

**Macaulay Appraisal Service**  
**INDIVIDUAL CONDOMINIUM UNIT APPRAISAL REPORT**

File No. **4015**

Property Address	<b>565 Manhattan Drive</b>	City	<b>Boulder</b>	State	<b>CO</b>	Zip Code	<b>80303</b>	
Legal Description	<b>Unit 203 Bldg 565 Village Pines Condos</b>		County	<b>Boulder</b>		Unit No.	<b>203</b>	
Assessor's Parcel No.	<b>ID#129383</b>		Tax Year	<b>2002</b>	R.E. Taxes \$	<b>1,117</b>	Special Assessments \$	<b>none</b>
Project Name/Phase No.	<b>Village Pines</b>		Map Reference	<b>04-1S-70</b>		Census Tract	<b>125.01</b>	
Borrower	<b>Norris Minick</b>		Current Owner	<b>same</b>		Occupant	<input type="checkbox"/>	
Property rights appraised	<input checked="" type="checkbox"/> Fee Simple	<input type="checkbox"/> Leasehold	Monthly Home Owners' Association Unit Charge \$		<b>155</b>			
Sales Price \$	<b>n/a</b>	Date of Sale	<b>n/a</b>					
Lender/Client	<b>Cherry Creek Mortgage</b>		Address <b>1790 30th Street #100, Boulder, CO 80301</b>					
Appraiser	<b>Jon Macaulay</b>		Address <b>2026 Alpine Drive; Boulder, CO 80304</b>					

Location	<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Predominant single family occupancy	Single family housing PRICE \$ (000)	AGE (yrs)	Predominant condominium occupancy	Condominium housing PRICE \$ (000)	AGE (yrs)
Built up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%	<input checked="" type="checkbox"/> Owner	<b>275</b> Low	<b>10</b>	<input checked="" type="checkbox"/> Owner	<b>150</b> Low	<b>5</b>
Growth rate	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Slow	<input type="checkbox"/> Tenant	<b>500</b> High	<b>40</b>	<input type="checkbox"/> Tenant	<b>325</b> High	<b>25</b>
Property values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Vacant (0-5%)	Predominant		<input checked="" type="checkbox"/> Vacant (0-5%)	Predominant	
Demand/supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In balance	<input type="checkbox"/> Over supply	<input type="checkbox"/> Vacant (over 5%)	<b>400</b>	<b>20</b>	<input type="checkbox"/> Vacant (over 5%)	<b>225</b>	<b>15</b>
Marketing time	<input type="checkbox"/> Under 3 mos.	<input checked="" type="checkbox"/> 3-6 mos.	<input type="checkbox"/> Over 6 mos.						
Present land use %:	One family <b>75</b> , 2-4 Family _____, Apartments <b>5</b> , Condominium <b>15</b> , Commercial <b>5</b> , Industrial _____, Vacant _____, Other _____								
Land use change:	<input checked="" type="checkbox"/> Not likely <input type="checkbox"/> Likely <input type="checkbox"/> In process to _____								

**Note: Race and the racial composition of the neighborhood are not appraisal factors.**

Neighborhood boundaries and characteristics: **East of the Foothills Parkway; west of 55th Street; north of South Boulder Road; south of Baseline Road. Avg-good quality SF houses and condo projects; developed predominately from 1970s-90s.**

Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.): **Located 3 miles southeast of the downtown and 2 miles east of the University of Colorado, the subject neighborhood is convenient to employment centers, Boulder-Denver Turnpike access (and the developing high tech/business parks on HW #36 in Broomfield), elementary and middle schools, neighborhood shops, parks and all urban services and facilities.**

Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time - such as data on competitive properties for sale in the project and neighborhood, description of the prevalence of sales and financing concessions, etc.): **The Demand/Supply ratio for condo/townhouse units in the subject neighborhood is currently in balance with a typical marketing time being 3-6 months. 30 year fixed rate mortgages are currently in the 5.5-6.5% range and stable.**

