RESIDENTIAL APPRAISAL REPORT

Property Location:	12824 N 68TH ST DESERT ESTATES 6 LOT 58 SCOTTSDALE, AZ 85254
Borrower:	TBD
Client:	LIBERTY ONE LENDING
Effective Date:	JULY 5, 2007
Prepared By:	WILLIAM M. NOLD

NOLD ASSOCIATES
119 W. RENEE DRIVE
PHOENIX, AZ 85027

Uniform Residential Appraisal Report

File # XXX-6501

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

SUBJECT

Property Address 12824 N 68TH ST | City SCOTTSDALE | State AZ | Zip Code 85254
Borrower TBD | Owner of Public Record JOHN WYPP (SEE ATTACHED ADDENDUM) | County MARICOPA
Legal Description DESERT ESTATES 6 LOT 58
Assessor's Parcel # 175-07-116 | Tax Year 2006 | R.E. Taxes $ 2,430.48
Neighborhood Name DESERT ESTATES | Map Reference SMSA - 6200 | Census Tract 1032.07
Occupant ☒ Owner ☐ Tenant ☐ Vacant | Special Assessments $ N/A | ☐ PUD | HOA $ ☐ per year ☐ per month
Property Rights Appraised ☒ Fee Simple ☐ Leasehold ☐ Other (describe)
Assignment Type ☐ Purchase Transaction ☐ Refinance Transaction ☒ Other (describe) DETERMINATION OF MARKET VALUE AFTER PERMITS, IMPROVEMENTS MADE
Lender/Client LIBERTY ONE LENDING | Address 2222 S DOBSON RD #3 STE 2000. MESA, AZ 85202
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? ☐ Yes ☒ No
Report data source(s) used, offering price(s), and date(s). ARMLS

CONTRACT

I ☐ did ☐ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

Contract Price $ | Date of Contract | Is the property seller the owner of public record? ☐ Yes ☐ No | Data Source(s)
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? ☐ Yes ☐ No
If Yes, report the total dollar amount and describe the items to be paid.

NEIGHBORHOOD

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

Neighborhood Characteristics				One-Unit Housing Trends				One-Unit Housing			Present Land Use %	
Location	☐ Urban	☒ Suburban	☐ Rural	Property Values	☐ Increasing	☒ Stable	☐ Declining	PRICE		AGE	One-Unit	80 %
Built-Up	☒ Over 75%	☐ 25-75%	☐ Under 25%	Demand/Supply	☐ Shortage	☒ In Balance	☐ Over Supply	$ (000)		(yrs)	2-4 Unit	10 %
Growth	☐ Rapid	☒ Stable	☐ Slow	Marketing Time	☒ Under 3 mths	☐ 3-6 mths	☐ Over 6 mths	415	Low	NEW	Multi-Family	%
								1,600	High	45	Commercial	10 %
								800	Pred.	25	Other	%

Neighborhood Boundaries ON THE NORTH BY GREENWAY PKWY,; ON THE EAST BY HAYDEN RD.; ON THE SOUTH BY SHEA BLVD.; AND ON THE WEST BY 64TH ST.

Neighborhood Description SCOTTSDALE, ARIZONA IS MOSTLY RESIDENTIAL, WITH SIGNIFICANT COMMERCIAL AND INDUSTRIAL USES. THE IMMEDIATE NEIGHBORHOOD OF THE SUBJECT PROPERTY IS PRINCIPALLY RESIDENTIAL, AND IT IS IN CLOSE PROXIMITY TO SCHOOLS, SHOPPING AND TRANSPORTATION. TRENDS ARE STABLE. SUPPLY AND DEMAND APPEAR TO BE IN BALANCE.

Market Conditions (including support for the above conclusions) THE AREA HAS SHOWN STABLE TRENDS ON MARKET LEVELS. SUPPLY AND DEMAND APPEAR TO BE IN BALANCE. LOAN DISCOUNT, INTEREST BUY DOWNS AND OTHER SELLER CONCESSIONS ARE NOT PREVALENT IN THIS MARKET AREA AT THIS TIME.
MARKET TIME IS 74 DAYS.

