney. Hopfully i got through this time. I'm going to send the request my self but I dont know if they will entertain my request since PHS was not indemnified. we are usually advised not to but I dont know what else to do at this point. I'll let you know what I can find

Attachment(s): • No Attachment

Created By/Date: PHELAN, TORI - 06/22/2010 11:17:12

Notification From: TORI.PHELAN@ [REDACTED].COM

Notification To: JEFF@GRASHA [REDACTED].COM; CHAD.SPARLING@ [REDACTED].CA.COM; STEPHANIE.M.ALLEN@ [REDACTED].COM

Property: 2116 WALTON AVE
PITTSBURGH PA, 15210

Subject: ****PLEASE ASSIST****

Body: Message Inserted (05/20/2010 01:48 PM) On: 2116 WALTON AVE, PITTSBURGH PA 15210.
Can someone at BAC please contact the FC attorney? We finally received a letter of Indem but it's not sufficient as the underwriter for the buyer is not addressed/Indemnified. Also, it was sent to them on the 7th and I JUST received it today. A letter of Indem typically takes our office no more than a week to obtain. This has been going on since February. We are at a stand still. I've worked with Lou Vitti's office in the past and they were always great with a turn around time. Not sure what the hold up is with this one but this has been going on for too long

Attachment(s): • No Attachment

Created By/Date: PHELAN, TORI - 05/20/2010 13:48:48

Notification From: TORI.PHELAN@ [REDACTED].COM

Notification To: CHAD.SPARLING@ [REDACTED].CA.COM; RAUL2.HERNANDEZ@ [REDACTED].COM; STEPHANIE.M.ALLEN@ [REDACTED].COM

Property: 2116 WALTON AVE
PITTSBURGH PA, 15210

Subject: Email that I just sent to agent and buyers attorney:

Body: Message Inserted (04/12/2010 07:59 AM) On: 2116 WALTON AVE, PITTSBURGH PA 15210.
The FC attorney is working on obtaining a satisfaction but they are not sure that that can obtain one. They are confident that they will receive a Letter of Indemnification from the underwriter. Last we spoke, Attorney Sautel was not willing to accept a letter of Indemnification on this however; if the letter of Indemnification is issued then the seller has marketable title and will be in the position to proceed. I spoke with the FC attorney on Friday and I expect another update later today.

Attachment(s): • No Attachment

Created By/Date: PHELAN, TORI - 04/12/2010 07:59:49

Notification From: TORI.PHELAN@ [REDACTED].COM

Notification To: CHAD.SPARLING@ [REDACTED].COM; STEPHANIE.M.ALLEN@ [REDACTED].COM

Attachment 2

Property: 2116 WALTON AVE
PITTSBURGH PA, 15210

Subject: VA#111160247126

Body: PER THE PA VARC THEY AUTHORIZE RECONVEYANCE OF THIS PROPERTY Good Afternoon Rodney - James Sinwell, Assistant Regional Counsel, has authorized reconveyance of this subject property. Thank you, Thank you DONNA BINDER From: Johnson, Rodney L [mailto:rodney.l.johnson@bankofamerica.com] Sent: Thursday, July 22, 2010 1:02 PM To: Binder, Donna Subject: FW: 2116 Walton Ave. VA#111160247126 Hi Donna, We were previously provided an Approval on this property on 2/23/2010. Upon this property going to escrow last March it was discovered than there was an Open mortgage. The F/C Atty was able to provide an Letter of Indemnity but per the closing office it was not sufficient as the underwriter for the buyer were not addressed/indemnified. The F/C Atty indicated last may that they were going to get the mortgage satisfied or release. Both I and the closing office have been trying to obtain updates from the F/C Atty without no response from them. Based upon the LOI being insufficient and the lack of an Release I recommend reconveyance of this property. Since you had previously provided approval PMOU would like your response concerning Reconveyance of this property. Please advise. Thank You

Attachment(s): • No Attachment

Created By/Date: JOHNSON "RODNEY", RODNEY - 07/22/2010 11:48:03

Notification From: RODNEY.L.JOHNSON@ [REDACTED] PM

Notification To: VAREO.V [REDACTED]

[Print] [Close]

Property: 2116 WALTON AVE
PITTSBURGH PA, 15210

Subject: *****URGENT*****

Body: Message Inserted (07/20/2010 08:40 AM) On: 2116 WALTON AVE, PITTSBURGH PA 15210. Rodney, Can you please get management involved? I've never seen anything like this. We need a simple answer or document from the FC attorney and they are not responding to either of us and I have been begging for assistance since february!

Attachment(s): • No Attachment

Created By/Date: PHELAN, TORI - 07/20/2010 08:40:06

Notification From: TORI.PHELAN@ [REDACTED]

Notification To: JEFF@GRASHA [REDACTED] AD.SPARLING@ [REDACTED] A.COM; RAUL2.HERNANDEZ@B [REDACTED] COM; STEPHANIE.M.ALLEN [REDACTED];

Property: 2116 WALTON AVE
PITTSBURGH PA, 15210

Subject: F/C Atty response

Body: I finally got help on this one, I hit brick wall after brick wall trying to find out who was in authority to issue a release or satisfaction of lien. Pgh, Mortgage assigned to Ohio Savings Bank who merged with Amtrust and then on to Bank of New York , all of which are now defunked. , I called the FDIC and forwarded everything I had to them. Just got off of the phone with Lakisha, and we reviewed everything I sent. All is in order and she is preparing a release of collateral and will forward to my attention this afternoon with the original to follow by mail I have relayed all of this to Tori at Phelan and Schmeig. I will forward you a copy of the release as soon as I get it.