Specific zoning classification and description	<b>Medium Density-Residential</b>			Topography	<b>level</b>	
Zoning compliance	<input checked="" type="checkbox"/> Legal	<input type="checkbox"/> Legal nonconforming (Grandfathered use)	<input type="checkbox"/> Illegal	<input type="checkbox"/> No zoning	Size	<b>adequate</b>
Highest & best use as improved	<input checked="" type="checkbox"/> Present use	<input type="checkbox"/> Other use (explain)		Density	<b>typical</b>	
Utilities	Public	Other	Off-site Improvements	Type	Public	Private
Electricity	<input checked="" type="checkbox"/>		Street	<b>asphalt</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input checked="" type="checkbox"/>		Curb/gutter	<b>concrete</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Water	<input checked="" type="checkbox"/>		Sidewalk	<b>concrete</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sanitary sewer	<input checked="" type="checkbox"/>		Street lights	<b>yes</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Storm sewer	<input type="checkbox"/>		Alley		<input type="checkbox"/>	<input type="checkbox"/>
View				View	<b>typical</b>	
Drainage				Drainage	<b>appears adequate</b>	
Apparent easements				Apparent easements	<b>normal</b>	
FEMA Special Flood Hazard Area				FEMA Special Flood Hazard Area	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
FEMA Zone				FEMA Zone	<b>X</b> Map Date <b>6/95</b>	
FEMA Map No.				FEMA Map No.	<b>08013C0555F</b>	
Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.):	<b>2nd story unit with typical view amenity. No encroachments or adverse conditions noted.</b>					

No. of Stories	<b>2</b>	Exterior Walls	<b>fr/su</b>	If Project Completed:	If Project Incomplete:	Subject Phase:
No. of Elevator(s)	<b>0</b>	Roof Surface	<b>comp</b>	Total No. of Phases	<b>1</b>	Total No. of Planned Phases
Existing/Proposed	<b>exist.</b>	Total No. Parking	<b>60</b>	Total No. of Units	<b>40</b>	Total No. of Planned Units
If conversion, orig. use	<b>n/a</b>	Ratio (spaces/units)	<b>1.5</b>	Total No. of Units for Sale	<b>1</b>	Total No. of Units for Sale
Date of Conversion		Type	<b>gar.</b>	Total No. of Units Sold	<b>40</b>	Total No. Units Sold
Age (Yrs.)	<b>1990</b>	Guest Parking	<b>adeq.</b>	Total No. of Units Rented	<b>15</b>	Total No. of Units Rented
Effective Age (Yrs.)	<b>5</b>	Data Source	<b>Assessor</b>	Data Source		Data Source
Project Type:	<input checked="" type="checkbox"/> Primary Residence <input type="checkbox"/> Second Home or Recreational <input type="checkbox"/> Row or Townhouse <input type="checkbox"/> Garden <input type="checkbox"/> Midrise <input type="checkbox"/> Highrise					

Condition of the project, quality of construction, unit mix, appeal to market, etc.: **Good quality construction. Project building and grounds are in good condition. Project has broad market appeal reflecting quality of project and favorable location.**

Are the heating and cooling for the individual units separately metered?  Yes  No If no, describe and comment on compatibility to other projects in market area and market acceptance:

Describe common elements and recreational facilities: **pool, sauna**

Are the common elements completed?  Yes  No Is the Builder/Developer in control of the Home Owners' Association?  Yes  No

Are any common elements leased to or by the Home Owners' Association?  Yes  No If yes, attach addendum describing rental terms and options.

