LETTER OF TRANSMITTAL

5426 S RIFLE CT, CENTENNIAL, CO 80015

In accordance with your request, I have appraised the property located at:

5426 S RIFLE CT, CENTENNIAL, CO 80015

The purpose of this appraisal is to develop an opinion of the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

In my opinion, the market value of the property as of 8/14/2012 is:

$ 245,000

Two Hundred and Forty-Five Thousand Dollars

The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice. The attached report contains the description, analysis, supportive data and conclusions. The opinion of value is contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me if I can be of additional service to you.

Respectfully submitted,

[Signature]

Sample Appraiser

Name Sample Appraiser
Date 08/16/2012

AMP Appraisal
4445 Main Street
Denver, CO 80126

Produced by CompCruncher Software 800-622-8727
SUMMARY APPRAISAL REPORT

REAL ESTATE COLLATERAL VALUATION REPORT

File No. 5426 S. Rifle Ct.

Client Bank of Austin
Borrower Pat Brown

Address 4998 Congress Ave
City Austin
ST TX Zip 78758

AMC Name

Owner BROWN CHRISTOPHER C & MUTSUMI O
County ARAPAHOE

APN 2073-16-2-23-004
Census Tract 0070.58

Total Rooms 8
Level Area 2,319
Year Built 1979

Floor Area 8500
Stories 2.00

Full Baths 2
Basement Sqft 984
Design Ranch

Half Baths 0
Car Storage 2

FEMA Special Flood Hazard Area X
FEMA Map # 0481K
FEMA Map Date 12/17/2010

Comments: The subject property was built in 1979 and consists of 2,319 square feet of GLA. The property is configured with 4 bedrooms 2.5 bathrooms. The property includes a 2-car garage and a basement area of 984 square feet. The property also includes a fireplace.

The subject neighborhood has experienced relative stability in the last 18 months with respect to the real estate market, with days on market and median sales prices supporting this thesis.

This appraisal is based on the subject property “as is”, the defined Scope of Work, Statement of Assumptions and Limiting Conditions, and the Appraiser’s Certification. My opinion of the market value of the subject as of the effective date of this appraisal is:

Market Value: $245,000
Effective Date: 8/14/2012

Signature Sample Appraiser

APPRAISER

Analysis/Analysis High

$124,000
$122,000

Low $63

$248,000

$304,000

High $598

Property Inspection:

No Inspection

Exterior Only

Interior and Exterior

Exterior Only

Interior and Exterior

Reconciliation Comments

The data from regression analysis provided the foundation for the overall appraisal. The regression had sufficient data and is considered highly reliable. See comments - Reconciliation Comments

Reconcilation Comments

12/21/2012

08/16/2012

08/16/2012

8898988

CO Express 12/21/2012

4445 Main Street

AMP Appraisal

400126

Sample Appraiser

AMP Appraisal

Sample Appraiser

AMP Appraisal

Sample Appraiser

AMP Appraisal

Sample Appraiser

AMP Appraisal

Sample Appraiser

AMP Appraisal

Sample Appraiser

AMP Appraisal

Sample Appraiser

AMP Appraisal

Sample Appraiser

AMP Appraisal

Sample Appraiser

AMP Appraisal
MARKET CONDITION AND TRENDS

Property Address: 5426 S RIFLE CT
City: CENTENNIAL
County: ARAPAHOE
State: CO
Zip Code: 80015