SITE

Dimensions N/K | Area 23,878 | Shape IRREGULAR | View RESIDENTIAL
Specific Zoning Classification R3 | Zoning Description SINGLE FAMILY RESIDENTIAL
Zoning Compliance ☒ Legal ☐ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe

Utilities	Public	Other (describe)		Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	☒	☐	Water	☒	☐	Street ASPHALT.	☒	☐
Gas	☒	☐	Sanitary Sewer	☒	☐	Alley NONE	☐	☐

FEMA Special Flood Hazard Area ☐ Yes ☒ No | FEMA Flood Zone X | FEMA Map # 040051 1685F | FEMA Map Date 09/30/2005
Are the utilities and off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☒ No If Yes, describe

IMPROVEMENTS

General Description		Foundation		Exterior Description	materials/condition	Interior	materials/condition
Units ☒ One ☐ One with Accessory Unit		☒ Concrete Slab ☐ Crawl Space		Foundation Walls	CONCRETE/AVG	Floors	CARP,CERC/AVG
# of Stories	2	☐ Full Basement ☐ Partial Basement		Exterior Walls	BLOCK-STUCCO /AVG	Walls	PLASTER/AVG
Type ☒ Det. ☐ Att. ☐ S-Det./End Unit		Basement Area	NONE sq.ft.	Roof Surface	CEMENT TILE	Trim/Finish	WOOD/AVG
☒ Existing ☐ Proposed ☐ Under Const.		Basement Finish	NONE %	Gutters & Downspouts	NONE	Bath Floor	CERAMIC/AVG
Design (Style)	2 STORY/AVG	☐ Outside Entry/Exit ☐ Sump Pump		Window Type	VINYL	Bath Wainscot	PLASTIC,CERC/AVG
Year Built	1968	Evidence of ☐ Infestation	NONE NOTED	Storm Sash/Insulated	NONE/NONE	Car Storage ☐ None	
Effective Age (Yrs)	13 YEARS	☐ Dampness ☐ Settlement		Screens	NONE	☒ Driveway # of Cars	5
Attic	☒ None	Heating ☒ FWA ☐ HWBB ☐ Radiant		Amenities	☐ Woodstove(s) #	Driveway Surface	CONCRETE
☐ Drop Stair	☐ Stairs	☐ Other	Fuel GAS	☒ Fireplace(s) # 2	☒ Fence BLOCK	☒ Garage # of Cars	5
☐ Floor	☐ Scuttle	Cooling ☒ Central Air Conditioning		☒ Patio/Deck PATIO	☐ Porch	☐ Carport # of Cars	
☐ Finished	☐ Heated	☐ Individual	☐ Other	☒ Pool 480 SQFT	☐ Other	☒ Att. ☐ Det.	☐ Built-in

Appliances P Refrigerator B Range/Oven B Dishwasher B Disposal B Microwave ☒ Washer/Dryer ☐ Other (describe)
Finished area **above** grade contains: 10 Rooms 5 Bedrooms 4 Bath(s) 3,844 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.). THE SUBJECT HAS CARPET AND TILE FLOORING, 200 AMP SERVICE, 64 GAL WATER HEATER, FURNACE, INTERNET CONNECTION, AND SMOKE DETECTORS.
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). SEE ATTACHED ADDENDUM

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☒ No If Yes, describe

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☒ Yes ☐ No If No, describe

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There are 26 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 415,000 to $ 1,600,000 .

There are 40 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 400,000 to $ 1,500,000 .

