

Market Adjust

Subject: **Sample subject property (synthetic data)** · Effective date: **2025-07-01** · Prepared: 2025-07-02

1. DATA SOURCE

Source of comparable sales	Synthetic sample data, not an MLS export
Search criteria	Detached single-family; 1,350-2,500 sq ft above grade; closed sales 07/2023 through 07/2025
Data retrieved	2025-07-01
Sales analysed	317
Analysis period	2023-07-08 to 2025-05-25 (22.6 months)
Average sales per month	14.0
Prices analysed	gross sale price

The analysis period is at least twelve months, satisfying the minimum market-data requirement.

2. SALES EXCLUDED FROM THE ANALYSIS

3 of 320 sales retrieved were excluded by the appraiser and did not contribute to the trend. They remain plotted, shown hollow, on the exhibit below.

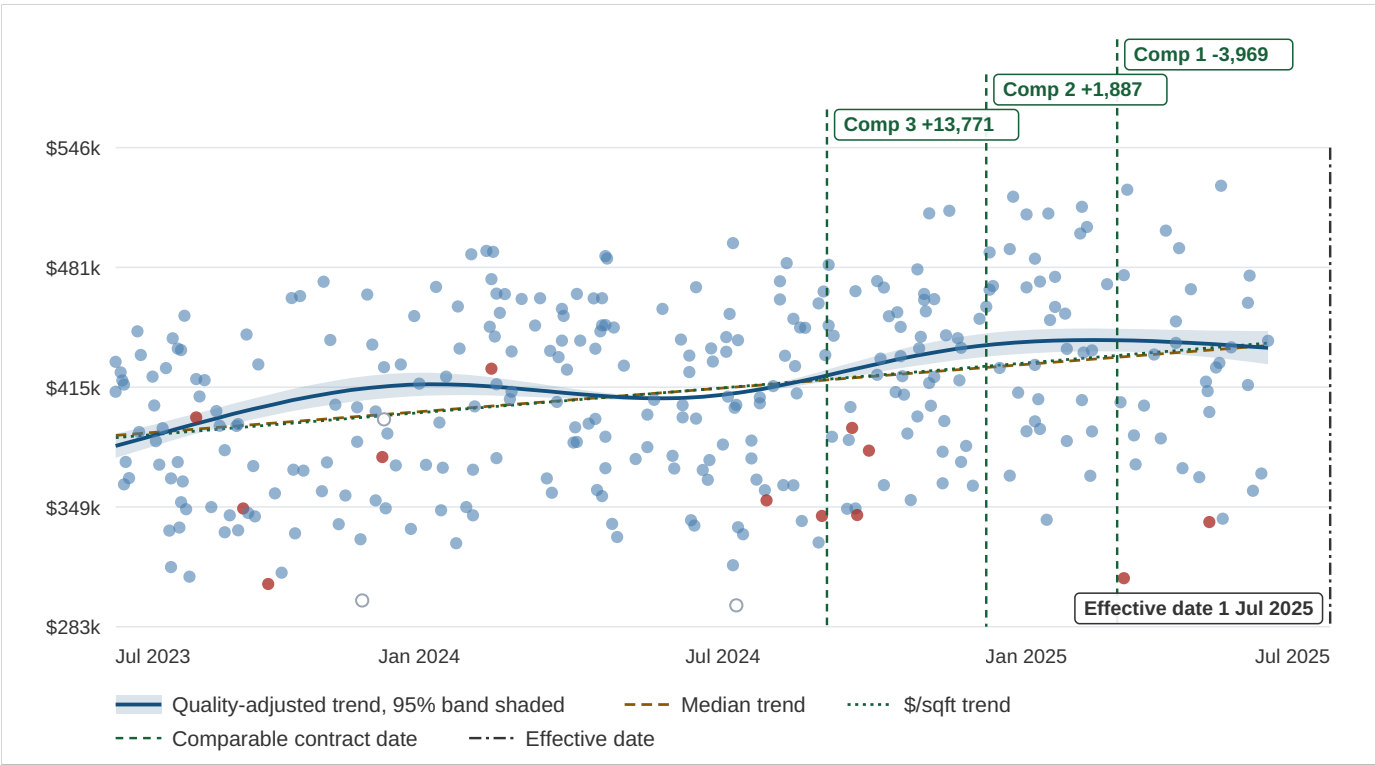
Excluded: MLS00044, MLS00110, MLS00242

3. TECHNIQUE

Sale prices for 317 comparable sales were plotted against the date each sale went under contract, and a smooth curve with 3 bends was fitted through them. The same fit held living area, bathroom count and age constant, so that the trend measures market movement rather than changes in what happened to sell. The adjustment for each comparable is the change in that fitted trend between its contract date and the effective date of the appraisal.