Neighborhood Name: SMOKY HILL

Sales and Listing Price Trend

<table>
<thead>
<tr>
<th>10-12 Mos.</th>
<th>7-9 Mos.</th>
<th>4-6 Mos.</th>
<th>3 Mos.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Listings</td>
<td>63</td>
<td>49</td>
<td>65</td>
</tr>
<tr>
<td>Median List Price</td>
<td>245,000</td>
<td>240,000</td>
<td>262,500</td>
</tr>
<tr>
<td>Median Sales Price</td>
<td>239,000</td>
<td>230,000</td>
<td>225,000</td>
</tr>
<tr>
<td>Absorption Rate</td>
<td>9.83</td>
<td>15.67</td>
<td>19.00</td>
</tr>
<tr>
<td>Months of Supply</td>
<td>6.4</td>
<td>3.1</td>
<td>3.4</td>
</tr>
<tr>
<td>Sales/List Price Ratio</td>
<td>0.98</td>
<td>0.98</td>
<td>0.99</td>
</tr>
<tr>
<td>Sales Price/Sq. Ft</td>
<td>113.88</td>
<td>111.89</td>
<td>117.50</td>
</tr>
</tbody>
</table>

Market Trends

- Sales Price Trend: Increasing
- Listing Price Trend: Increasing
- Absorption Rate: Increasing
- Months of Supply: Increasing
- Days on Market: Increasing
- Property Values: Increasing

The subject neighborhood has experienced relative stability in the last 18 months with respect to the real estate market, with days on market and median sales prices supporting this thesis.

Neighborhood Trends and Impact on Subject Property

The subject neighborhood has experienced relative stability in the last 18 months with respect to the real estate market, with days on market and median sales prices supporting this thesis.
The regression analysis had sufficient sales with which to provide an analysis that properly considered and extracted adjustments for various property characteristics. The measures of model performance are considered good, and the COV/COD measures also support the valuation output.

The standard error is within market parameters and the overall valuation from regression is considered to be credible.
### Sales Comparison Analysis

**Property Address:** 5426 S RIFLE CT  
**City:** CENTENNIAL  
**County:** ARAPAHOE  
**City:** CENTENNIAL  
**State:** CO  
**Zip Code:** 80015

<table>
<thead>
<tr>
<th>ITEM</th>
<th>SUBJECT</th>
<th>COMPARABLE NO. 1</th>
<th>COMPARABLE NO. 2</th>
<th>COMPARABLE NO. 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>5426 S RIFLE CT</td>
<td>5275 S WACO St</td>
<td>5572 S RIFLE St</td>
<td>5542 S TELLURIDE Ct</td>
</tr>
<tr>
<td>Proximity to Subject</td>
<td>0.499</td>
<td>0.460</td>
<td>0.499</td>
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<tr>
<td>Sales Price</td>
<td>$0</td>
<td>$220,900</td>
<td>$262,000</td>
<td>$269,000</td>
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<td>Price/Gross Liv. Area</td>
<td>$0.00</td>
<td>$122.03</td>
<td>$104.80</td>
<td>$119.66</td>
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<tr>
<td>Data Source(s)</td>
<td>LPS</td>
<td>MLS#1099154</td>
<td>MLS#1096369</td>
<td>MLS#1090829</td>
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#### Value Adjustments

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>+/(-) $ Adj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Sales Price</td>
<td>7%</td>
</tr>
<tr>
<td>Net Adjustment (Total)</td>
<td>$17,728</td>
</tr>
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</table>