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	12824 N 68TH ST SCOTTSDALE, AZ 85254	12812 N 68TH STREET SCOTTSDALE, AZ 85254		11433 N 69TH STREET SCOTTSDALE, AZ 85254		11402 N 64TH STREET SCOTTSDALE, AZ 85254	
Proximity to Subject		0.01 miles		0.91 miles		1.03 miles	
Sale Price	$		$ 1,200,000		$ 1,495,000		$ 1,350,000
Sale Price/Gross Liv. Area	$ sq.ft.	$ 32.43 sq.ft.		$ 344.55 sq.ft.		$ 369.05 sq.ft.	
Data Source(s)		ARMLS #2687329		APN 175-25-031		APN 167-37-007H	
Verification Source(s)		ARMLS, TAX ID		ARMLS, TAX ID		ARMLS, TAX ID	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sales or Financing Concessions		CONVENTIONAL NOT KNOWN		CONVENTIONAL NK		CONVENTIONAL NOT KNOWN	
Date of Sale/Time		06/30/2007		02/26/2007		12/05/2006	
Location	SUBURBAN	SUBURBAN		SUBURBAN		SUBURBAN	
Leasehold/Fee Simple	FEE SIMPLE	FEE SIMPLE		FEE SIMPLE		FEE SIMPLE	
Site	23,878 S/F	24,254 S/F	0	41,868 S/F	-50,000	36,590 S/F	-40,000
View	RESIDENTIAL	RESIDENTIAL /AVG		RESIDENTIAL		RESIDENTIAL /AVG	
Design (Style)	2 STORY/AVG	1 STORY/AVG		1 STORY/AVG		1 STORY/AVG	
Quality of Construction	BLOCK-STUCCO/AVG	BLOCK-STUCCO/AVG		BLOCK-STUCCO/AVG		BLOCK-STUCCO/AVG	
Actual Age	39 YEARS	38 YEARS		1 YEARS		36 YEARS	
Condition	ABOVE AVERAGE	ABOVE AVERAGE		ABOVE AVERAGE		ABOVE AVERAGE	
Above Grade Room Count (Total / Bdrms. / Baths)	10 / 5 / 4	9 / 4 / 3.5	+5,000	10 / 5 / 4		8 / 4 / 3.5	+5,000
Gross Living Area	3,844 sq.ft.	37,000 sq.ft.	+8,500	4,339 sq.ft.	-29,500	3,658 sq.ft.	+11,000
Basement & Finished Rooms Below Grade	NONE NONE	NONE NONE		NONE NONE		NONE NONE	
Functional Utility	5 BEDROOM	4 BEDROOM	+10,000	5 BEDROOM		4 BEDROOM	+10,000
Heating/Cooling	GFA/CAC	EFA/CAC		EFA/CAC		EFA/CAC	
Energy Efficient Items	BASIC	BASIC		BASIC		BASIC	
Garage/Carport	5-ATT GARAGE	3-ATT GARAGE	+10,000	3-ATT GARAGE	+10,000	4-ATT GARAGE	+5,000
Porch/Patio/Deck	PATIO	PATIO		PATIO		PATIO	
POOL	INGROUND	INGROUND		INGROUND		INGROUND	
Net Adjustment (Total)		☒ + ☐ -	$ 33,500	☐ + ☒ -	$ 69,500	☐ + ☒ -	$ 9,000
Adjusted Sale Price of Comparables		Net Adj. 2.8 % Gross Adj. 2.8 %	$ 1,233,500	Net Adj. 4.6 % Gross Adj. 6.0 %	$ 1,425,500	Net Adj. 0.7 % Gross Adj. 5.3 %	$ 1,341,000

I ☒ did ☐ did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research ☐ did ☒ did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s) ARMLS, PUBLIC RECORD;

My research ☐ did ☒ did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) ARMLS, PUBLIC RECORD

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3
Date of Prior Sale/Transfer	SEE ATTACHED ADDENDUM	NO SALES LAST 12 MONTHS	NO OTHER SALES- LAST 12 MONTHS	NO SALES LAST 12 MONTHS
Price of Prior Sale/Transfer		N/A	N/A	N/A
Data Source(s)		ARMLS	PUBLIC RECORDS	ARMLS
Effective Date of Data Source(s)	07/05/2007	07/05/2007	07/05/2007	07/05/2007

Analysis of prior sale or transfer history of the subject property and comparable sales NO OTHER PREVIOUS SALES ACTIVITY ON SUBJECT PROPERTY IN LAST THREE YEARS PER MLS AND PUBLIC RECORDS.

Summary of Sales Comparison Approach THE APPRAISER CONSIDERED SIMILAR PROPERTIES THAT SOLD WITHIN THE PAST 6 MONTHS AND ARE LOCATED WITHIN 2.0 MILES OF THE SUBJECT PROPERTY. THE ESTIMATED MARKET VALUE FOR THE SUBJECT PROPERTY IS 1,250,000. SEE TEXT ADDENDUM.

Indicated Value by Sales Comparison Approach $ 1,250,000

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 1,250,000 **Cost Approach (if developed) $** 1,259,569 **Income Approach (if developed) $**

SITE VALUE BASED ON RECENT VACANT LAND SALES IN SUBJECT AREA

This appraisal is made ☐ "as is", ☐ subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, ☒ subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or ☐ subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: $100,000 TO $150,000 IN IMPROVEMENTS, BUILDING PERMITS AND FINAL INSPECTION

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is $ 1,250,000 **, as of** JULY 5, 2007 **, which is the date of inspection and the effective date of this appraisal.**

