

Bradford Technologies
Sample Appraiser
302 Piercy Rd
San Jose, CA 95138

LETTER OF TRANSMITTAL

To:

TerraForma Lending
2445 Septimus Drive
Littleton, CO

Re:

James Rogers
4811 Kingston Avenue
Highlands Ranch, CO 80126

File Number: 4811 Kingston Avenue

Client Ref: 00001563



In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

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

This report is NOT based on a physical analysis of the site and improvements.

The analysis is based on a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject using MLS and public data records as are available. No Physical Inspection was performed.

The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Estimated Value as stated in the report: \$ 252,500
as of (Effective Date of the Appraisal): 12/01/2009

Respectfully Submitted:

Sample Appraiser

Sample Appraiser
02/11/2010

REAL ESTATE COLLATERAL VALUATION REPORT

File No. 4811 Kingston Avenue
Ref No. 00001563

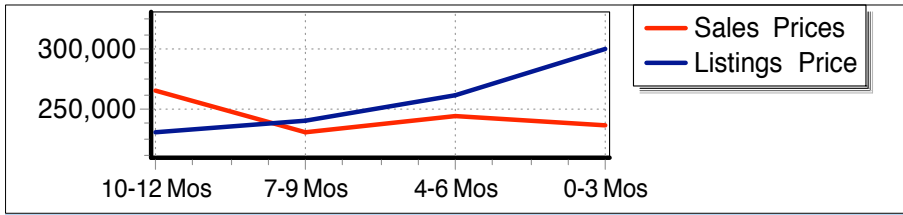
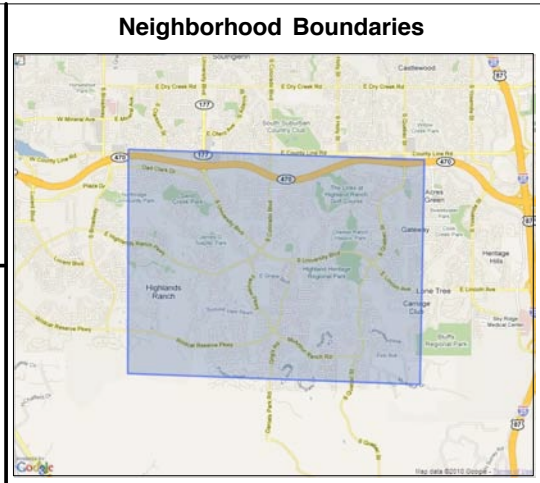
SUMMARY APPRAISAL REPORT

CLIENT	Client TerraForma Lending	Borrower James Rogers
Address 2445 Septimus Drive	City Littleton	ST CO Zip
Contact Sample Appraiser	Phone (303) 875-5677	
Address 4811 Kingston Avenue	City Highlands Ranch	STCO Zip 80126
Owner Kim Jones	County Douglas	
APN 2231-18-2-10-013	R.E. Taxes \$ 1,960.41	Tax Year 2008
Property Interest Appraised: <input type="checkbox"/> Fee Simple <input type="checkbox"/> Other		
Highest and Best Use:		
Legal Description LOT 392 HIGHLANDS RANCH # 120C 0.093 AM/L		
SUBJECT	Total Rooms 3	Year Built 1998
	Bedrooms 3	Stories 2+B
	Baths 3	Car Storage G2
	GLA 1680	Basement 464
	Site Area 3920	Bsmnt Finished
	Design (Style) 2-Story	



Comments: The subject property is a typical improvement for the neighborhood. Given the diversity of the Highland's Ranch neighborhood, it represents a newer home within this area.

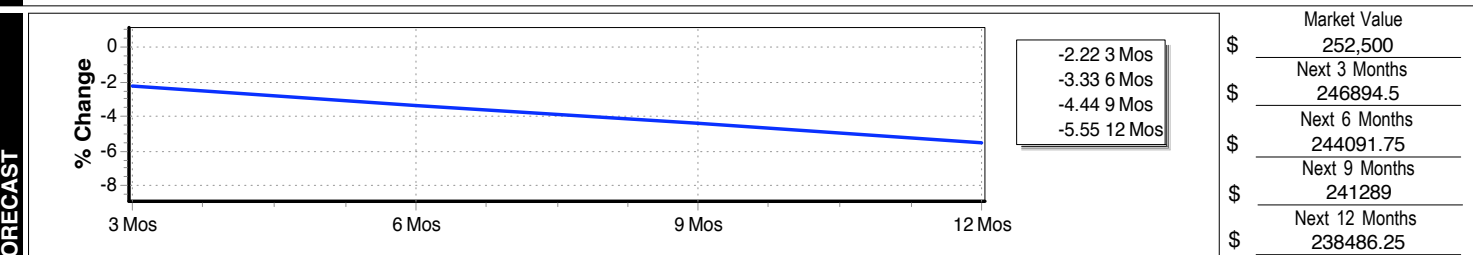
NEIGHBORHOOD	Neighborhood Name Highland	Price(\$000) 185	Age (Yrs) Low 3
	Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	450	High 35
	Built-Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	380	Pred 12
	Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow		
	Trends Last 3 Mos.	Property Values	Demand/Supply
	Median List Price 299,900	<input type="checkbox"/> Increasing	<input type="checkbox"/> Shortage <input type="checkbox"/> < 3 Mos
	Median Sale Price 235,000	<input checked="" type="checkbox"/> Stable	<input checked="" type="checkbox"/> In Balance <input checked="" type="checkbox"/> 3-6 mths
	List to Sale Ratio 96.25	<input type="checkbox"/> Declining	<input type="checkbox"/> Over Supply <input type="checkbox"/> Over 6 mths



Neighborhood Description and Market Conditions: The Highlands Ranch neighborhood is located proximate to Highway C-470, between Interstate 25 and Santa Fe Drive in the southern tier of the Denver Metropolitan area. The neighborhood consists of more than 20,000 housing units and is considered to represent one of the more desirable neighborhoods in the area. Housing stock varies widely in this neighborhood, with home prices ranging from \$200,000 to more than \$1,000,000.