Attachment(s): • No Attachment

Created By/Date: JOHNSON "RODNEY", RODNEY - 06/29/2010 07:31:49

Notification From: RODNEY.L.JOHNSON@ [REDACTED]

Notification TORI.PHELAN@ [REDACTED];

Attachment 3

This invoice is locked by KORNICKER, LANCE and cannot be updated.

VA Approve Invoice

Department of Veterans Affairs
 INVOICE NUMBER: 22753617-11-30-10

VA LOAN NUMBER: 11-11-6-0247126
Property Address:
 2116 WALTON AVE
 PITTSBURGH, PA 152104148

Vendor Name & Address:
 CHL

Vendor Invoice Number: 22753617-11-30-10
Assigned Date: 10/21/2009
Cohort Year: 1996 **Fund:** 4129

Submit Date:
 11/30/2010

Approve Date:
 12/8/2010

Certify Date:
 12/8/2010

Date of Sale:

Sale Amount:
 \$.00

Status of Invoice:
 Process

Total LGY % SPF: \$.00
Total GOE % SPF: \$.00
Total SPF: \$.00

Total Operating Expenses: \$4,046.69
Total Repairs: \$3,487.00
Total Admin. Expenses: \$.00

FMS Document Number
 10513420001

Invoice type: After Sale Original

Line	Code	Code	Description	Date	Category	Date	Amount	Amount	Check
18	30	48	Water	01/21/2010	Grasha RealEstate	03/15/2010	\$21.14	\$21.14	<input type="checkbox"/>
10	30	23	Clean Interior	01/15/2010	Countrywide Field SVC	02/01/2010	\$75.00	\$75.00	<input type="checkbox"/>
19	30	47	Combined Water And Sewer	12/01/2009	Grasha RealEstate	03/16/2010	\$62.05	\$62.05	<input type="checkbox"/>
20	30	23	Clean Interior	03/16/2010	Countrywide Field SVC	03/29/2010	\$75.00	\$75.00	<input type="checkbox"/>
21	30	42	Utilities	03/09/2010	Grasha RealEstate	04/27/2010	\$14.80	\$14.80	<input type="checkbox"/>
22	30	23	Clean Interior	04/15/2010	Countrywide Field SVC	04/28/2010	\$75.00	\$75.00	<input type="checkbox"/>
23	30	33	Yard Maintenance	04/15/2010	Countrywide Field SVC	04/28/2010	\$90.00	\$90.00	<input type="checkbox"/>
2	30	23	Clean Interior	12/15/2009	Countrywide Field SVC	01/08/2010	\$75.00	\$75.00	<input type="checkbox"/>
6	30	26	Trim Shrubs/Trees	11/19/2009	Countrywide Field SVC	01/15/2010	\$500.00	\$500.00	<input type="checkbox"/>
24	30	33	Yard	04/29/2010	Countrywide	05/12/2010	\$90.00	\$90.00	<input type="checkbox"/>

Exhibit “ 14 ”

Bank of America 
Home Loans

Pre-Reconveyance of Loan/Property
Tracking # 7989 8363 4883
August 25, 2010

U.S. Bank NA
Foreclosure Department
4801 Frederica Street, West B
Owensboro, KY 42301

RE: Prior Mortgagor: Carmen Miller
 Property Address: 2116 Walton Ave., Pittsburg, PA 15210
 VA# 111160247126

Dear Foreclosure Department:

This letter is to notify U.S. Bank NA that BAC Home Loans Servicing, L.P. has requested authority from the Secretary of Veterans Affairs to reconvey the above referenced property for the following reason:

The property has been in our inventory for 288 days. There is an open mortgage. The foreclosing attorney was able to provide a Letter of Indemnity, but it is no sufficient as the underwriter for the buyer was not addressed/indemnified. There is no recorded release.

When a holder seeks to convey property to the VA, the title should be in such condition "as is or would be generally acceptable to prudent lending institutions, informed buyers, title companies, and attorneys in the community in which the property is situated. Title 38 Code of Federal Regulations. section 36.4320 (h) (5).

The VA cannot accept transfer of U.S. Bank, NA (\$42,302.00) because of the invalid foreclosure. Therefore, any itemized expenses will concerning this loan/property must be returned to the VA. The "Bill of Collection" will be furnished to your company at a later date by the VA. This serves only as an advance notice of the reimbursement for acquisition that your company will be required to make upon receipt of VA's request for funds. VA's request for funds may also include any claim under guaranty paid.

The VA makes the final decision to reconvey and if you have any objections to the decision please contact the VA at vareo.vbaco@va.gov.

If you have any questions, please contact Ken Schreiber @ (972) 498-5487.