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ADDITIONAL COMMENTS

COST APPROACH

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) SITE VALUE BASED ON RECENT VACANT LAND SALES IN SUBJECT AREA

ESTIMATED ☐ REPRODUCTION OR ☒ REPLACEMENT COST NEW	OPINION OF SITE VALUE =$ 600,000
Source of cost data	DWELLING 3,844 Sq.Ft. @ $ 185.00 =$ 711,140
Quality rating from cost service Effective date of cost data	NONE Sq.Ft. @ $ =$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	=$
COST DEVELOPED THROUGH APPRAISER'S KNOWLEDGE OF THE MARKET AREA	Garage/Carport 1,248 Sq.Ft. @ $ 30.00 =$ 37,440
AND LOCAL BUILDER DATA. PHYSICAL DEPRECIATION IS BASED ON AGE-LIFE METHOD.	Total Estimate of Cost-New =$ 748,580
	Less Physical / Functional / External
THE SITE /TOTAL COST RATIO EXCEEDS 30%. IN THE SUBJECT NEIGHBORHOOD, IT IS NOT	Depreciation 139,011 =$(139,011)
UNCOMMON FOR SUCH RATIOS TO EXCEED 50%. MARKETABILITY IS NOT EFFECTED.	Depreciated Cost of Improvements =$ 609,569
	"As-is" Value of Site Improvements =$ 50,000
	I
Estimated Remaining Economic Life (HUD and VA only) 57 Years	**INDICATED VALUE BY COST APPROACH =$** 1,259,569

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent $ X Gross Rent Multiplier = $ Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM)

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project

Total number of phases Total number of units Total number of units sold

Total number of units rented Total number of units for sale Data source(s)

Was the project created by the conversion of existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion.

Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data Source

Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.

Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.

Describe common elements and recreational facilities.

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This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

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 report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

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 or she considers his or her 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 ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting 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, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.

2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader 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 this appraisal report whether any portion of 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, or as otherwise required by law.

5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, 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 research involved in performing the appraisal. 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, express 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.

6. 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 the completion, repairs, or alterations of the subject property will be performed in a professional manner.

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

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.

2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.

3. I performed this appraisal in accordance with the requirements of 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 at the time this appraisal report was prepared.

4. 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. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.

5. 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.

6. 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.

7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.

8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.

9. 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.

10. 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.

11. I have knowledge and experience in appraising this type of property in this market area.

12. 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.

13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.

14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.

15. 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.

16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.

17. I have no present or prospective interest in the property that is the subject of 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 opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, 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 or on any other basis prohibited by law.

18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).

19. 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.

20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

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21. 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).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. 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.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies 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 at the time this appraisal report was prepared.

5. 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.

APPRAISER

Signature WmNold
Name WILLIAM M. NOLD
Company Name NOLD ASSOCIATES
Company Address 119 W. RENEE DRIVE, PHOENIX, AZ 85027

Telephone Number (623) 879-0214
Email Address BILL@NOLDASSOCIATES.NET
Date of Signature and Report ULY 5, 2007
Effective Date of Appraisal JULY 5, 2007
State Certification # 21187
or State License #
or Other (describe) State #
State AZ
Expiration Date of Certification or License 02/28/09

ADDRESS OF PROPERTY APPRAISED
12824 N 68TH ST
SCOTTSDALE, AZ 85254

APPRAISED VALUE OF SUBJECT PROPERTY $ 1,250,000

LENDER/CLIENT
Name
Company Name LIBERTY ONE LENDING
Company Address 2222 S DOBSON RD #3 STE 2000. MESA, AZ 85202

Email Address NOT KNOWN

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature
Name
Company Name
Company Address

Telephone Number
Email Address
Date of Signature
State Certification #
or State License #
State
Expiration Date of Certification or License

SUBJECT PROPERTY

☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
Date of Inspection
☐ Did inspect interior and exterior of subject property
Date of Inspection

COMPARABLE SALES

☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
Date of Inspection

File No. XXX-6501

Borrower/Client TBD			
Property Address 12824 N 68TH ST			
City SCOTTSDALE	County MARICOPA	State AZ	Zip Code 85254
Lender LIBERTY ONE LENDING			

• **<u>URAR: Date, Price, Data Source</u>**

3 YEAR SALES HISTORY ON SUBJECT

THE SUBJECT PROPERTY WAS PURCHASED BY PAMELA BERG ON MARCH 9, 2004 FOR $339,000 (DOC 40242059). THERE HAS BEEN NO OTHER SALES ACTIVITY ON THE SUBJECT PROPERTY FOR THE LAST THREE YEARS. JOHN WYPP IS THE OWNER OF PUBLIC RECORD. *(SEE QUIT CLAIM DEED ON FOLLOWING PAGE)*

