

Via U.S. Mail and Email

April 26

PO Box

Re: Property: 524 East
Your File No.:

WA

Dear Mr.

Please be advised that the undersigned law firm represents . By means of this letter, hereby makes demand on you for damages due to losses caused by an inflated appraisal performed by you.

On or about January 28 , you prepared a Uniform Residential Appraisal Report for 524 East WA (the "Property"). In your report, you provided a market value for the Property of \$347,000. Your appraisal report was submitted to in connection with a mortgage finance transaction. relied on your appraisal report (as allowed and anticipated by "Appraiser's Certification" Nos. 21 and 23) in deciding to fund a \$276,000 mortgage loan secured by the Property or about May 5 . The market value provided by you was a material factor in 's decision to fund this loan.

In February , was notified by Fannie Mae that the Property had a market value of \$250,000 as of the date of your origination appraisal. Fannie Mae engaged a review appraiser that concluded that your report failed to address the listing history of the Property (listed at \$259,950) and relied on superior, and inappropriate, comparables.

was forced to repurchase the subject mortgage loan from Fannie Mae because of the inflated nature of your appraisal. As a result, has suffered an actual loss of approximately \$160,000. In an attempt to avoid litigation, has authorized us to offer a release of all claims against you relating to the Property in exchange for \$130,000.

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Offer to Compromise: 524 East

, WA

hereby requests you to place your errors and omissions insurance carrier on notice of this claim for damages by forwarding a copy of this letter to your carrier. Please provide me with a written response to this letter by May 20, 201 or provide me with a copy of the declarations page of your errors and omissions policy. Feel free to contact me if you have any questions.

Nothing contained in this letter shall constitute a waiver of any rights or defenses may have in law or equity, and all such rights and defenses are hereby expressly reserved.

Sincerely,