#### Top 10 Comparable Sales

<table>
<thead>
<tr>
<th>Comp</th>
<th>Address</th>
<th>Prox.</th>
<th>Tot Rms</th>
<th>Bed Rms</th>
<th>Full Bath</th>
<th>Half Bath</th>
<th>GLA</th>
<th>Site Area</th>
<th>Sales Price</th>
<th>Adj Amt</th>
<th>Adj Sales Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>5257 S WACO St</td>
<td>0.460</td>
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<td>4</td>
<td>3</td>
<td>0</td>
<td>2,500</td>
<td>8,273</td>
<td>262,000</td>
<td>-28,148</td>
<td>247,628</td>
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<td>2</td>
<td>5422 S RIFLE St</td>
<td>0.489</td>
<td>9</td>
<td>4</td>
<td>3</td>
<td>0</td>
<td>2,248</td>
<td>8,319</td>
<td>269,000</td>
<td>-13,969</td>
<td>255,031</td>
</tr>
<tr>
<td>3</td>
<td>5452 S TELLURIDE Ct</td>
<td>0.499</td>
<td>11</td>
<td>5</td>
<td>4</td>
<td>0</td>
<td>2,312</td>
<td>8,145</td>
<td>208,750</td>
<td>-24,139</td>
<td>234,350</td>
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<tr>
<td>4</td>
<td>5470 S WACO St</td>
<td>0.148</td>
<td>11</td>
<td>5</td>
<td>4</td>
<td>0</td>
<td>2,211</td>
<td>8,799</td>
<td>175,000</td>
<td>-10,433</td>
<td>164,567</td>
</tr>
<tr>
<td>5</td>
<td>17708 E DORADO Dr</td>
<td>0.214</td>
<td>10</td>
<td>5</td>
<td>3</td>
<td>0</td>
<td>2,201</td>
<td>8,799</td>
<td>175,000</td>
<td>-10,433</td>
<td>164,567</td>
</tr>
<tr>
<td>6</td>
<td>17514 E POWERS Dr</td>
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<td>3</td>
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<td>2,257</td>
<td>9,016</td>
<td>263,900</td>
<td>-18,292</td>
<td>245,608</td>
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<tr>
<td>7</td>
<td>17914 E PROGRESS Pl</td>
<td>0.348</td>
<td>8</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>2,184</td>
<td>10,890</td>
<td>289,900</td>
<td>-38,491</td>
<td>251,409</td>
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<tr>
<td>8</td>
<td>18677 E PRECINCT Cir</td>
<td>0.250</td>
<td>9</td>
<td>4</td>
<td>4</td>
<td>0</td>
<td>2,942</td>
<td>7,579</td>
<td>375,000</td>
<td>-116,719</td>
<td>258,281</td>
</tr>
<tr>
<td>9</td>
<td>5356 S Olathe Cir</td>
<td>0.406</td>
<td>9</td>
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<td>3</td>
<td>0</td>
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<td>9,975</td>
<td>215,000</td>
<td>10,829</td>
<td>225,829</td>
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<tr>
<td>10</td>
<td>5156 S URANIA Pl</td>
<td>0.480</td>
<td>10</td>
<td>5</td>
<td>3</td>
<td>0</td>
<td>2,374</td>
<td>6,665</td>
<td>279,998</td>
<td>-33,715</td>
<td>246,283</td>
</tr>
</tbody>
</table>

**Comments:** Sales were extracted from the overall market data and adjusted based on regression data that was tempered by market data and the appraiser's experience in the market. The sales provide appropriate insight into the nature of the market and provide appropriate and credible support to the final market conclusions. Year-built is drawn from regression and is market-derived.

**Produced by CompCruncher Software 800-622-8727**
## Listing Comparison Analysis

### Address
- **Property Address**: 5426 S RIFLE CT
- **City**: CENTENNIAL
- **County**: ARAPAHOE
- **State**: CO
- **Zip Code**: 80015

