
Fax Cover Sheet

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2 pages

To Chandra Broadnak
From Bryan Canary
Date 9/6/2005
Subject 627 S. Paca St.
Total Pages (including cover sheet)

Chandra—

I've attached the two signed payoff requests along with account numbers as discussed.

Regarding the appraisal—

I'm a real estate agent and a developer in Baltimore Maryland and I'm quite familiar with the real estate market in my neighborhood and surrounding neighborhoods, and I'd like to make a few comments regarding the appraisal.

I totally renovated 627 S. Paca Street 2 years ago and I put almost \$200k in renovation work into the house. The house is a 3 BR 2 Bath row house with ~2400 sf of living space. For appraisal purposes it will appraise as a 2 BR 1 BA house with ~1800 sf of living space and a 600 sf finished basement.

Very few houses in this neighborhood have been 'totally renovated' because the price of shells and partial renovations have risen so quickly that the major renovation work now must wait until the comps can support \$500-600k resale values. In the mean time, people are doing cosmetic work to these homes, calling them total renovations, and selling them in the low to mid \$300's.

A much more accurate comp for my property can be obtained using the townhouse units which sold on 657 Washington Blvd. These units are in my neighborhood only one block away from my home and on a much less desirable street. Units A thru D are in an old school, and the old school has been divided into town houses and lives identical to group of row of 4 row houses with the exception that they share a private walk way because of the configuration of the building. That private walkway along with the private walk way which leads to their garage required the developer to convert this project into condominiums, but for comparison purposes, this group of property much more closely represents a fair market value for my property than the other recent sales in the neighborhood.

My home is larger than those townhouses, my home is of higher quality and workmanship throughout the home, my home has a finished basement with a bedroom and a bathroom in it, my home has 10 skylights and 20 more windows than those units,

Bryan P. Canary

my home has a large private yard, my home has a back deck which those units don't have, and it has an area for parking which is comparable to their garage, and my home.

657 Washington Blvd – Unit A - \$439,000 settled price

657 Washington Blvd – Unit B - \$410,000 settled price

657 Washington Blvd – Unit C - \$420,000 settled price

657 Washington Blvd – Unit D - \$450,000 settled price

657 Washington Blvd – Unit E - \$499,000 asking price (under contract for ???)

657 Washington Blvd – Unit F - \$450,000 settled price

NOTE: I actually feel units E and F more closely represent the value of my home, but I feel it might be a more difficult argument for underwriters because the building they are housed in was constructed 1 year ago, where as the building Units A – D are in was constructed ~ the same time as mine, and has been totaled renovated in a comparable manner as mine.

Please feel free to contact me with any questions.

Warm Regards

Bryan P. Canary