• **<u>URAR: Sales Comparison Comments</u>**

IN CREATING A POOL OF POTENTIAL COMPARABLE PROPERTIES, THE APPRAISER LOOKED FOR PROPERTIES THAT:

ARE LOCATED IN SCOTTSDALE, ARIZONA
ARE SINGLE FAMILY HOMES
ARE WITHIN 2.0 MILES OF THE SUBJECT
MORE THAN 3,200 SQUARE FEET GLA.
ARE IN AVERAGE CONDITION
HAVE 4 OR MORE BEDROOMS
HAVE 3 OR MORE BATHROOMS
HAVE SOLD WITHIN THE PAST 6 MONTHS.

IT IS NOTED THAT COMP #3 IS SLIGHTLY OVER 1 MILE AWAY AND SOLD SLIGHTLY OVER 6 MONTHS AGO. DUE TO THAT LACK OF RECENT SALES MEETING THE CRITERIA OUTLINED ABOVE, THE 3 PROPERTIES CHOSEN AS COMPARABLES WERE THOSE THAT WERE MOST SIMILAR TO THE SUBJECT AND THEREFORE, WERE THE BEST AVAILABLE.

GROSS LIVING AREA ADJUSTMENTS WERE APPLIED AT $60 PER SQUARE FOOTAGE DIFFERENTIAL ROUNDED TO THE NEAREST $500 INCREMENT.

ALL LINE ITEMS NOT MENTIONED WERE CONSIDERED BUT NO OTHER ADJUSTMENTS WERE MADE. THE ADJUSTMENTS THAT WERE MADE AS OUTLINED IN THE GRID ARE CONSIDERED REASONABLE AND REFLECTIVE OF THE CURRENT MARKET AREA.

• **<u>URAR: Condition of Improvements</u>**

THE SUBJECT PROPERTY APPEARS TO BE WELL MAINTAINED AND IS IN AVERAGE CONDITION FOR THE SUBJECT NEIGHBORHOOD.

THE REMAINING ECONOMIC LIFE OF THE SUBJECT PROPERTY IS ESTIMATED TO BE 57 YEARS.

06/08/2007 16:16 FAX 003/003

Recorded at the request of
when recorded mail to
JOHN WYPP
253 N. 101ST WAY
MESA, AZ 85207

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
2007-0666031 06/08/07 12:20 PM
1 OF 1

QUIT CLAIM DEED

For consideration of Ten Dollars, and other valuable considerations, I or we, **PAMELA J. BERG, an unmarried woman**, hereby quit-claim to JOHN WYPP, **TRUSTEE OF THE 68TH STREET – ONE LAND TRUST, U/A/D 3/28/07,** all right, title or interest in the following real property situated in **Maricopa**, County, Arizona:

Lot 58, DESERT ESTATES UNIT SIX, according to the plat of record in the office of the County Recorder of Maricopa County, Arizona, in Book 102 of Maps, page 38.

This transfer is exempt from the affidavit of value pursuant to A.R.S. 11-1134 B8

Dated this **May 15, 2007**

PAMELA J. BERG

STATE OF ARIZONA
COUNTY OF **MARICOPA** } ss:

This instrument was acknowledged before me this 7th day of June, 2007 by: PAMELA J. BERG