ROOMS	Foyer	Living	Dining	Kitchen	Den	Family Rm.	Rec. Rm.	Bedrooms	# Baths	Laundry	Other	Area Sq. Ft.
Basement												
Level 1		<b>1</b>	<b>1</b>	<b>1</b>				<b>2</b>	<b>2.00</b>			<b>980</b>
Level 2												

Finished area above grade contains: **5** Rooms; **2** Bedroom(s); **2** Bath(s); **980** Square Feet of Gross Living Area For Unit

GENERAL DESCRIPTION	HEATING	KITCHEN EQUIP.	AMENITIES	CAR STORAGE	INSULATION
Floor No.	Type <b>FWA</b>	Refrigerator	Fireplace(s) # <input checked="" type="checkbox"/>	None <input type="checkbox"/>	Roof <input type="checkbox"/>
No. of Levels	Fuel <b>NG</b>	Range/Oven <input checked="" type="checkbox"/>	Patio <input type="checkbox"/>	Garage <input checked="" type="checkbox"/>	Ceiling <b>batt</b> <input checked="" type="checkbox"/>
INTERIOR	Condition <b>wrkg.</b>	Disposal <input checked="" type="checkbox"/>	Balcony <input checked="" type="checkbox"/>	No. of Cars <b>1</b>	Walls <b>batt</b> <input checked="" type="checkbox"/>
Flooring	COOLING	Dishwasher <input checked="" type="checkbox"/>	Deck <input type="checkbox"/>	Open <input type="checkbox"/>	Floors <input type="checkbox"/>
Walls	Central <b>no</b>	Fan/Hood <input checked="" type="checkbox"/>	Porch <input type="checkbox"/>	No. of Cars	None <input type="checkbox"/>
Bath Floor	Other	Microwave <input checked="" type="checkbox"/>	Fence <input type="checkbox"/>	Parking Space No.	Unknown <input type="checkbox"/>
Bath Wainscot	Condition	Washer/Dryer <input type="checkbox"/>		Assigned/Downed	

Condition of the unit, depreciation, repairs needed, quality of construction, remodeling/modernization, additional features (special energy efficient items, etc.): **Unit is in overall good condition with no obvious repairs needed. New appliances, counters, floor coverings in 1998.**

Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on site, or in the immediate vicinity of the subject property: **none noted**

# INDIVIDUAL CONDOMINIUM UNIT APPRAISAL REPORT

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Unit Charge \$ 155 per mo. x 12 = \$ 1,860 per yr. Annual Assessment charge per year/square feet of gross living area = \$ 1.90

Is the project subject to ground rent?  Yes  No If yes, \$ \_\_\_\_\_ per year.

Utilities included in unit charge:  None  Heat  Air Conditioning  Electricity  Gas  Water  Sewer

Note any fees, other than regular HOA charges, for use of facilities **none**

Compared to other competitive projects of similar quality and design, the subject unit charge appears:  High  Typical  Low

To properly maintain the project and provide the services anticipated, the budget appears:  Adequate  Inadequate  Unknown

Management Group:  Home Owner's Association  Developer  Management Agent (Identify) **Four Star Realty (303) 440-8200**

Quality of management and its enforcement of Rules and Regulations based on general appearance of project appears:  Adequate  Inadequate

Special or unusual characteristics in the Condominium Documents or other information known to the appraiser that would affect marketability (if none, so state)