VALUATION	Neighborhood Sales Price Range: \$ 185,000 to \$ 450,000
	Average Neighborhood Sale Price: \$ 380,000
	Indicated Value from Regression: \$ 249,576
	Indicated Value Range from Regression: \$ 249,574 to \$ 249,579

Based on the defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certification, my opinion of the market value of the subject as of **12/01/2009**, which is the effective date of this appraisal, is **\$ 252,500**.



Forecast Source Veros Date 02/05/2010 Comments: The forecast for the subject market is for continued declines.

APPRAISER	Signature <i>Sample Appraiser</i>
	Name Sample Appraiser Date 02/11/2010
	Company Bradford Technologies
	Address 302 Piercy Rd
	City San Jose State CA Zip 95138
	License # CA5778
	Certification #
	Other #
	Expiration Date 01/01/2011 State CA
	Inspection: <input checked="" type="checkbox"/> No Inspection <input type="checkbox"/> Exterior Only <input type="checkbox"/> Interior and Exterior Date

Appraiser Identity and Data Authentication by
Appraisal Sentry™

NEIGHBORHOOD DESCRIPTION AND TRENDS

File No. 4811 Kingston Avenue
Ref No. 00001563

Property Address 4811 Kingston Avenue

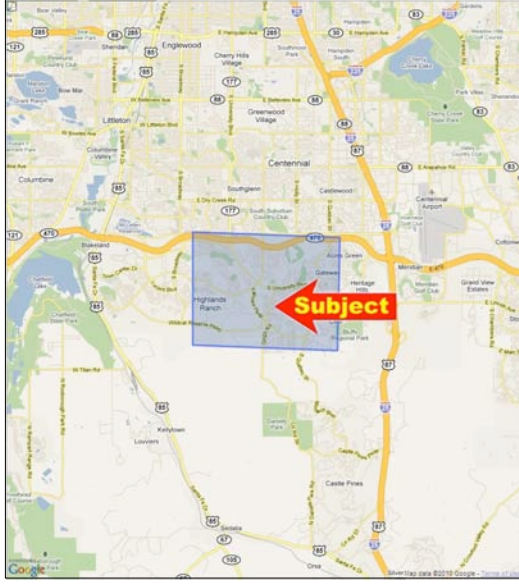
City Highlands Ranch

County Douglas

State CO

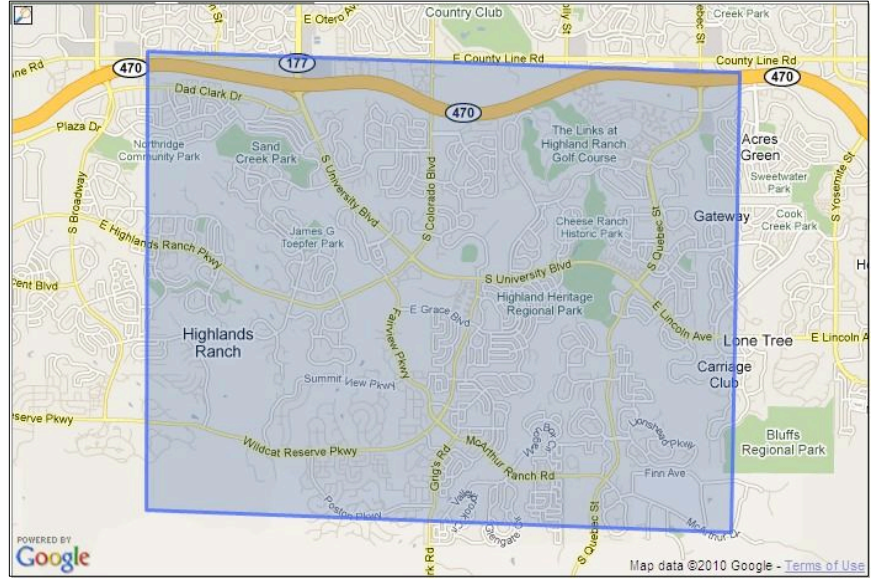
Zip Code 80126

Area Location Map



Neighborhood Boundary

Area: 14.815 sq miles Sq Miles



Neighborhood Name Highland

Census Tract 0141.18

Total Properties Sold within Boundary 207

- Location Urban Suburban Rural
 Built-Up Over 75% 25-75% Under 25%
 Growth Rapid Stable Slow

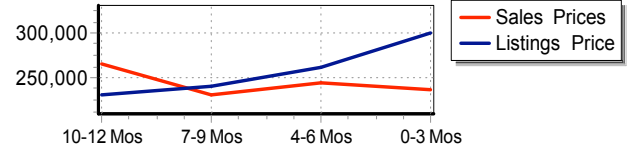
Description: The subject is located within the Highlands Ranch neighborhood, in the south-central Denver Metropolitan area. This planned neighborhood provides excellent linkage to employment centers, retail/shopping and other amenities.