Two independent measures of the same market were reconciled. The sales above supply a locally derived rate; FHFA HPI, CBSA, expanded-data seasonally adjusted supplies a published rate for the same period. They were combined in proportion to the precision of each, giving the local sales a weight of 78% to 85%. Where the local sales are numerous and consistent they carry most of the weight; where they are few or scattered the published index carries more.

4. MARKET TREND EXHIBIT



Solid line: quality-adjusted market trend, with its 95% interval shaded. **Long dashes:** median price trend. **Dotted line:** price per square foot trend. **Green dashed lines:** contract dates of the comparables adjusted below. **Grey dash-dot line:** the effective date, to which every adjustment runs. Red points are distressed or REO sales; hollow points were excluded.

quality-adjusted trend, 12 months to May 2025	+6.8%
median trend, annual rate over the sales window	+6.6%
\$/sqft trend, annual rate over the sales window	+6.9%

5. INDICATED ADJUSTMENTS

COMPARABLE	CONTRACT DATE	DAYS BEFORE EFFECTIVE DATE	INDICATED ADJUSTMENT	DOLLAR ADJUSTMENT	95% INTERVAL	WEIGHT ON LOCAL SALES
Comp 1	2025-02-24	127	-0.92%	-3,969	-2.9% to +1.1%	81%
Comp 2	2024-12-08	205	+0.41%	+1,887	-2.3% to +3.2%	78%
Comp 3	2024-09-04	300	+3.46%	+13,771	+0.7% to +6.3%	85%

A zero adjustment is shown as zero and is supported by the same analysis as any other figure; it is not an omission. The interval states the range within which the market movement can be placed with 95% confidence given the data analysed. Time explains only a small share of the variation in individual sale prices; the relevant test is whether the estimated rate of change can be distinguished from zero, not how much of each sale price it explains.

6. MATTERS AFFECTING THE ANALYSIS

No concession adjustment

Seller concessions were reported for 34% of sales. Because a partial adjustment would bias the trend in proportion to how often the field was filled, no concession adjustment was applied.

Trend projected to the effective date

The most recent contract date is 37 days before the effective date. Each comparable's time adjustment is projected forward over that interval, and its confidence interval widens accordingly.

7. REPRODUCIBILITY

Recorded so this analysis can be reproduced, by this appraiser or by a reviewer, for as long as the workfile is retained. **Re-running the same sales under the same version of this tool reproduces every figure shown on this exhibit, to the precision shown.**

```
tool Market Adjust 0.1.0
method natural cubic spline, 3 interior knot(s); controls: log_gla, baths_total, age; Huber-robust least squares
knot positions -1.9822, -1.4867, -1.0349, -0.6461, -0.1013
date basis contract
concessions gross sale price
seasonal factors 16984 (fhfa-8ab042e042ff4769)
published index FHFA HPI, CBSA, expanded-data seasonally adjusted
index series 16984 (fhfa-8ab042e042ff4769)
prior spread 0.04/yr, sigma_1y * sqrt(years)
input SHA-256 7d78f8d2092c24129e56bed0bcd91cd60f2ee5a97608cd31f6da96b4a37fafb1
results SHA-256 6ed52ae74c5a91b6aec99920fa182382f4ca819dd94c2af8f297a83df16384d7
```

The input hash identifies the sales analysed and is reproducible on any computer. The results hash records the values as they were computed here: processors and system mathematics libraries round differently in the final digits, so a re-run on other hardware reproduces the figures above without necessarily reproducing this hash.

8. CERTIFICATION

The appraiser has reviewed the data, the exclusions and the method above, and adopts the indicated adjustments in the accompanying appraisal report. This exhibit is evidence supporting those adjustments; the opinion of value remains the appraiser's.

Appraiser signature — Sample report

License / certificate —
None (sample)

Date