### Comparative Listings

<table>
<thead>
<tr>
<th>Item</th>
<th>Subject</th>
<th>Comparable No. 1</th>
<th>Comparable No. 2</th>
<th>Comparable No. 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Proximity to Subject</strong></td>
<td></td>
<td>0.400</td>
<td>0.173</td>
<td>0.266</td>
</tr>
<tr>
<td><strong>REO Property</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Days On Market</strong></td>
<td>0</td>
<td>112</td>
<td>48</td>
<td>76</td>
</tr>
<tr>
<td><strong>Current List Price</strong></td>
<td>0</td>
<td>289900</td>
<td>265000</td>
<td>204900</td>
</tr>
<tr>
<td><strong>Leasehold/Fee Simple</strong></td>
<td>Fee Simple</td>
<td>Fee Simple</td>
<td>Fee Simple</td>
<td>Fee Simple</td>
</tr>
<tr>
<td><strong>Location Influence</strong></td>
<td>Residential</td>
<td>Residential</td>
<td>Residential</td>
<td>Residential</td>
</tr>
<tr>
<td><strong>Location Description</strong></td>
<td>Residential View</td>
<td>Residential View</td>
<td>Residential View</td>
<td>Residential View</td>
</tr>
<tr>
<td><strong>View Influence</strong></td>
<td>Residential View</td>
<td>Residential View</td>
<td>Residential View</td>
<td>Residential View</td>
</tr>
<tr>
<td><strong>View Description</strong></td>
<td>Residential View</td>
<td>Residential View</td>
<td>Residential View</td>
<td>Residential View</td>
</tr>
<tr>
<td><strong>Site Area</strong></td>
<td>8500 Sq. Ft.</td>
<td>14992 Sq. Ft.</td>
<td>-122 Sq. Ft.</td>
<td>8276 Sq. Ft.</td>
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<tr>
<td><strong>Basement Area</strong></td>
<td>984 Sq. Ft.</td>
<td>912 Sq. Ft.</td>
<td>1,357 Sq. Ft.</td>
<td>980 Sq. Ft.</td>
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<tr>
<td><strong>Total Bdm</strong></td>
<td>8</td>
<td>4</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Bdrms</strong></td>
<td>9</td>
<td>4</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Bath</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Half Bath</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Gross Adj:</strong></td>
<td>7%</td>
<td>5%</td>
<td>-32%</td>
<td>32%</td>
</tr>
<tr>
<td><strong>Net Adj:</strong></td>
<td>-4%</td>
<td>-5,283</td>
<td>-24,035</td>
<td>-13,589</td>
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<tr>
<td><strong>Adj Amt</strong></td>
<td>26,228</td>
<td>273,412</td>
<td>291,775</td>
<td>271,874</td>
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</tbody>
</table>

### Adjusted Sales Price

<table>
<thead>
<tr>
<th>Comp</th>
<th>Address</th>
<th>Prox.</th>
<th>Tot Rms</th>
<th>Bed Rms</th>
<th>Full Bath</th>
<th>Half Bath</th>
<th>GLA</th>
<th>Site Area</th>
<th>Sales Price</th>
<th>Adj Amt</th>
<th>Adj Sales Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>16842 E PRENTICE Cir</td>
<td>0.400</td>
<td>9</td>
<td>4</td>
<td>3</td>
<td>0</td>
<td>2,318</td>
<td>14,592</td>
<td>287,001</td>
<td>-13,589</td>
<td>262,412</td>
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<tr>
<td>2</td>
<td>17771 E CRESTLINE Pl</td>
<td>0.173</td>
<td>11</td>
<td>5</td>
<td>4</td>
<td>0</td>
<td>2,313</td>
<td>8,276</td>
<td>262,350</td>
<td>9,524</td>
<td>271,874</td>
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<tr>
<td>3</td>
<td>5372 S PAGOSA WAY</td>
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<td>5</td>
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<td>2,499</td>
<td>7,492</td>
<td>336,600</td>
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<td>266,502</td>
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<td>4</td>
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<td>4</td>
<td>4</td>
<td>0</td>
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<td>6,011</td>
<td>323,631</td>
<td>-48,289</td>
<td>275,342</td>
</tr>
<tr>
<td>5</td>
<td>17733 E DORADO Ave</td>
<td>0.368</td>
<td>11</td>
<td>5</td>
<td>4</td>
<td>0</td>
<td>2,505</td>
<td>7,492</td>
<td>336,600</td>
<td>-70,098</td>
<td>266,502</td>
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<tr>
<td>6</td>
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<td>0.394</td>
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<td>4</td>
<td>0</td>
<td>2,160</td>
<td>6,011</td>
<td>323,631</td>
<td>-112,119</td>
<td>211,512</td>
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<td>4</td>
<td>4</td>
<td>0</td>
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<td>6,011</td>
<td>323,631</td>
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<td>211,512</td>
</tr>
<tr>
<td>8</td>
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<td>9</td>
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<td>6,098</td>
<td>297,000</td>
<td>-41,219</td>
<td>255,781</td>
</tr>
</tbody>
</table>