	In Last: 3 Mos.	4-6 Mos.	7-9 Mos.	10-12 Mos.
Total Listings	266	224	112	89
Median List Price	299,900	259,900	239,900	229,900
Total Sales	53	74	36	44
Median Sale Price	235,000	243,000	229,900	265,000
Days on Market	2	6	34	2
Sale Price / SqFt	146.1	145.06	131.26	137.81
Low Sale Price	195,000	193,000	209,500	204,000
High Sale Price	450,000	387,500	385,000	385,000
Absorption Rate	17.67			
Months of Supply	4.33			
List/Sale Price Ratio	96.25	96.63	94.68	94.55

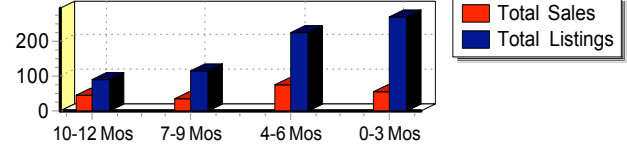
Supply/Demand Shortage In-Balance Over-Supply
 Marketing Time 3.0 Months

Market Conditions: Given the nature of this neighborhood, market conditions have remained stable with sales and listings generally in balance.

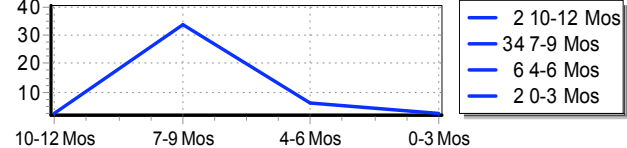
Sales and Listings Prices Increasing Stable Decreasing



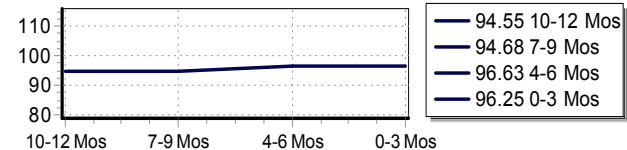
Total Sales and Listings Increasing Stable Decreasing



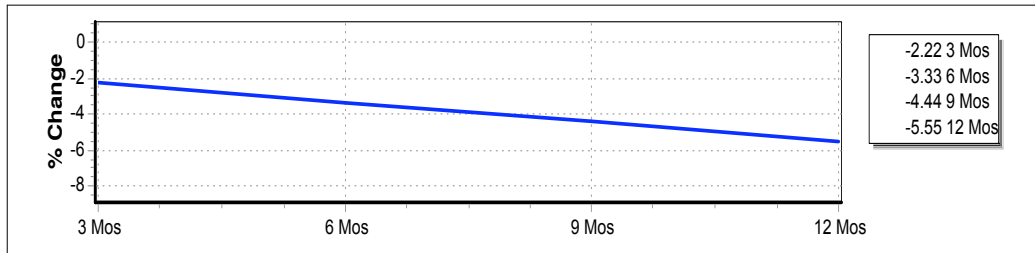
Days on Market (Sales) Increasing Stable Decreasing



Listings to Sales Ratio Increasing Stable Decreasing



NEIGHBORHOOD VALUE TREND



Value Trend Forecast

Next 3 Mos	-2.22%	\$ 246894.5
Next 6 Mos	-3.33%	\$ 244091.75
Next 9 Mos	-4.44%	\$ 241289
Next 12 Mos	-5.55%	\$ 238486.25

Increasing Stable Decreasing

Source Veros

Neighborhood Value Trend and Impact on Subject Property: The forecast for the subject market is for continued declines.

REGRESSION STATISTICS DETAIL

File No. 4811 Kingston Avenue
Ref No. 00001563

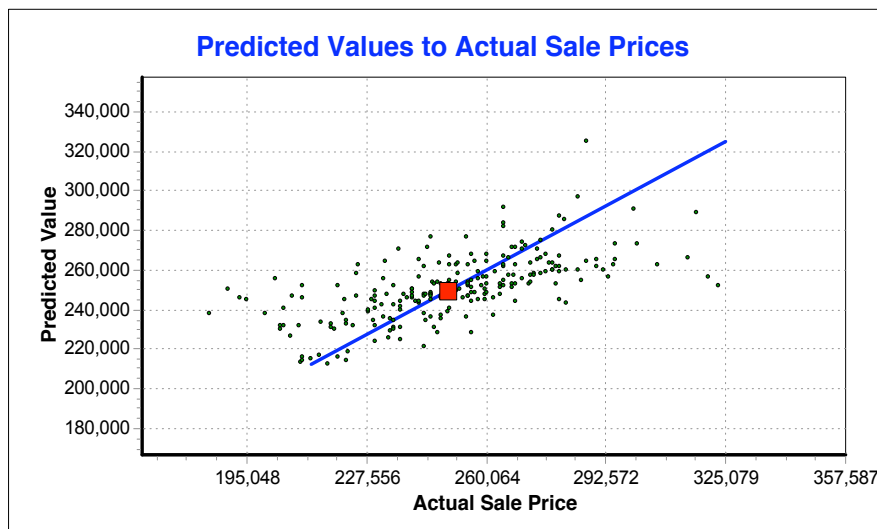
Property Address 4811 Kingston Avenue

City Highlands Ranch

County Douglas

State CO

Zip Code 80126



Indicated Value from Regression: \$ 249,576

Regression Output Statistics

Statistical Measure	Model Output	Confidence
R Squared	41.34%	Acceptable
Adjusted R Squared	39.48%	Acceptable
COV	6.94%	Very Good
COD	5.67%	Very Good
Standard Error	5.16%	Very Good