Sincerely,
Ken Schreiber
MTG Servicing Specialist II
Bank of America VA/REO Department
2375 N. Glenville Dr. Bldg B

Mail Stop: TX2-983-01-01
Richardson, TX 75082

james.schreiber@bankofamerica.com

cc: Vitti and Vitti and Associates, PC, 916 Fifth Avenue, Pittsburgh, PA 15219 (412) 281-1725

Tracking # 7938 5186 6152

Bank of America VA/REO Department 2375 N. Glenville Dr. Bldg B Mail Stop: TX2-983-01-01 Richardson, TX 75082

Exhibit “ 15 ”



Final-Reconveyance of Property
Tracking # 7962 7271 3098

September 23, 2010

U.S. Bank, N.A.
Foreclosure Department
4801 Frederica Street, West B
Owensboro, KY 42301

RE: Prior Mortgagor: Carmen Miller
Property Address: 2116 Walton Ave., Pittsburg, PA 15210
VA# 11160247126

Dear Foreclosure Department:

This letter is to notify U.S. Bank, N.A. that the Secretary of Veterans Affairs is re-conveying the above-referenced property. The reason for this reconveyance is because:

The property has been in our inventory for 288 days. There is an open mortgage. The foreclosing attorney was able to provide a Letter of Indemnity, but it is not sufficient as the underwriter for the buyer was not addressed/indemnified. There is no record of release.

A property acquisition payment was paid to your company when the property was originally conveyed to the Secretary of Veterans Affairs. Therefore, this payment must be returned to VA along with the estimated expenses indicated below, which expenses total \$ 55,754.19

Consideration Amount	\$ 42,302.00
Yard Maintenance	\$ 270.00
REM Electrical	\$ 1,987.00
Appraisal Fee	\$ 575.00
Insp Vacant	\$ 15.00
REO Misc	\$ 398.18
Utilities	\$ 29.30
Winterization	\$ 1,600.00
Snow Removal	\$ 270.00
Property Preservation	\$ 277.00
Cleaning/Maintenance	\$ 525.00
Repairs/REO Val Enhc	\$ 2,000.00
Service Call	\$ 250.00
Agent Management Fee	\$ 1,000.00
BAC Management Fee (\$200.00 per month)	\$ 2,000.00
Equator Program Service Fee	\$ 125.00
Quit Claim Deed/Mailing Fees	\$ 1,946.65
Total	<u>\$ 55,754.19</u>

This is a courtesy notice only and funds are not to be forwarded to the BAC Home Loans Servicing, L.P. The "Bill of Collection" will be furnished by the VA. This serves only as an advance notice of the reimbursement for acquisition that your company will be required to make upon receipt of VA's request for funds. VA's request for funds may also include any claim under guaranty paid.

Bank of America VA/REO Department 2375 N. Glenville Dr. Bldg B Mail Stop: TX2-983-01-01 Richardson, TX 75082
This reconveyance also means that your company now has physical custody and ownership of the property.
Therefore, effective immediately U.S. Bank N.A. is now fully responsible for the continued security and maintenance of the property.

A copy of the recorded Quit Claim Deed will be forwarded to you under a separate cover if it is not attached to this letter. The cost for preparing and recording the Quit Claim Deed is included in the itemized expenses above.

If you have any questions, please contact Ken Schreiber @ (972) 498-5487.

Sincerely,

Ken Schreiber
MTG Servicing Specialist II

Bank of America VA/REO Department
2375 N. Glenville Dr. Bldg B
Mail Stop: TX2-983-01-01
Richardson, TX 75082
james.schreiber@bankofamerica.com

cc: Vitti and Vitti and Associates, P.C. 916 Fifthe Avenue, Pittsburgh, PA 15219 (412) 281-1725
Tracking # 7962 7271 6410

Quit Claim Deed Attached

Return to and mail tax statements to:
U.S. Bank National Association
4801 Frederica Street, West B
Owensboro, KY 42301

Property Tax ID#: 95-F-99

QUIT CLAIM DEED

Made this 27th day of August, 2010, by and between THE SECRETARY OF VETERANS AFFAIRS, as Grantor, and U.S. BANK NATIONAL ASSOCIATION, of 4801 Frederica Street, West B, Owensboro, KY 42301, as Grantee;

Witnesseth, that said Grantor, for in consideration of the sum of FORTY-TWO THOUSAND THREE HUNDRED TWO and 00/100 (\$42,302.00) DOLLARS, and other good and valuable considerations in hand paid by Grantee, the receipt whereof is hereby acknowledged, does hereby remise, release and quitclaim unto the said Grantee forever, all the right, title, interest, claim and demand which the said Grantor has in and to the following described lot, piece or parcel of land, situate, lying and being in Allegheny County, Pennsylvania, to-wit:

SEE COMPLETE LEGAL ATTACHED AS EXHIBIT "A"

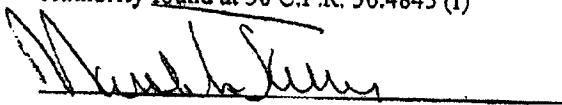
Property Address: 2116 Walton Avenue, Pittsburgh, PA 15210

To have and to hold the same together with all and singular the appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, interest, lien, equity and claim whatsoever of the said Grantor, either in law or in equity, to the only proper use, benefit and behalf of the said Grantee forever.