**Condo documents were not provided for review. None otherwise known.**

ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address, Unit #, and Project Name	<b>565 Manhattan Dr. #203</b>	<b>695 Manhattan Dr. #220</b>		<b>600 Manhattan Dr. #5</b>		<b>33 S. Boulder Cr. #210</b>	
Proximity to Subject		1 block		1 block		3/4 mile	
Sales Price	\$ n/a	\$ 188,000		\$ 230,000		\$ 218,500	
Price/Gross Liv. Area	\$ <input checked="" type="checkbox"/> 213.64	\$ <input checked="" type="checkbox"/> 213.64		\$ <input checked="" type="checkbox"/> 203.90		\$ <input checked="" type="checkbox"/> 230.49	
Data and/or Verification Sources	<b>Inspection</b>	<b>MLS#340625 Assessor</b>		<b>MLS#347956 Assessor</b>		<b>MLS#348008 Assessor</b>	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing Concessions		CNV Mkt 0 seller pts.		CNV Mkt 0 seller pts.		CNV Mkt 0 seller pts.	
Date of Sale/Time		9/02		10/02		10/02	
Location	<b>Village Pines</b>	<b>Manhattan W.</b>		<b>Chateau Village</b>		<b>Westwood</b>	
Leasehold/Fee Simple	<b>Fee Simple</b>	<b>Fee Simple</b>		<b>Fee Simple</b>		<b>Fee Simple</b>	
HOA Mo. Assessment	155	190		150		149	
Common Elements and Rec. Facilities	pool, sauna	similar		similar		similar	
Project Size/Type	condo	condo		condo		condo	
Floor Location	2	2		2		2	
View	typical	similar		superior -10,000		similar	
Design and Appeal	1 level, good	1 level, sim.		1 level, sim.		1 level, sim.	
Quality of Construction	fr,su/good	fr/inf. 5,000		fr/inf. 5,000		fr/br, sim.	
Age	1990	1980 5,000		1972 5,000		1993	
Condition	good	average 5,000		good		good	
Above Grade Room Count	5 2 2	5 2 2		5 2 2		5 2 2	
Gross Living Area	980 Sq. Ft.	880 Sq. Ft. 6,000		1,128 Sq. Ft. -8,900		948 Sq. Ft. 1,900	
Basement & Finished Rooms Below Grade	none	none		none		none	
Functional Utility	typical	typical		typical		typical	
Heating/Cooling	GFWA	GFWA		GFWA/CAC -1,000		GFWA/CAC -1,000	
Energy Efficient Items	standard	similar		similar		similar	
Car Storage	1 car garage	none 6,000		none 6,000		1 car garage	
Balcony, Patio, Fireplace(s), etc.	balcony fireplace	similar fireplace		superior fireplace -2,000		similar fireplace	
Net Adj (total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 27,000		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -5,900		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 900	
Adjusted Sales Price of Comparable		Net= 14% Gross= 14% \$ 215,000		Net= -3% Gross= 16% \$ 224,100		Net= 0% Gross= 1% \$ 219,400	

Comments on Sales Comparison (including the subject property's compatibility to other condominium units in the neighborhood, etc.): **The comparables are 3 recent sales of 2 bedroom units from the subject neighborhood. Comp #2 has a superior mountain view amenity. Comps #1 & #2 have slightly inferior quality windows, cabinets, floor coverings, finish work. Condition adjustments reflect Listing Realtor information. Adjustments for variances in GLA are calculated at \$60. PSF.**

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Data Source for prior sales within year of appraisal	<b>1/01 200,000 public records</b>	none	none	none

Analysis of any current agreement of sale, option, or listing of the subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal:  
**No additional recorded sales of subject property or comparables in 3 years preceding date of appraisal.**

**INDICATED VALUE BY SALES COMPARISON APPROACH** ..... \$ 220,000

**INDICATED VALUE BY INCOME APPROACH** (If Applicable) Estimated Market Rent \$ n/a /Mo. x Gross Rent Multiplier \_\_\_\_\_ = \$ 0

**INDICATED VALUE BY COST APPROACH** (Attach If Applicable) ..... \$ \_\_\_\_\_

This appraisal is made  "as is"  subject to repairs, alterations, inspections, or conditions listed below  subject to completion per plans and specifications.

Conditions of Appraisal: **This appraisal is made "as is". No conditions.**

Final Reconciliation: **Emphasis on the Market Approach to value with the comparables weighted approximately equally. The Cost and Income Approaches are not applicable.**

The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac 439/Fannie Mae Form 1004B (Revised 6-93).