Components of Value (Most relevant to Subject and Market)

Component	Most Likely Value	Significance of Variable	Acceptance of Variable
Base Neighborhood Value	\$194,659.64		Accepted
GLA	\$23.77	High	Accepted
Total Baths	\$6,344.95	Medium	Accepted
Site Area SF	\$.7	Low	Accepted
Garage Spaces	Excluded		Excluded
Carport	Insufficient Data		Insufficient Data
Basement Area	\$12.57	Medium	Accepted
Basement Finished	Insufficient Data		Insufficient Data
Year Built	-\$1,096.78	Medium	Accepted
Fireplaces	\$668.6	Low	Accepted
Pool	Insufficient Data		Insufficient Data
Spa	Insufficient Data		Insufficient Data
Sale Date (Monthly)	-\$135.47	Low	Accepted

Top 10 Sales (Most relevant to Subject and Market)

Address	Sale Price	Date of Sale	GLA	Site Area	Bdrms	Baths	Distance
10081 MACKAY Dr , 80130	\$240,000	11/16/2009	1,677	5,662 SqFt	3	3.00	0.27 mi
4849 Kingston Ave , 80130	\$250,000	09/30/2009	1,691	3,920 SqFt	3	3.00	0.03 mi
9689 Adelaide Cir , 80130	\$258,000	09/29/2009	1,678	5,662 SqFt	3	3.00	0.37 mi
10086 Cairns Ct , 80130	\$279,000	09/25/2009	1,707	6,098 SqFt	3	3.00	0.11 mi
4916 Waldenwood Dr , 80130	\$252,500	10/05/2009	1,649	8,276 SqFt	3	3.00	0.34 mi
4914 Collingswood Dr , 80130	\$249,900	08/31/2009	1,677	6,534 SqFt	3	3.00	0.41 mi
4851 Collinsville Pl , 80130	\$243,000	08/24/2009	1,708	4,356 SqFt	3	3.00	0.11 mi
10338 Rotherwood Cir , 80130	\$273,000	09/17/2009	1,768	5,662 SqFt	3	3.00	0.37 mi
5559 E Wickerdale Ln , 80130	\$268,000	08/26/2009	1,678	6,969 SqFt	3	3.00	0.86 mi
9882 Aftonwood St , 80126	\$232,300	10/15/2009	1,513	4,791 SqFt	3	4.00	0.39 mi

Evaluation of Data and Analysis

Number of Observations	Very Good (228)
Data Quality	Acceptable
Comparison of Subject to Dataset	Acceptable
Overall Agreement with Model Output	High
Overall Agreement with Model Accuracy	Acceptable

Comments: There was a sufficiency of sale data to produce an appropriate indication of value from the regression analysis. With 177 sales, this dataset was appropriate and rich enough to provide ample evidence of value. The R squared and Adjusted R squared were both adequate for a well-designed model. The measures of dispersion in the COV and COD, in tandem with the Standard Error at 5.16% were both determined to represent a highly predictive valuation with minor error.

SALES AND LISTINGS ANALYSIS

File No. 4811 Kingston Avenue
Ref No. 00001563

HISTORY	Subject 3 yr Sale History			Sale #1 12 Month Sale History		Sale #2 12 Month Sale History		Sale #3 12 Month Sale History	
	Price	Date	Deed Type	Price	Date	Price	Date	Price	Date
	\$			\$		\$		\$	
	\$			\$		\$		\$	
Subject Currently Listed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			Listing Price \$		Sale and Listing Comments:				

COMPARABLE SALE ANALYSIS	FEATURE	SUBJECT	COMPARABLE SALE #1				COMPARABLE SALE #2				COMPARABLE SALE #3						
	Address	4811 Kingston Avenue Highlands Ranch, CO 80126		10081 MACKAY Dr Highlands Ranch, CO 80130				4849 Kingston Ave Highlands Ranch, CO 80130				9689 Adelaide Cir Highlands Ranch, CO 80130					
	Proximity to Subject			0.269 miles				0.034 miles				0.368 miles					
	Sale Price	\$		\$ 240,000				\$ 250,000				\$ 258,000					
	Sale Price/GLA	\$ N/A /sq.ft.		\$ 143.11 /sq.ft.				\$ 147.84 /sq.ft.				\$ 153.75 /sq.ft.					
	VALUE ADJUSTMENTS	DESCRIPTION		DESCRIPTION		+/- \$ Adjustment		DESCRIPTION		+/- \$ Adjustment		DESCRIPTION		+/- \$ Adjustment			
	Date of Sale / Time	N/A		11/16/2009				09/30/2009				09/29/2009					
	Location	Suburban															
	Site Views	None															
	Condition	Central															
	Design (Style)	2-Story		Two Story				Two Story				Two Story					
	Site Area (SqFt)	3,920 SqFt		5,662 SqFt				-1,219		3,920 SqFt				5,662 SqFt		-1,219	
	Year Built	1998		1998				1998				1997				1,097	
	Above Grade Room Count	Total	Brs.	Baths	Total	Brs.	Baths	Total	Brs.	Baths	Total	Brs.	Baths	Total	Brs.	Baths	
		3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	
	Gross Living Area	1680 sq.ft.		1,677 sq.ft.				71		1,691 sq.ft.		-261		1,678 sq.ft.		48	
	Basement Area	464		1				5,820		464				1		5,820	
	Basement Finished Area																
Car Storage	G2, CP0		G1, CP				G1, CP				G1, CP						
Fireplace(s)	1		FP1						FP2		-668		FP1				
Pool/Spa	No Pool, No Spa		No Pool, No Spa				No Pool, No Spa				No Pool, No Spa						
Net Adjustment (Total)	Avg: \$252,677		Net Adj 1.95%		\$ 4,672		-Net Adj 0.26%		\$ -658		Net Adj 2.33%		\$ 6,017				
Adjusted Sale Price	WtAvg: \$252,636		Gross Adj 2.96%		\$ 244,672		Gross Adj 0.48%		\$ 249,342		Gross Adj 3.28%		\$ 264,017				