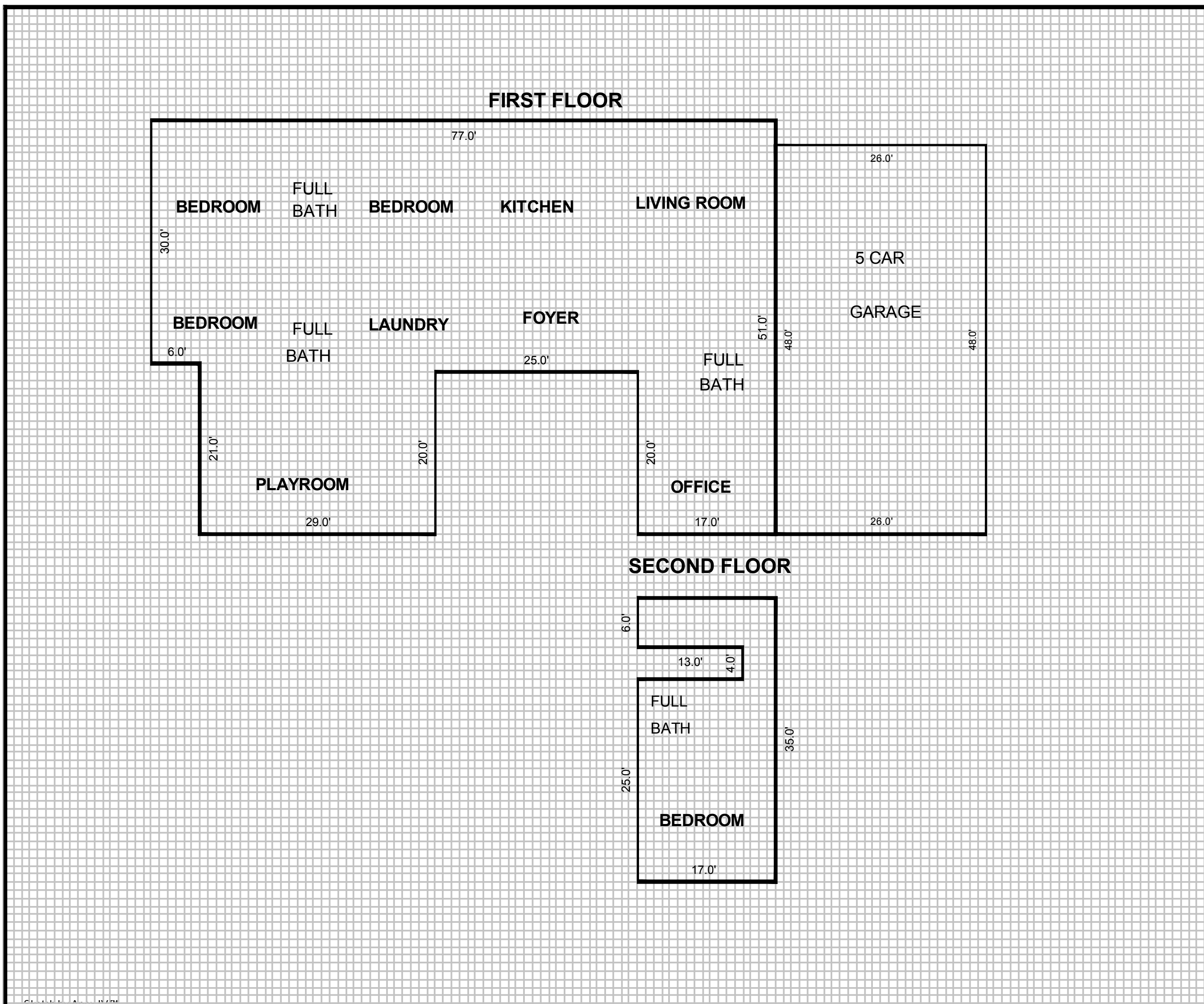
My Commission Expires: 9.30.08

Notary Public

OFFICIAL SEAL
CELESTE P. COE
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires Sep. 30, 2008

Building Sketch (Page - 1)

Borrower/Client TBD			
Property Address 12824 N 68TH ST			
City SCOTTSDALE	County MARICOPA	State AZ	Zip Code 85254
Lender LIBERTY ONE LENDING			



Comments:

AREA CALCULATIONS SUMMARY

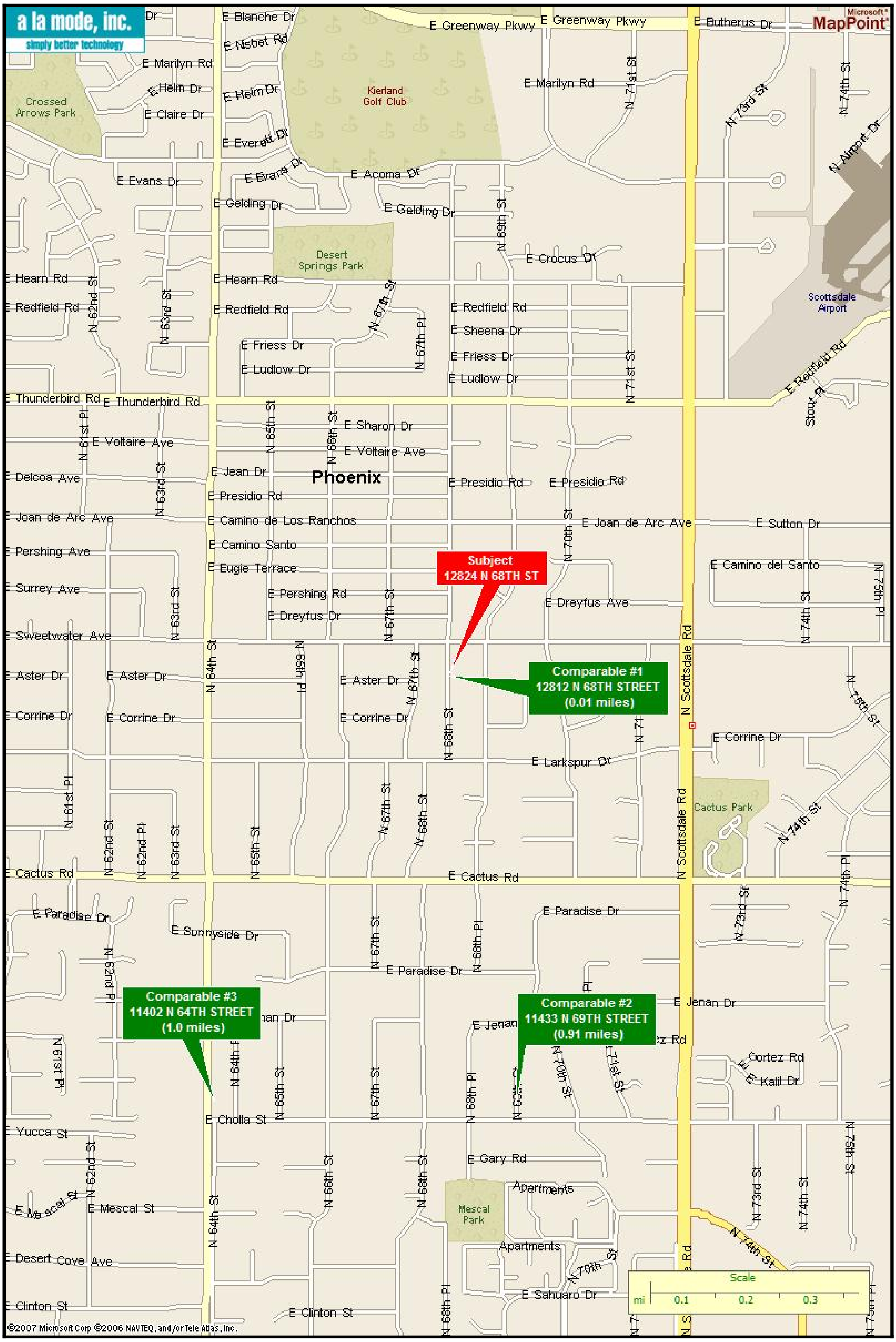
Code	Description	Size	Net Totals
GLA1	First Floor	3301.00	3301.00
GLA2	Second Floor	543.00	543.00
GAR	Garage	1248.00	1248.00
	TOTAL LIVABLE (rounded)		3844

LIVING AREA BREAKDOWN

Breakdown	Subtotals
First Floor	
31.0 x 71.0	2201.00
20.0 x 29.0	580.00
17.0 x 20.0	340.00
6.0 x 30.0	180.00
Second Floor	
4.0 x 35.0	140.00
6.0 x 13.0	78.00
13.0 x 25.0	325.00
7 Calculations Total (rounded)	3844

Location Map

Borrower/Client TBD			
Property Address 12824 N 68TH ST			
City SCOTTSDALE	County MARICOPA	State AZ	Zip Code 85254
Lender LIBERTY ONE LENDING			



Subject Photo Page

Borrower/Client	TBD						
Property Address	12824 N 68TH ST						
City	SCOTTSDALE	County	MARICOPA	State	AZ	Zip Code	85254
Lender	LIBERTY ONE LENDING						

Subject Front

12824 N 68TH ST

Sales Price	
Gross Living Area	3,844
Total Rooms	10
Total Bedrooms	5
Total Bathrooms	4
Location	SUBURBAN
View	RESIDENTIAL
Site	23,878 S/F
Quality	BLOCK-STUCCO/AVG
Age	39 YEARS