**I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF 3/17/03**

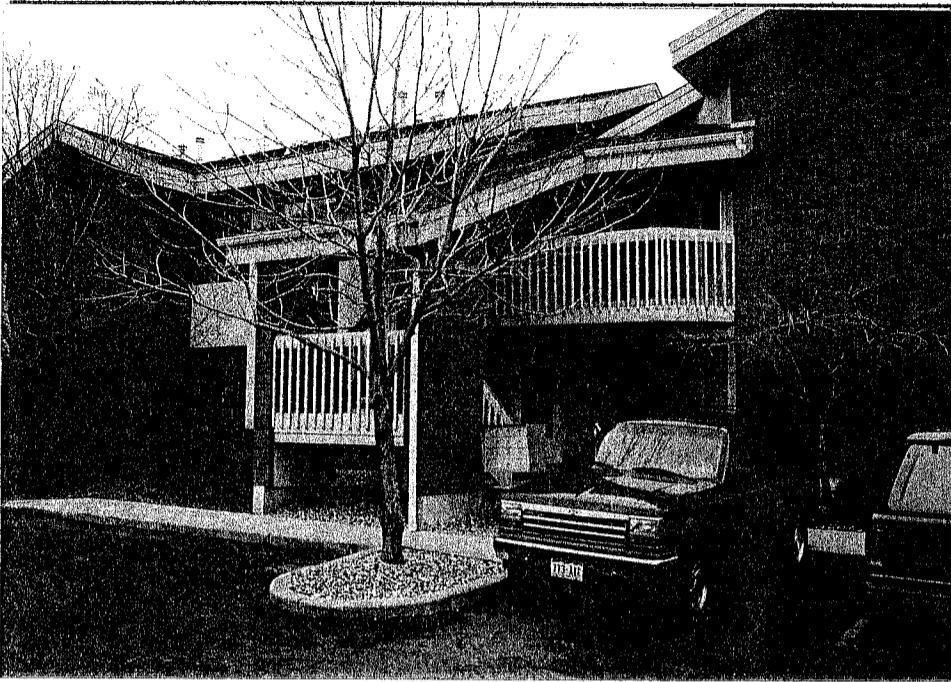
**(WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 220,000**

<p><b>APPRAISER:</b></p> <p>Signature _____ Name <b>Jon Macaulay</b> Date Report Signed <b>3/20/03</b> State Certification # <b>CR01313912</b> State <b>CO</b> Or State License # _____ State _____</p>	<p><b>SUPERVISORY APPRAISER (ONLY IF REQUIRED):</b></p> <p>Signature _____ Name _____ Date Report Signed _____ State Certification # _____ State _____ Or State License # _____ State _____</p> <p style="text-align: right;"><input type="checkbox"/> Did <input type="checkbox"/> Did Not Inspect Property</p>
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**SUBJECT PHOTO ADDENDUM**

File No. 4015

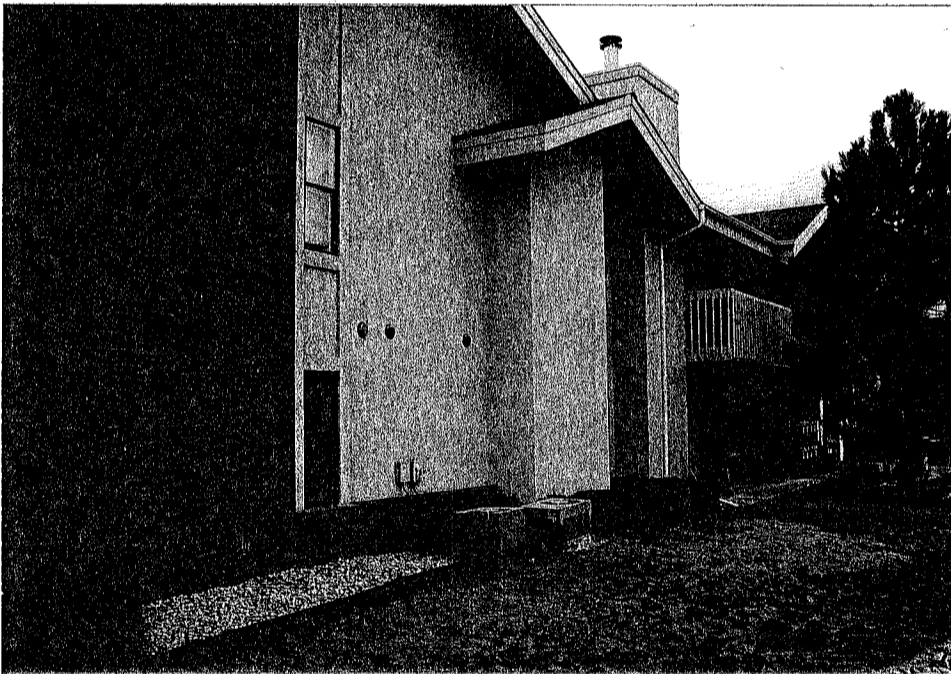
Borrower **Norris Minick**  
Property Address **565 Manhattan Drive #203**  
City **Boulder** County **Boulder** State **CO** Zip Code **80303**  
Lender/Client **Cherry Creek Mortgage** Address **1790 30th Street #100, Boulder, CO 80301**