In witness whereof, Grantor has hereunto set a hand and seal the day and year first written above.

THE SECRETARY OF VETERANS AFFAIRS,
An officer of the United States of America.

By the Secretary's duty authorized property
management contractor, Countrywide Home
Loans Servicing, L.P., nka BAC Home Loans
Servicing, L.P., pursuant to a delegation of
Authority found at 38 C.F.R. 36.4845 (f)



Marishelia James
Printed Name and Title

Exhibit "A"

ALL THOSE CERTAIN LOTS OR PIECES OF GROUND SITUATE IN THE 32ND WARD OF THE CITY OF PITTSBURGH, COUNTY OF ALLEGHANY AND COMMONWEALTH OF PENNSYLVANIA, BEING LOT NO. 299 AND ADJOINING 12 1/2 FEET OF LOT NO. 298 IN THE ENGLERT BROTHER'S PLAN OF LOTS CALLED "INGLEWOOD GARDENS", AS RECORDED IN THE RECORDER'S OFFICE OF ALLEGHENY COUNTY, PENNSYLVANIA, IN PLAN BOOK VOLUME 30, PAGE 118, BEING BOUNDED AND DESCRIBED AS FOLLOWS TO-WIT:

BEGINNING AT A POINT ON THE WESTERLY SIDE OF WALTON AVENUE AT THE DIVIDING LINE BETWEEN LOTS NOS. 299 AND 300 IN SAID PLAN; THENCE ALONG SAID DIVIDING LINE SOUTH 81° 30' 40" WEST, A DISTANCE OF 100 FEET TO A POINT ON THE EASTERLY SIDE OF MARLAND WAY; THENCE ALONG THE EASTERLY SIDE OF MARLAND WAY, NORTH 8° 29' 20" WEST, A DISTANCE OF 37.50 FEET TO A POINT; THENCE BY A LINE THROUGH SAID LOT NO. 298, NORTH 81° 30' 40" EAST, A DISTANCE OF 100 FEET TO A POINT ON THE WESTERLY LINE OF WALTON AVENUE; THENCE ALONG THE WESTERLY SIDE OF WALTON AVENUE, SOUTH 8° 29' 20" EAST, A DISTANCE OF 37.50 FEET TO THE DIVIDING LINE BETWEEN LOTS NOS. 299 AND 300 AFORESAID, THE PLACE OF BEGINNING.

UNDER THE SUBJECT TO RESERVATIONS, RESTRICTIONS, EASEMENTS AND RIGHTS OF WAY AS RECORDED IN PRIOR INSTRUMENTS OF RECORD.

HAVING ERECTED THEREON A DWELLING KNOWN AS 2116 WALTON AVENUE, PITTSBURGH, PENNSYLVANIA 15210.

BEING THE SAME PREMISES WHICH CAROL R. MCCONNELL, A SINGLE WOMAN, BY DEED DATED SEPTEMBER 11, 1996 AND RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF ALLEGHENY COUNTY ON SEPTEMBER 11, 1996 IN DEED BOOK VOLUME 9780, PAGE 633, GRANTED AND CONVEYED UNTO _____.

BLOCK AND LOT NO. 95-F-99

Doc-3220

11373

00-Sep-2010 03:16 PM By: J F

Return to and mail tax statements to:
U.S. Bank National Association
4801 Frederica Street, West B
Owensboro, KY 42301

Property Tax ID#: 95-F-99

QUIT CLAIM DEED

Made this 27th day of August, 2010, by and between THE SECRETARY OF VETERANS AFFAIRS, as Grantor, and U.S. BANK NATIONAL ASSOCIATION, of 4801 Frederica Street, West B, Owensboro, KY 42301, as Grantee;

Witnesseth, that said Grantor, for in consideration of the sum of FORTY-TWO THOUSAND THREE HUNDRED TWO and 00/100 (\$42,302.00) DOLLARS, and other good and valuable considerations in hand paid by Grantee, the receipt whereof is hereby acknowledged, does hereby remise, release and quitclaim unto the said Grantee forever, all the right, title, interest, claim and demand which the said Grantor has in and to the following described lot, piece or parcel of land, situate, lying and being in Allegheny County, Pennsylvania, to-wit:

SEE COMPLETE LEGAL ATTACHED AS EXHIBIT "A"

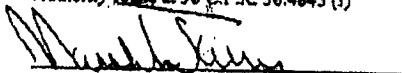
Property Address: 2116 Walton Avenue, Pittsburgh, PA 15210

To have and to hold the same together with all and singular the appurtenances thereto belonging or in anywise appertaining, and all the estate, right, title, interest, lien, equity and claim whatsoever of the said Grantor, either in law or in equity, to the only proper use, benefit and behalf of the said Grantee forever.

In witness whereof, Grantor has hereunto set a hand and seal the day and year first written above.