COMPARABLE LISTING ANALYSIS	FEATURE	SUBJECT	COMPARABLE LISTING #1				COMPARABLE LISTING #2				COMPARABLE LISTING #3						
	Address	4811 Kingston Avenue Highlands Ranch, CO 80126		4981 Collinsville Pl Highlands Ranch, CO 80130				4574 LYNDENWOOD Cir Highlands Ranch, CO 80130				4499 Lyndenwood Cir Highlands Ranch, CO 80130					
	Proximity to Subject			0.194 miles				0.279 miles				0.299 miles					
	REO Property	<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No				<input type="checkbox"/> Yes <input type="checkbox"/> No				<input type="checkbox"/> Yes <input type="checkbox"/> No					
	Original List Price	\$		\$				\$				\$					
	Date of Last Revision																
	Total Days on Market																
	Current List Price	\$		\$ 289,000				\$ 259,700				\$ 265,000					
	Listing/Sales Ratio	96.25		96.25				96.25				96.25					
	Forecasted Sale Price	\$		\$ 278,163				\$ 249,961				\$ 255,063					
	List Price/GLA	\$ N/A /sq.ft.		\$ 164.50 /sq.ft.				\$ 151.58 /sq.ft.				\$ 154.68 /sq.ft.					
	VALUE ADJUSTMENTS	DESCRIPTION		DESCRIPTION		+/- \$ Adjustment		DESCRIPTION		+/- \$ Adjustment		DESCRIPTION		+/- \$ Adjustment			
	Location	Suburban															
	Site Views	None															
	Condition	Central															
	Design (Style)	2-Story		Two Story				Two Story				Two Story					
	Site Area (SqFt)	3,920 SqFt		3,920 SqFt						1 SqFt		2,743		4,051 SqFt		-92	
	Year Built	1998		1997				1,097		1999		-1,097		1998			
Above Grade Room Count	Total	Brs.	Baths	Total	Brs.	Baths	Total	Brs.	Baths	Total	Brs.	Baths	Total	Brs.	Baths		
	3	3	3	3	2	6,345	3	3		3	3		3	3			
Gross Living Area	1680 sq.ft.		1,691 sq.ft.				-261		1,649 sq.ft.		737		1,649 sq.ft.		737		
Basement Area	464		464				464				464						
Basement Finished Area																	
Car Storage	G2,		G1, CP				G1, CP				G1, CP						
Fireplace(s)	1		FP2				-668		FP1				FP1				
Pool/Spa	No Pool, No Spa		No Pool, No Spa				No Pool, No Spa				No Pool, No Spa						
Net Adjustment (Total)	Avg: \$264,243		Net Adj 2.34%		\$ 6,513		Net Adj 0.95%		\$ 2,383		Net Adj 0.25%		\$ 645				
Adjusted Sale Price	WtAvg: \$264,117		Gross Adj 3.01%		\$ 284,676		Gross Adj 1.83%		\$ 252,344		Gross Adj 0.33%		\$ 255,708				

VALUE CONCLUSIONS	Indicated Value by Sales Comparison Approach \$ 252,500
	Indicated Value by Listing Comparison Using Forecasted Sale Price \$ 264,000
	Comments: Sales: The comparable sales and listings were both appropriate and relatively recent in nature. There were ample sales in this neighborhood, all similar to the subject in all key factors of comparison. The adjustments applied were appropriate and supportable, and result in an appropriate indication of value from this approach.
Listing:	

COMMENT ADDENDUM

File No. 4811 Kingston Avenue
Ref No. 00001563

Property Address 4811 Kingston Avenue

City Highlands Ranch

County Douglas

State CO

Zip Code 80126

REGRESSION ANALYSIS COMMENTS (continued)

The site area was not determined to impact value and given that all homes in this area had two car garages, the indications for the garage variable were not determined to be relevant in this area.

Overall the regression provides a relevant valuation for the subject property.

RECONCILIATION COMMENTS

There was a sufficiency of data in all three valuation methods to render a credible valuation for the subject property. The regression value was supported by over 200 sales, and closely supported the valuation conclusions derived from the three sales determined to be most relevant in the valuation of the subject. The Listings considered within the analysis were slightly higher than the sales or regression, but ultimately support the final value conclusion of \$252,500.