**FRONT OF  
SUBJECT PROPERTY**

Address  
**565 Manhattan Dr.  
#203**  
Appraisal Date **3/17/03**  
Appraisal Value **220,000**

Site  
View **typical**  
Design/Appeal **1 level, good**  
Const. Quality **fr,su/good**  
Age **1990**  
Square Feet **980**  
Total Rooms **5**  
Bedrooms **2**  
Bathrooms **2**  
Basement **none**  
Garage **1 car garage**  
Fireplace **fireplace**



**REAR OF  
SUBJECT PROPERTY**



**STREET SCENE**

**COMPARABLES 1-2-3 PHOTO ADDENDUM**

File No. 4015

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 Lender/Client **Cherry Creek Mortgage** Address **1790 30th Street #100, Boulder, CO 80301**

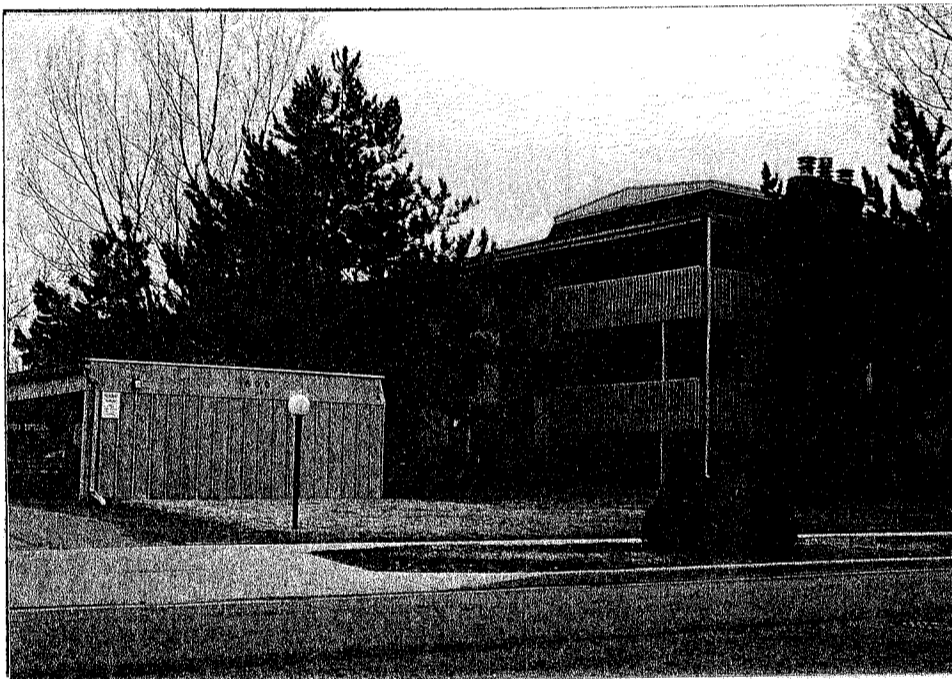


**COMPARABLE SALE #1**

Address  
**695 Manhattan Dr. #220**

Sale Date **9/02**  
 Sale Price **188,000**

Site  
 View **similar**  
 Design/Appeal **1 level, sim.**  
 Const. Quality **fr/inf.**  
 Age **1980**  
 Square Feet **880**  
 Total Rooms **5**  
 Bedrooms **2**  
 Bathrooms **2**  
 Basement **none**  
 Garage **none**  
 Fireplace **fireplace**