THE SECRETARY OF VETERANS AFFAIRS,
An officer of the United States of America,

By the Secretary's duly authorized property management contractor, Countrywide Home Loans Servicing, L.P., nka BAC Home Loans Servicing, L.P., pursuant to a delegation of Authority found at 38 C.F.R. 36.4845 (f)



Marichella James
Printed Name and Title

STATE OF TEXAS)

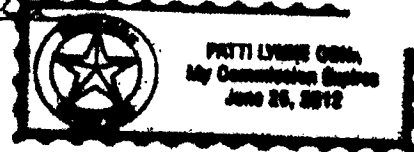
COUNTY OF COLLIN)

On this 27th day of August, 2010, before me Patti Lynne Owsen the undersigned officer, Marishelia James, Assistant Secretary, the Secretary's duly authorized property management contractor of THE SECRETARY OF VETERANS AFFAIRS, who is personally known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument, and who acknowledged and executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

Patti Lynne Owsen

Notary Public
My commission expires:



Certificate of Residence

I, Keen Kellogg, do hereby certify that the correct address of the within-named Grantee is 4801 Frederica Street, W.B., Owensboro, KY 42301.

Witness my hand this 3rd day of September, 2010.

Keen Kellogg
Agent of Grantee

No title search was performed on the subject property by the preparer. The preparer of this deed makes no representation as to the status of the title, nor property use or any zoning regulations concerning described property herein conveyed nor any matter except the validity of the form of this instrument. Information herein was provided to preparer by Grantor/Grantee and /or their agents; no boundary survey was made at the time of this conveyance.

Prepared By:
National Deed Network
28100 US Highway 19 North, Suite 300
Clearwater, Florida 33761

Doc-24280

Allegheny County
Valerie McDonald Roberts
Department of Real Estate
Pittsburgh, PA 15219

**** Electronically Filed Document ****

****DO NOT REMOVE-THIS PAGE IS PART OF THE RECORDED DOCUMENT****

Document Number: 2010-24280
Recorded As: ERX-DEED
Recorded On: September 09, 2010
Recorded At: 03:35:43 pm
Number of Pages: 4
Book-VI/Pg: Bk-DE VI-14374 Pg-520
Recording Fee: \$78.50
Parties:

Department of Real Estate Stamp

0086F00089000000

SECRETARY OF VETERANS AFFAIRS
US BANK NATIONAL ASSOCIATION

Receipt Number: 1659788
Processed By: Joanna Clark

Realty Transfer Stamp

Consideration Amt	\$42302.00	Commonwealth of Pennsylvania	\$423.02
Tax Code :	PITTSBURGH	Munic-Pittsburgh City of	\$846.04
Tax Amount:	\$1092.08	School District-Pittsburgh	\$426.02
Ward :	32-OVERBROOK	Munic-Penalty	\$0
Stamp Num:	T403438	Munic-Interest	\$0
Blk/Lot:	0086F00089000000	School-Penalty	\$0
Affidavit:	No	School-Interest	\$0
Exempt:	No		

I hereby certify that the within and foregoing was recorded in the Department of Real Estate's Office in Allegheny County, PA

****DO NOT REMOVE-THIS PAGE IS PART OF THE RECORDED DOCUMENT****



Valerie McDonald Roberts, Manager
Dan Oberste, County Executive

Exhibit “ 16 ”

Broker Price Opinion

PROPERTY ADDRESS:	2116 Walton Ave, Pittsburgh, PA 15210		
REO #:		BORROWER:	
Most Recent Listing History	From 2/10/2010	To 2/10/2010	Listed at \$24900

I. GENERAL MARKET CONDITIONS

Current market condition:	<input type="checkbox"/> Depressed	<input checked="" type="checkbox"/> Slow	<input type="checkbox"/> Stable	<input type="checkbox"/> Improving	<input type="checkbox"/> Excellent
---------------------------	------------------------------------	--	---------------------------------	------------------------------------	------------------------------------

II. SUBJECT MARKETABILITY

Normal marketing time in the area is:	112	days.	
Marketability of subject property is	<input type="checkbox"/> excellent	<input type="checkbox"/> good	<input checked="" type="checkbox"/> fair <input type="checkbox"/> poor.
Unit Type:	<input checked="" type="checkbox"/> House	<input type="checkbox"/> Condo	<input type="checkbox"/> Townhouse <input type="checkbox"/> Multi-family (#. of units) <input type="checkbox"/> Modular

III. COMPETITIVE CONTRACT OFFERINGS OR LISTINGS

ITEM	SUBJECT			COMPARABLE NO. 1				COMPARABLE NO. 2				COMPARABLE NO. 3						
Address	2116 Walton Ave., Pittsburgh, PA 15210			1421 Nobles Lane, Pittsburgh, PA 15210				141 Linnview, Pittsburgh, PA 15210				2229 Lutz Ave, Pittsburgh, PA 15210						
Proximity to Subj.				.8 mile				.1 mile				.89 mile						
Current Price \$				12900				12000				19900						
List Date /DOM				10/24/10 - 6413				6/28/10 - 182				12/7/10 - 20						
Lot Size	3850sf			3786sf				4900sf				6435						
Room Count	Total	Bdms	Baths	Total	Bdms	Bat hs	Fair condition	Total	Bdms	Bat hs	Fair condition	Total	Bdms	Baths	Good condition			
Room Count	6	3	1	6	3	1	0	6	2	1	0	6	3	1	-10000			
Gross Living Area	1375 Sq. Ft.			1176 Sq. Ft.				800	1350 Sq. Ft.				0	1350 Sq. Ft.				0