### Summary

The summary of Listing Comparison Approach indicates that the three listings considered in the analysis provide good insight into the nature of the market for the subject. These listings are determined to provide an understanding of the upper-end of the market as it relates to the subject. Bathrooms are adjusted at a rate of $4,000/each.
UAD PROPERTY PERMIT HISTORY REPORT
SUBJECT 5426 S RIFLE CT, AURORA, CO, 80015

THE SOURCE FOR THE DATA FOUND IN THIS REPORT IS THE FOLLOWING PERMITTING AUTHORITY
Report Date: 08/14/2012

City of Centennial, Building Services
13133 E. Arapahoe Road
Centennial, CO 80111
(303) 325-8000
Website: www.centennialcolorado.com
The data received from this source runs from 11/01/2005 through 02/29/2012

Information on construction activity occurring outside of this range may or may not be represented here.

PERMITS
PERMITTED CHANGES

<table>
<thead>
<tr>
<th>Permit number</th>
<th>Date</th>
<th>Valuation</th>
<th>Description</th>
</tr>
</thead>
</table>
RECONCILLATION COMMENTS

The sales and listing data are similarly found to be credible and insightful in the final valuation analysis. The exposure period for the subject property is based on a consideration of the marketing periods for the comparable sales and other data from within the sales analysis. A final exposure period of 60-90 days is forecast and concluded by this analysis. The appraiser asserts that he has not provided valuation or other services for the property that is the subject of this appraisal analysis in the 3 years prior to the effective date of this appraisal analysis.
AMP Appraisal
AERIAL IMAGERY ADDENDUM

Property Address 5426 S RIFLE CT
City CENTENNIAL  County ARAPAHOE  State CO  Zip Code 80015

Front View

Back View

Overhead View

Side View

Side View
Does the property generally conform to the neighborhood in terms of style and construction materials?  Yes  No  If No, describe:

Does the site generally conform to the neighborhood in terms of size and shape?  Yes  No  If No, describe:

Rate the overall effect of the site’s factors on the value and marketability of the subject property.

View Influence on Value

<table>
<thead>
<tr>
<th>Beneficial</th>
<th>Neutral</th>
<th>Adverse</th>
<th>View Factor #1</th>
<th>View Factor #2</th>
<th>Location Influence on Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Residential View</td>
<td>Residential View</td>
<td>Residential View</td>
</tr>
</tbody>
</table>

Describe other beneficial or adverse site characteristics impacting the property's value and marketability

Overall Appeal Rating

Excellent  Good  Average  Fair  Poor

Overall Site Appeal Rating

Overall Neighborhood Appeal Rating

Overall Exterior Appeal of Improvement

Additional Comments
AMP Appraisal
COMPARABLES 1-2-3

File No. 5426 S. Rifle Ct.
Client# 00034

Property Address 5426 S RIFLE CT
City CENTENNIAL County ARAPAHOE
State CO Zip Code 80015