FLOOD MAP

File No. 4811 Kingston Avenue
Ref No. 00001563

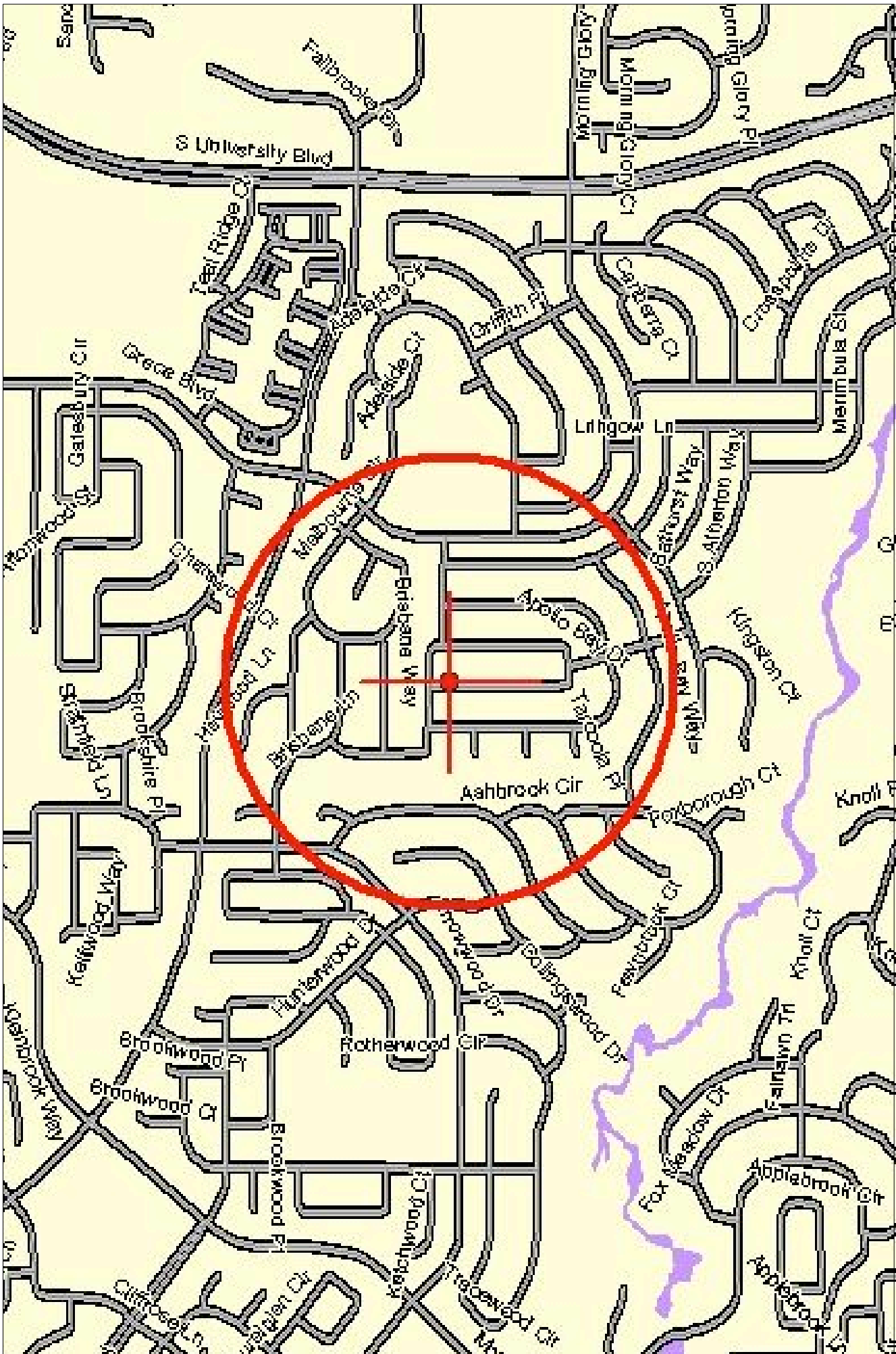
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LOCATION MAP

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Ref No. 00001563

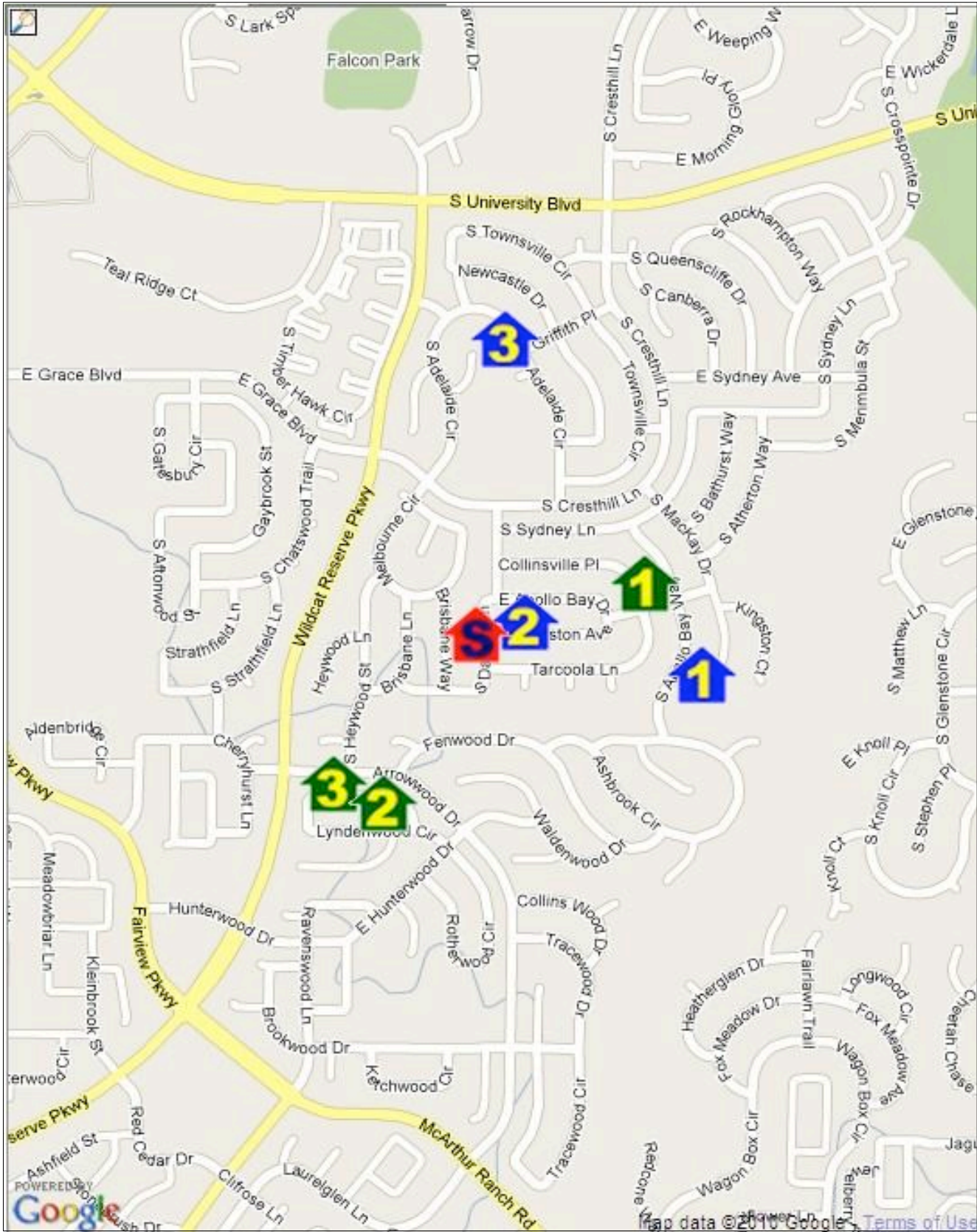
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Subject:

 4811 Kingston Avenue

Comparable Sales:

-  10081 MACKAY Dr
-  4849 Kingston Ave
-  9689 Adelaide Cir

Comparable Listings:

-  4981 Collinsville Pl
-  4574 LYNDENWOOD Cir
-  4499 Lyndenwood Cir

SUBJECT PHOTOGRAPHS

File No. 4811 Kingston Avenue
Ref No. 00001563

Property Address 4811 Kingston Avenue

City Highlands Ranch

County Douglas

State CO

Zip Code 80126



Photo Description North View
Photo Source Pictometry
Photo Date 03/15/2009



Photo Description East View
Photo Source Pictometry
Photo Date 03/15/2009



Photo Description South View
Photo Source Pictometry
Photo Date 03/15/2009

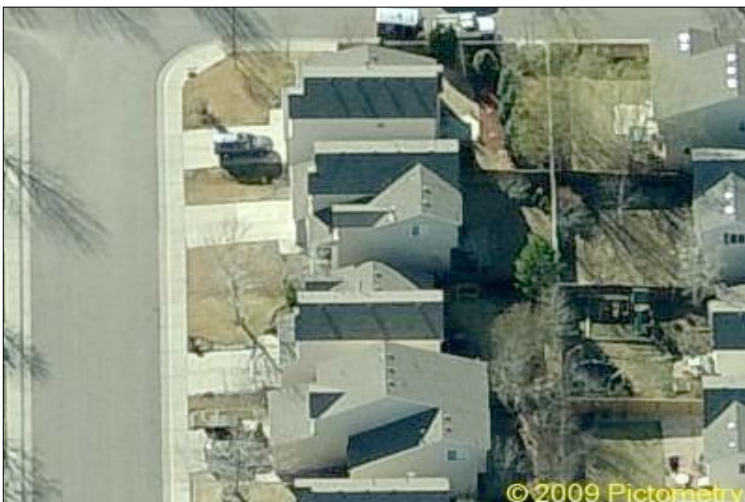


Photo Description West View
Photo Source Pictometry
Photo Date 03/15/2009

DEFINITION OF TERMS AND OVERVIEW OF PROCESS

File No. 4811 Kingston Avenue
Ref No. 00001563

Property Address 4811 Kingston Avenue

City Highlands Ranch

County Douglas

State CO

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Definitions

DEFINITION OF MOST PROBABLE SELLING PRICE: That price at which a property would most probably sell if exposed to the market for a reasonable time, under market conditions prevailing as of the data of the appraisal. (Real Estate Terminology, p. 177 SREA)

DEFINITION OF R-SQUARED (Coefficient of Determination): 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 is large relative to the number of sales. Adjusted R-Squared rewards parsimony and takes into consideration the number of independent variables, thereby diminishing 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 of numbers 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.

Source 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 within 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 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

While the Collateral Valuation Report is a summary appraisal report on a single property, there is a significant body of knowledge contained within the three key reference sources listed above. Each of these sources is the expected standard within the appraisal profession as it pertains to the use of statistical analysis in real estate valuation. General guidelines from these source texts have been considered, and where appropriate, implemented within the process that generates the Collateral Valuation Report.

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 is critical to an understanding of the modeling process and the use of statistics in real estate appraisal.

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 the 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.

SCOPE AND LIMITING CONDITIONS

File No. 4811 Kingston Avenue
Ref No. 00001563

Property Address 4811 Kingston Avenue

City Highlands Ranch

County Douglas

State CO

Zip Code 80126

At the request of the client, the appraiser has prepared an appraisal of the subject property to meet the needs of the specified client. This is a Summary Appraisal Report.