COMMENTS: <i>Please describe the condition of the comparables.</i>	
COMP #1:	Similar condition and amenities with slightly less sq footage
COMP #2:	Similar condition sq footage and amenities
COMP #3:	Superior condition with a garage

IV. COMPETITIVE CLOSED SALES

ITEM	SUBJECT			COMPARABLE NO. 1				COMPARABLE NO. 2				COMPARABLE NO. 3						
Address	2116 Walton Ave, Pittsburgh, PA 15210			2549 Homehurst St., Pittsburgh, PA 15234				2216 Lutz Ave., Pittsburgh, PA 15210				2012 Dellrose, Pittsburgh, PA 15210						
Proximity to Subj.				1 mile				.85 mile				.85 mile						
Sales Price \$				15000				25000				35000						
Date of Sale /DOM				7/26/10 - 151				8/26/10 - 101				12/15/10 - 128						
Lot Size	3850sf			3250 sf				3510 sf				2760 sf						
Room Count	Total	Bdms	Baths	Total	Bdms	Baths	Poor condition	Total	Bdms	Baths	Fair condition	T ot al	Bdms	Baths	Good condition			
Room Count	6	3	1	6	3	1	10000	6	3	1	0	6	3	2	-11000			
Gross Living Area	1375 Sq. Ft.			1560 Sq. Ft.				-800	1178 Sq. Ft.				800	1375 Sq. Ft.				0

COMMENTS: <i>Please describe the condition of the comparables.</i>	
COMP #1:	Inferior condition with more sq footage and similar amenities
COMP #2:	Similar condition and amenities with slightly less sq footage
COMP #3:	Superior condition with 2 nd full bath and 2 car detached garage

V. ESTIMATED CLOSING COSTS / REPAIRS NOTED

Gross Estimated Closing Costs	0
Gross Amount of Repairs Needed	\$7000
List of Repairs (if necessary)	Replace plumbing and repair damaged walls and kitchen cuberts
Continued.....	When all the copper plumbing was removed from the subject, damage was done some walls and ceilings. The kitchen sink area was removed and must be reinstalled.

VI. THE MARKET VALUE must fall within the indicated value of the sales used above.

THE VALUE FOR THE SUBJECT PROPERTY BASED ON 120 DAYS LIST TO CONTRACT IS:

	Market Value	Suggested List Price	Available Financing	Broker Recommends Marketing Either
As Is	\$ 25000	\$ 28000	Conv <input type="checkbox"/> FHA/VA <input type="checkbox"/> Other <input type="checkbox"/>	As Is <input checked="" type="checkbox"/> OR
Complete Repairs	\$ 35000	\$ 38500	Estimate of Repairs: \$70000	Repairs <input type="checkbox"/>

COMMENTS including specific positive on this property and special concerns, if any, like apparent structural issues, encroachments, easements, water rights, propane, hazardous waste, flood zone, etc.) Attach addendum if additional space is needed.

The subject appears to be in fair condition, for this neighborhood, from an interior inspection.

Information was obtained from county tax records and MLS. Within 1 mile of the subject, over the last 6 months, a total of 43 residential properties sold.. Within the same criteria, there is currently 52 properties for sale. Of the 52, 8 are comparable to the subject and listed from \$20,000 to \$31,500 The price range of sales was

\$6,000 to \$99,500. The median sales price was \$31,500 and the average sale price to list price ratio was 85%.

Richard Creo

 Agent's Signature

12/27/10

 Date

Exhibit “ 17 ”



Vitti & Vitti
& Associates, P.C.
Real Estate Attorneys

Louis Vitti
Rodney Permigiani
Lois Vitti*

217 West End Avenue, Nashville, TN 37203
Office: 615.259.7777 Fax: 615.259.1107
www.vittivitti.com

*Admitted in PA, NY & NJ



March 25, 2011

Department of Veterans Affairs
Attention: SHERRY CONLEY
Property Management Oversight Unit
Suite 760W
3401 West End Avenue
Nashville, TN 37203

**RE: 2116 Walton Avenue
Mt. Oliver, Allegheny County, PA 15210**

Dear Ms. Conley:

Enclosed please find a Claim for Damage in the above referenced matter.

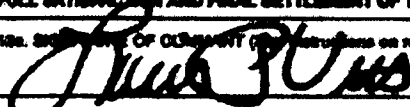
Thank you for your attention and cooperation.