COMPARABLE SALE # 1
5275 S WACO St
Centennial, CO 80015

COMPARABLE SALE # 2
5572 S RIFLE St
Centennial, CO 80015

COMPARABLE SALE # 3
5542 S TELLURIDE Ct
Centennial, CO 80015
<table>
<thead>
<tr>
<th>Property Address</th>
<th>City</th>
<th>County</th>
<th>State</th>
<th>Zip Code</th>
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<tbody>
<tr>
<td>5426 S RIFLE CT</td>
<td>CENTENNIAL</td>
<td>ARAPAHOE</td>
<td>CO</td>
<td>80015</td>
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<table>
<thead>
<tr>
<th>COMPARABLE LISTING #</th>
<th>Address</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>16842 E PRENITCE Cir</td>
<td>Centennial, CO</td>
<td>80015</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>17771 E CRESTLINE Pl</td>
<td>Centennial, CO</td>
<td>80015</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>5372 S PAGOSA Way</td>
<td>Centennial, CO</td>
<td>80015</td>
<td></td>
</tr>
</tbody>
</table>
At the request of the client, the appraiser has prepared a summary appraisal report of the subject property to meet the specific needs of the client, the intended user of this report.

APPRAISER'S ABILITY TO PROVIDE CREDIBLE ANALYSIS:
Under the Uniform Standards of Professional Appraisal Practice, the appraiser is required to measure the credibility of results within context of intended use, intended user(s) and scope of work applied.

In the case of this assignment, the appraiser is able to perform the appraisal assignment and provide a credible analysis based on the intended use, intended user(s), and scope of work and assumptions and limiting conditions stated herein.

This appraisal is subject to the following scope of work, intended use, intended user(s), definitions of market value, statement of assumptions and limiting conditions, and certification by the appraiser.

INTENDED USE:
Refinance

INTENDED USER(S):
Bank of Austin

This report is not intended by the appraiser for any other user or by any other user.

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 form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum (Check one only):

1. SCOPE OF WORK - DESK APPRAISAL: obtain adequate information about the neighborhood and the physical characteristics (including, but not limited to, condition, room count, gross living area, etc.) of the subject property/comparable sales from reliable public and/or private sources to perform this appraisal. The appraiser should use the same type of data sources that he or she uses for comparable sales such as, but not limited to, multiple listing services, tax and assessment records, prior inspections, appraisal files, information provided by the property owner, etc.

EXTRAORDINARY ASSUMPTION: The highest and best use of the subject property is assumed through an extraordinary assumption, to be the current use, as improved. Reliance on this extraordinary assumption might have affected the assignment results.

2. SCOPE OF WORK - EXTERIOR-ONLY INSPECTION: perform a visual inspection of the exterior areas of the subject property from at least the street, (2) inspect the neighborhood, (3) research, verify, and analyze data from reliable public and/or private sources, and (4) report his or her analysis, opinions, and conclusions in this appraisal report.

The appraiser must obtain adequate information about the physical characteristics (including, but not limited to, condition, room count, gross living area, etc.) of the subject property from the exterior-only inspection and reliable public and/or private sources to perform this appraisal. The appraiser should use the same type of data sources that he or she uses for comparable sales such as, but not limited to, multiple listing services, tax and assessment records, prior inspections, appraisal files, information provided by the property owner, etc.

EXTRAORDINARY ASSUMPTION: The highest and best use of the subject property is assumed through an extraordinary assumption, to be the current use, as improved. Reliance on this extraordinary assumption might have affected the assignment results.

3. SCOPE OF WORK - INTERIOR/EXTERIOR INSPECTION: 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:

EXTRAORDINARY ASSUMPTION: The highest and best use of the subject property is assumed through an extraordinary assumption, to be the current use, as improved. Reliance on this extraordinary assumption might have affected the assignment results.

Additional Scope of Work comments:
ASSUMPTIONS AND LIMITING CONDITIONS:

1. This report is prepared using forms developed and copyrighted by AppraisalWorld, Inc. However, the content analyses, and opinions set forth in this report are the sole product of the appraiser. AppraisalWorld, Inc. is not liable for any of the content, analyses, or opinions set forth herein.

2. The appraiser is not a home inspector and this appraisal report is not a home inspection. The appraiser only performed a visual observation of the property from the street. This appraisal report cannot be relied upon to disclose conditions and defects in the property.

3. 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, expressed 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.

4. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise noted.