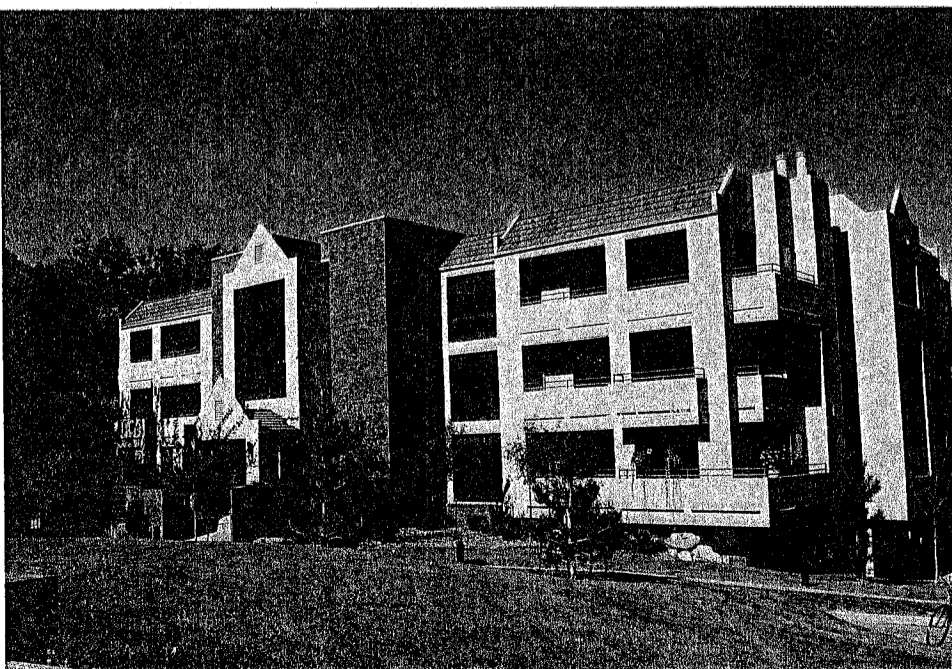


**COMPARABLE SALE #2**

Address  
**600 Manhattan Dr. #5**

Sale Date **10/02**  
 Sale Price **230,000**

Site  
 View **superior**  
 Design/Appeal **1 level, sim.**  
 Const. Quality **fr/inf.**  
 Age **1972**  
 Square Feet **1,128**  
 Total Rooms **5**  
 Bedrooms **2**  
 Bathrooms **2**  
 Basement **none**  
 Garage **none**  
 Fireplace **fireplace**



**COMPARABLE SALE #3**

Address  
**33 S. Boulder Cr. #210**

Sale Date **10/02**  
 Sale Price **218,500**

Site  
 View **similar**  
 Design/Appeal **1 level, sim.**  
 Const. Quality **fr/br, sim.**  
 Age **1993**  
 Square Feet **948**  
 Total Rooms **5**  
 Bedrooms **2**  
 Bathrooms **2**  
 Basement **none**  
 Garage **1 car garge**  
 Fireplace **fireplace**

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as 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 each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash 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.

\*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

#### STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

**CONTINGENT AND LIMITING CONDITIONS:** The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. 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, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of 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 the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

**SUPERVISORY APPRAISER'S CERTIFICATION:** If a supervisory appraiser signed the appraiser report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

**ADDRESS OF PROPERTY APPRAISED:** 565 Manhattan Drive Unit #203 Boulder, CO 80303

**APPRAISER:**

Signature: \_\_\_\_\_  
 Name: Jon Macaulay  
 Date Signed: 3/20/03  
 State Certification #: CR01313912  
 or State License #: \_\_\_\_\_  
 State: CO  
 Expiration Date of Certification or License: 12/31/03

**SUPERVISORY APPRAISER (only if required)**

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Date Signed: \_\_\_\_\_  
 State Certification #: \_\_\_\_\_  
 or State License #: \_\_\_\_\_  
 State: \_\_\_\_\_  
 Expiration Date of Certification or License: \_\_\_\_\_  
 Did  Did Not Inspect Property