Very truly yours,

A handwritten signature in black ink that reads 'Louis P. Vitti'.
Louis P. Vitti

LPV:amg

Enclosure

CLAIM FOR DAMAGE, INJURY, OR DEATH		INSTRUCTIONS: Please read carefully the instructions on the reverse side and supply information requested on both sides of this form. Use additional sheet(s) if necessary. See reverse side for additional instructions.		FORM APPROVED OMB NO. 1105-0006	
1. Submit To Appropriate Federal Agency: Department of Veterans Affairs Property Management Oversight Unit, Suite 760W 3401 West End Avenue Nashville, TN 37203			2. Name, Address of claimant and claimant's personal representative, if any. (See instructions on reverse.) (Number, Street, City, State and Zip Code) Louis P. Vitti, Esquire 215 Fourth Avenue Pittsburgh, PA 15222		
3. TYPE OF EMPLOYMENT □ MILITARY & CIVILIAN	4. DATE OF BIRTH 12/27/48	5. MARITAL STATUS Married	6. DATE AND DAY OF ACCIDENT After October 5, 2009	7. TIME (A.M. OR P.M.)	
8. Basis of Claim (State in detail the known facts and circumstances attending the damage, injury, or death, identifying persons and property involved, the place of occurrence and the cause thereof. Use additional pages if necessary.) Property was sold at sheriff's sale and Veterans Administration (VA) took custody of the property. During the course of time while the property was in the custody of the VA, the VA failed to safeguard the property and damage by vandals was occasioned. Damages reflect a diminution in value from the appraisal in an amount of \$48,900.00 has been reduced due to the damage and Brokers Professional Opinion at \$24,900.00. Costs of repair are estimated to be per attached contractor's estimate. Property has been recovered in a damaged condition.					
9. PROPERTY DAMAGE					
NAME AND ADDRESS OF OWNER, IF OTHER THAN CLAIMANT (Number, Street, City, State, and Zip Code).					
BRIEFLY DESCRIBE THE PROPERTY, NATURE AND EXTENT OF DAMAGE AND THE LOCATION WHERE PROPERTY MAY BE INSPECTED. (See instructions on reverse side.) 2115 Walton Avenue, Mt. Oliver, PA 15210 Block & Lot 95-7-99. See #8.					
10. PERSONAL INJURY/WRONGFUL DEATH					
STATE NATURE AND EXTENT OF EACH INJURY OR CAUSE OF DEATH, WHICH FORMS THE BASIS OF THE CLAIM. IF OTHER THAN CLAIMANT, STATE NAME OF INJURED PERSON OR DECEDENT.					
11. WITNESSES					
NAME		ADDRESS (Number, Street, City, State, and Zip Code)			
Richard A. Cree		2660 Monroeville Blvd., Monroeville, PA 15146			
Richard Lyons		662 4th Street, Oakmont, PA 15139			
12. (See instructions on reverse.) AMOUNT OF CLAIM (in dollars)					
12a. PROPERTY DAMAGE \$23,100.00	12b. PERSONAL INJURY	12c. WRONGFUL DEATH	12d. TOTAL (Failure to specify may cause forfeiture of your rights.) \$23,100.00		
I CERTIFY THAT THE AMOUNT OF CLAIM COVERS ONLY DAMAGES AND INJURIES CAUSED BY THE INCIDENT ABOVE AND AGREE TO ACCEPT SAID AMOUNT IN FULL SATISFACTION AND FINAL SETTLEMENT OF THIS CLAIM					
13a. SIGNATURE OF CLAIMANT (See instructions on reverse side.) 		13b. Phone number of person signing form 412-281-1725 x0	14. DATE OF SIGNATURE 3-25-11		
CIVIL PENALTY FOR PRESENTING FRAUDULENT CLAIM		CRIMINAL PENALTY FOR PRESENTING FRAUDULENT CLAIM OR MAKING FALSE STATEMENTS			
The claimant is liable to the United States Government for a civil penalty of not less than \$6,000 and not more than \$18,000, plus 3 times the amount of damages sustained by the Government. (See 31 U.S.C. 3729.)		Fine of not more than \$10,000 or imprisonment for not more than 5 years or both. (See 18 U.S.C. 287, 1001.)			