5. It is assumed the property is free and clear of all liens and encumbrances and in fee simple ownership.

6. It is assumed the information furnished is reliable, but no warranties are given for its accuracy.

7. It is assumed that property management is competent and that property condition is typical of the market area unless specifically described otherwise.

8. It is assumed that the property is in full compliance with all applicable federal state and local environmental regulations and laws unless the lack of compliance is stated, described and considered in the appraisal report.

9. It is assumed that the property conforms to all applicable zoning and use regulations and restrictions unless nonconformity has been identified, described and considered in the appraisal report.

10. It is assumed that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state or, national government or private entity or organization have been or can be obtained or renewed for any use on which the value opinion in this report is based.

11. It is assumed that the use of the land and improvements is confined within the boundaries of the property described and there is no encroachment or trespass.

12. The highest and best use of the subject is assumed to be residential. If this assumption is incorrect, it could have a material impact on the valuation conclusion. The decision to make this assumption does not have an impact on the credibility of the analyses.

13. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all nor any part of the contents of this report (especially any opinions as to the value, the identity of the appraiser, or the firm the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.

14. The appraiser by reason of this appraisal is not required to give further consultation or testimony or be attendance in court with reference to the property in question unless arrangements have been previously made.

15. Any value opinions provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the value opinion, unless arrangements have been previously made.

16. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change is unauthorized and I will take no responsibility for it.

17. The client identified in this report may disclose or provide this appraisal report as required by law or regulation and as necessary to complete or consider the event or transaction for which the appraisal was requested by the client. The appraiser’s 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). Receipt of this appraisal report by any party not identified as the client or intended as the client or intended user shall not entitle that recipient to rely on the appraisal for any purpose or to use the appraisal in any manner other than for the intended use and user stated in this report.

Other Assumptions and Limiting Conditions
DEFINITION OF MARKET VALUE

"market value" as used in this report, is defined as:

Market Value: The most probable price which a property should bring a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale 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 acting in what they consider their best interests; (3) A reasonable time is allowed for exposure in the open market; (4) Payment is made in terms of case 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.


APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

- 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.
- I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
- I have not made any 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.
- I have performed the level of inspection as stated in the scope of work. I reported the condition of the improvements in factual, specific terms. I have identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
- 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.
- In the three year period immediately preceding acceptance of this assignment:
  - [X] I have performed NO services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three year period immediately preceding acceptance of this assignment.
  - [ ] I have performed services, as an appraiser or in another capacity, regarding the property that is the subject of this report within the three year period immediately preceding acceptance of this assignment. Those services are described in the comments below.

Other Certifications:

Source of Data:
- [X] Exterior Inspection from the Street
- [X] Permit History
- [X] Assessment and Tax Records
- [X] Multiple Listing Service
- [X] Satellite and Aerial Imagery
- [X] Previous Appraisal File
- [X] Flood Information
- [X] Property Owner

Subject Property

Address: 5426 S RIFLE CT
City: CENTENNIAL
State: CO
Zip Code: 80015

Estimated Value as stated in the report: $ 245,000 as of the Effective Date of the Appraisal: 8/14/2012

Signature: [Sample Appraiser] Date: 08/16/2012

Appraiser

Name: [Sample Appraiser]
Company: AMP Appraisal
Address: 4445 Main Street
Denver, CO 80126
License #: 8889888
Other #: 12/21/2012
State: CO
Expiration Date: 8/14/2012
Inspection Date: [X] Exterior Only

Produced by CompCruncher Software 800-622-8727
DEFINITION OF STATISTICAL TERMS

Definitions

DEFINITION OF R-SQUARED (Coefficient of Determinations): In regression analysis, a measure of the strength of the relationship between the independent variables and the dependent variable. The measure ranges from 0 to 1 - the higher the number, the stronger the relationship (0 would indicate no relationship).