This report form is designed to report an appraisal of a one-unit property including a unit in a planned unit development (PUD) or a unit in a condominium or cooperative project. This report form is not designed to report an appraisal of a manufactured home. This appraisal is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications.

INTENDED USE:

Purchase

INTENDED USER:

TerraForma Lending

APPRAISER'S ABILITY TO PROVIDE CREDIBLE ANALYSIS: Under USPAP, the appraiser is required to measure credibility of results within context of intended use, intended user and the scope of work applied. In the case of this assignment, the appraiser:

1 Can perform this assignment under the special conditions and provide a credible analysis based on the intended use, intended user and scope of work herein. Please refer to report following.

SCOPE OF WORK: *Scope of work includes, but is not limited to, the following: (1) The degree to which the property is inspected or identified; (2) The extent of research into physical or economic factors that could affect the property; (3) The extent of data research; and (4) The type and extent of analysis applied to arrive at opinions or conclusions.*

Special Conditions of Assignment and Scope of Work Applied:

What was done:

1. The appraiser has consulted public and private data sources to determine the location and physical characteristics of the subject property, competing listings, contracted sales and completed sales necessary for this analysis. If available, the appraiser has also considered information provided by the client, including prior appraisals or evaluations and information provided by the owner. The appraiser has reported the sources of data that were relied upon and has a reasonable belief that the information is accurate and unbiased. Should this information be incorrect, it could have an impact on assignment results.
2. The appraiser is geographically competent and has attained sufficient understanding of the market dynamics that impact the subject.
3. The appraiser has collected general market data from local sources, including the Multiple Listing Service to analyze the current state of the market as it relates to the subject property. Data arrays and charts or graphs are included in the report to assist the reader in understanding with current market conditions.
4. The appraiser has analyzed general and specific data and formed an opinion as to the market value of the subject.
5. The sales comparison approach was performed.
6. Comparisons and adjustments made to the comparable sales and listings were based on analysis and data extracted from the market during the preparation for this appraisal as well as past assignments.
7. The appraiser has provided a summary appraisal report of the analysis, opinions, and conclusions.

What was not done:

1. Extraordinary Assumption: Due to the client's request for an appraisal of the subject without a complete inspection of the property by the appraiser, the subject is assumed to be in habitable and marketable condition, with no faults or defects and similar to other substitute properties offered to the market or recently sold.
2. A cost approach was not completed because in this market, buyers and sellers do not consider this approach in their purchase/sales decision. Though considered, the cost approach was not applied. The decision not to use this approach does not have an impact on the assignment results.
3. An income approach was not completed because in this market, buyers and sellers do not consider the income approach in their purchase/sales decision. Though considered, the income approach was not applied. The decision not to use this approach does not have an impact on the assignment results.
4. Value of personal Property is not included in this assignment except for kitchen and laundry appliances which are typically included as part of residential real estate transactions in this marketplace.

ASSUMPTIONS AND LIMITING CONDITIONS:

1. The Opinion of Value is limited to neighborhood and property data available without physical inspection. Therefore the appraiser cannot acknowledge or consider such information not described in Public Record or MLS data.
2. 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 stated.
3. The property is appraised free and clear of any or all liens or encumbrances.
4. Responsible ownership and competent property management are assumed. Property condition is assumed Typical unless specifically described otherwise.
5. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable.
7. 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.
8. 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.
9. 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.
10. It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the property described and that there is no encroachment or trespass.
11. The existence of hazardous materials, which may or may not be present on the property, cannot be observed or verified absent a physical inspection of the Subject Property. The appraiser has no knowledge of the existence of such materials on or in the property. The value estimated is predicted on the assumption that there is no such material on or in the property that would cause a loss in value.
12. 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 value, the identity of the appraiser, or the firm with which 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.
13. The appraiser by reason of this appraisal is not required to give further consultation or testimony or be in attendance in court with reference to the property in question unless arrangements have been previously made.
14. Any value opinions provided in the report apply to the entire property, and any proration of division of the total into fractional interests will invalidate the value opinion, unless such proration or division of interest has been set forth in the report.

APPRAISER'S CERTIFICATION

File No. 4811 Kingston Avenue
Ref No. 00001563

Property Address 4811 Kingston Avenue

City Highlands Ranch

County Douglas

State CO

Zip Code 80126

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 in 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 are 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 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 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.*

APPRAISER'S CERTIFICATION

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

1. the statements of fact contained in this report are true and correct.
2. the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. my engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
8. I have (or have not) made a personal inspection of the property that is the subject of this report. (If more than one person signs this certification, the certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)
9. no one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated.)
10. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
11. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value.
12. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
13. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
14. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
15. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property except in the case of data and descriptions of the subject property provided to me.
16. I have knowledge and experience in appraising this type of property in this market area.
17. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
18. 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.
19. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such 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).
20. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

SUBJECT PROPERTY:

Address 4811 Kingston Avenue

City Highlands Ranch

State CO

Zip 80126

Estimated Value as stated in the report: \$ 252,500

as of (Effective Date of the Appraisal): 12/01/2009

APPRAISER:

Signature

Sample Appraiser

252,500

Name Sample Appraiser

Date 02/11/2010

Company Bradford Technologies

Address 302 Piercy Rd

City San Jose

State CA

Zip 95138

License # CA5778

Certification #

Other #

Expiration Date 01/01/2011

State CA

Inspection: No Inspection Exterior Only Interior and Exterior Date