INSURANCE COVERAGE	
<p>In order that subrogation claims may be adjudicated, it is essential that the claimant provide the following information regarding the insurance coverage of his vehicle or property.</p>	
<p>15. Do you carry accident insurance? <input type="checkbox"/> Yes If yes, give name and address of insurance company (Number, Street, City, State, and Zip Code) and policy number. <input checked="" type="checkbox"/> No Insurance coverage would have been the responsibility of the Veterans Administration.</p>	
<p>16. Have you filed a claim on your insurance carrier in this instance, and if so, is it full coverage or deductible? Not able to file claim with a carrier.</p>	<p>17. If deductible, state amount. n/a</p>
<p>18. If a claim has been filed with your carrier, what action has your insurer taken or proposed to take with reference to your claim? (It is necessary that you ascertain these facts.) n/a</p>	
<p>19. Do you carry public liability and property damage insurance? <input type="checkbox"/> Yes If yes, give name and address of insurance carrier (Number, Street, City, State, and Zip Code). <input type="checkbox"/> No n/a</p>	
INSTRUCTIONS	
<p>Claims presented under the Federal Tort Claims Act should be submitted directly to the "appropriate Federal agency" whose employee(s) was involved in the incident. If the incident involves more than one claimant, each claimant should submit a separate claim form.</p> <p style="text-align: center;">Complete all items - Insert the word NONE where applicable.</p>	
<p>A CLAIM SHALL BE DEEMED TO HAVE BEEN PRESENTED WHEN A FEDERAL AGENCY RECEIVES FROM A CLAIMANT, HIS DULY AUTHORIZED AGENT, OR LEGAL REPRESENTATIVE, AN EXECUTED STANDARD FORM 95 OR OTHER WRITTEN NOTIFICATION OF AN INCIDENT, ACCOMPANIED BY A CLAIM FOR MONEY</p> <p>Failure to completely execute this form or to supply the requested material within two years from the date the claim accrued may render your claim invalid. A claim is deemed presented when it is received by the appropriate agency, not when it is mailed.</p> <p>If instruction is needed in completing this form, the agency listed in item #1 on the reverse side may be contacted. Complete regulations pertaining to claims asserted under the Federal Tort Claims Act can be found in Title 28, Code of Federal Regulations, Part 14. Many agencies have published supplementing regulations. If more than one agency is involved, please state each agency.</p> <p>The claim may be filed by a duly authorized agent or other legal representative, provided evidence satisfactory to the Government is submitted with the claim establishing express authority to act for the claimant. A claim presented by an agent or legal representative must be presented in the name of the claimant. If the claim is signed by the agent or legal representative, it must show the title or legal capacity of the person signing and be accompanied by evidence of his/her authority to present a claim on behalf of the claimant as agent, executor, administrator, parent, guardian or other representative.</p> <p>If claimant intends to file for both personal injury and property damage, the amount for each must be shown in item #12 of this form.</p>	<p>DAMAGES IN A SUM CERTAIN FOR INJURY TO OR LOSS OF PROPERTY, PERSONAL INJURY, OR DEATH ALLEGED TO HAVE OCCURRED BY REASON OF THE INCIDENT. THE CLAIM MUST BE PRESENTED TO THE APPROPRIATE FEDERAL AGENCY WITHIN TWO YEARS AFTER THE CLAIM ACCRUES.</p> <p>The amount claimed should be substantiated by competent evidence as follows:</p> <p>(a) In support of the claim for personal injury or death, the claimant should submit a written report by the attending physician, showing the nature and extent of injury, the nature and extent of treatment, the degree of permanent disability, if any, the prognosis, and the period of hospitalization, or incapacitation, attaching itemized bills for medical, hospital, or burial expenses actually incurred.</p> <p>(b) In support of claims for damage to property, which has been or can be economically repaired, the claimant should submit at least two itemized signed statements or estimates by reliable, disinterested concerns, or, if payment has been made, the itemized signed receipts evidencing payment.</p> <p>(c) In support of claims for damage to property which is not economically repairable, or if the property is lost or destroyed, the claimant should submit statements as to the original cost of the property, the date of purchase, and the value of the property, both before and after the accident. Such statements should be by disinterested competent persons, preferably reputable dealers or officials familiar with the type of property damaged, or by two or more competitive bidders, and should be certified as being just and correct.</p> <p>(d) Failure to specify a sum certain will render your claims invalid and may result in forfeiture of your rights.</p>
PRIVACY ACT NOTICE	
<p>This Notice is provided in accordance with the Privacy Act, 5 U.S.C. §52a(e)(3), and concerns the information requested in the letter to which this Notice is attached.</p> <p>A. Authority: The requested information is solicited pursuant to one or more of the following: 5 U.S.C. 301, 28 U.S.C. 501 et seq., 28 U.S.C. 2671 et seq., 28 C.F.R. Part 14.</p>	<p>B. Principal Purpose: The information requested is to be used in evaluating claims.</p> <p>C. Routine Use: See the Notices of Systems of Records for the agency to whom you are submitting this form for this information.</p> <p>D. Effect of Failure to Respond: Disclosure is voluntary. However, failure to supply the requested information or to execute the form may render your claim "invalid".</p>
PAPERWORK REDUCTION ACT NOTICE	
<p>This notice is solely for the purpose of the Paperwork Reduction Act, 44 U.S.C. 3501. Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Director, Torts Branch, Attention: Paperwork Reduction Staff, Civil Division, U.S. Department of Justice, Washington, D.C. 20530.</p>	

STATEMENT OF CASE

1. Parties are Edith Moen Vitti and Louis P. Vitti, real parties in interest, with an address for purposes of this proceeding at 215 Fourth Avenue, Pittsburgh, PA 15222.
2. The proprietary interest in the property arises from the obligation of attorney Louis P. Vitti to indemnify Pennsylvania Housing Finance Agency after reconveyance of title to the property at 2116 Walton Avenue, Pittsburgh, PA 15210, Allegheny County, and Commonwealth of Pennsylvania.
3. The Department of Veterans Affairs is the entity that elected to reconvey the property because of title issues that were resolved, however, an issue regarding the timeliness of such resolution resulted in the decision for reconveyance.
4. On August 11, 2009, appraiser Harry James Smeltzer did provide a value for the property in an amount of \$48,000.00.
5. Subsequent to the appraiser evaluation, the Department of Veterans Affairs did take possession of the property and relieved the servicer Pennsylvania Housing Finance Agency of the obligation to secure the property.
6. The file was received in the REO Department of Pennsylvania Housing Finance Agency on October 5, 2009 and forced-placed insurance covered the property at that time.
7. On October 21, 2009, the Department of Veterans Affairs paid the net value to Pennsylvania Housing Finance Agency; the insurance was cancelled since the Department of Veterans Affairs had assumed responsibility for the property.
8. Inspections were conducted on the property October 5, 2009 and the property was vacant, locked, electric off, water off, fair condition and winterized.