DEFINITION OF ADJUSTED R-SQUARED: R-Squared can overstate the goodness of fit in a model when insignificant variables are included, or the number of variables R-Squared appropriately.

DEFINITION OF T-SCORE: A particular statistic that measures the significance of a variable in a regression analysis. The statistic is important in inferential statistics for hypothesis testing in regression analysis. The t-statistic is equal to the standard error of a regression coefficient divided by the coefficient.

DEFINITION OF COV (Coefficient of Variation): A standard statistical measure of the relative dispersion of the sample data about the mean of the data; the standard deviation expressed as a percentage of the mean.

DEFINITION OF COD (Coefficient of Dispersion): The average deviation of a group of numbers from the median expressed as a percentage of the median.

DEFINITION OF STANDARD ERROR: A measure of the precision of a measure of central tendency; the smaller the standard error, the more reliable the measure of standard tendency. In regression analysis, the standard deviation of a regression coefficient, the smaller the standard error relative to the coefficient, the more reliable the coefficient.

DEFINITION OF SALES RATIO: A measure of model accuracy that divides predicted values by sales prices. The closer to 1 that a sales ratio is, the better the model's predictive capabilities.

DEFINITION OF STANDARD DEVIATION: The statistic calculated from a set number by subtracting the mean from each value and squaring the remainders, adding together all of the squares, dividing by the size of the sample less one, and taking the square root of the result. When the data are normally distributed, one can calculate the percentage of observations within any number of standard deviations of the mean from normal probability tables.

Sources Documents

The Collateral Valuation Report (CVR) has been designed in conformance with all available technology, data and statistical processes, generally accepted to represent the state of industry, including:

Uniform Standards of Professional Appraisal Practice (USPAP):
- Standard 1
- Standard 2

Since specialized statistical and mass appraisal information is contained with Standard 6 and Advisory Opinion 18, these sources have also been considered in tandem with the Development and Reporting standards contained within Standard 1 and Standard 2. It is expressly understood that the Collateral Valuation Report is a summary appraisal report performed under the guidance of Standards 1 and 2 as noted above.

Joint Industry Task Force on Automated Valuation Models:
- Standards and Testing Guidelines

These standards and guidelines are instructive in the method of testing accuracy and identifies the statistics and outcome guidelines that can be relied upon in performance of statistical analysis.

International Association of Assessing Officers:
- Standard on Ratio Studies
- Mass Appraisal of Real Property
- Standard on Automated Valuation Models

Appraisal Institute:
- A Guide to Appraisal Valuation Modeling
- Practical Applications in Appraisal Valuation Modeling and Design
- The 13th Edition of the Appraisal of Real Estate
- Visual Valuation: Implementing Valuation Modeling and Geographic Information Systems

These texts form the body of knowledge that helps provide an understanding of the modeling process and the use of statistics in real estate.

The Modeling Process

An acceptable model will have both reasonable coefficients and satisfactory outcome statistics. The appraiser has been trained in a manner sufficient to understand the various statistical measures outlined in this report. The statistical measures defined within this analysis allow the appraiser to understand the data and draw certain conclusions based on the accuracy of the data, the amount and quality of the data, and the measures of statistical significance and accuracy of the analysis applied.

Competence

The appraiser completing the Collateral Valuation Report asserts that they have undergone sufficient training, and further, have an understanding of the statistical measures underlying the regression component of the process to generally understand the method and manner of analysis. The appraiser does not assert that they are statisticians. They are, however, aware of the basic guidelines pertaining to the use of CVR application as a tool to analyze small market datasets, and as such, are capable of understanding the analysis and methodology in a manner sufficient to render a credible estimate of value in tandem with the other data and analysis present in the report. The final value conclusion is the appraiser's own, and is based on the appraiser's knowledge and experience in the field of appraisal. The data and analysis in this report, whether through direct information or through derived statistical information, aids the appraiser in understanding the dynamics of the neighborhood and market area.