

BudgetRefinery™

Pre-Appraisal Budget Review — About This Report

a product of Malama Funding LLC • trademark pending

Property: 1214 Kaimuki Ave, Honolulu HI 96816 | Prepared for: Sample Investor / Pacific Rehab Partners | Date: August 2026

What this is

BudgetRefinery is Malama Funding's proprietary pre-appraisal review of your construction or renovation budget. It is run **before the appraisal is ordered** and works on two layers. First, **appraisal readiness**: it translates your line-item descriptions into the standardized quality and condition vocabulary appraisers use (the Fannie Mae UAD framework), so the finished value you are building is described in terms an appraiser can credit. Second, **a second set of eyes on the numbers**: we compare your trade budgets against current market cost data and **flag** any line where our research indicates a potential gap — under- or over-funding — for you to review. These are awareness flags, **not budget recommendations**; we do not tell you what to spend.

Why it benefits you

A budget that under-describes the work is one of the most common reasons a property appraises low — vague or blank line items lead an appraiser to default downward, costing real value on paper. And a budget that under-funds a core trade is a common source of overruns, failed inspections, and stalled draws. BudgetRefinery helps you describe — truthfully — the quality you are actually building, and gives you an early, independent second look at the numbers so you can catch a potential gap before the money is committed.

What we ask you to do

Review the accompanying BudgetRefinery Report. For each line you will see your **current** amount, an **awareness flag** (for example, 'potential underfunding'), and a plain-English note with the market context behind the flag. Treat these as items to double-check with your general contractor — not as instructions, and not as a number you must hit. Confirm that the enriched descriptions match the materials and scope you have actually selected — ideally by returning a short spec sheet (cabinet style, countertop material, window and HVAC specs, electrical panel size, insulation values, and the like). The figures and the decisions remain entirely yours.

Disclaimers & Terms

This is not an appraisal and is not a guarantee of value, of any quality or condition rating, or of any loan outcome. It does not instruct, pressure, or communicate with the appraiser, who remains fully independent. It is informational only.

The flags in this report are for awareness only. They identify items we suggest you review with your contractor — they are not recommendations to spend, not bids or quotes, and not a directive to change your budget. Any cost ranges shown are general market context drawn from our research, not figures you are advised to adopt; we do not recommend a specific amount for any line.

Increasing a budget line has trade-offs. Raising any amount above your original budget may increase the project's value, but it can also **reduce your overall leverage** — a higher total project cost can affect your loan-to-cost and loan-to-value ratios, which may increase the cash you need to bring to closing. Weigh any increase against its impact on your financing before committing.

Our analysis is based **solely on the information you provide**, together with third-party sources and tools we use to research market costs and language — including internet searches, external data APIs, and current artificial-intelligence and large-language-model systems. These sources can be incomplete, out of date, or simply wrong, and **this document may therefore contain errors**. Verify all figures and scope independently with your own licensed contractors and professionals. Nothing here is legal, tax, financial, engineering, or appraisal advice.

Every description must be **truthful**. You are responsible for the accuracy of your budget, scope, and material representations, and the suggested language must never be used to overstate what is being built. Malama Funding LLC accepts no liability for decisions made in reliance on this document and provides it without warranty of any kind.

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