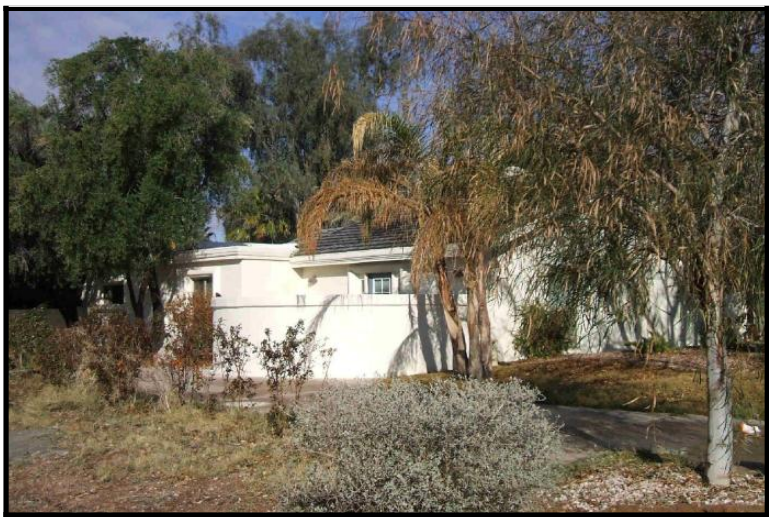
Subject Rear

VIEW OF BACK OF HOUSE
RESTRICTED BY FENCE AND
VEGETATION

Subject Street

Subject Photo Page

Borrower/Client	TBD						
Property Address	12824 N 68TH ST						
City	SCOTTSDALE	County	MARICOPA	State	AZ	Zip Code	85254
Lender	LIBERTY ONE LENDING						



Subject

12824 N 68TH ST

Sales Price	
Gross Living Area	3,844
Total Rooms	10
Total Bedrooms	5
Total Bathrooms	4
Location	SUBURBAN
View	RESIDENTIAL
Site	23,878 S/F
Quality	BLOCK-STUCCO/AVG
Age	39 YEARS

SOUTH EAST CORNER OF BUILDING

Subject

NORTH EAST CORNER OF BUILDING

Subject Interior Photo Page

Borrower/Client TBD	
Property Address 12824 N 68TH ST	
City SCOTTSDALE County MARICOPA	State AZ Zip Code 85254
Lender LIBERTY ONE LENDING	

Subject Interior

12824 N 68TH ST

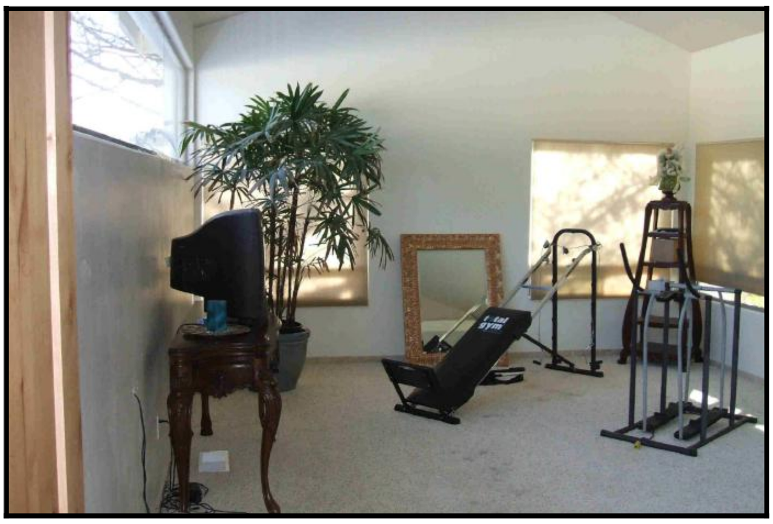
Sales Price	
Gross Living Area	3,844
Total Rooms	10
Total Bedrooms	5
Total Bathrooms	4
Location	SUBURBAN
View	RESIDENTIAL
Site	23,878 S/F
Quality	BLOCK-STUCCO/AVG
Age	39 YEARS

Subject Interior

Subject Interior

Subject Interior Photo Page

Borrower/Client TBD	
Property Address 12824 N 68TH ST	
City SCOTTSDALE	County MARICOPA · State AZ · Zip Code 85254
Lender LIBERTY ONE LENDING	



Subject Interior

12824 N 68TH ST

Sales Price	
Gross Living Area	3,844
Total Rooms	10
Total Bedrooms	5
Total Bathrooms	4
Location	SUBURBAN
View	RESIDENTIAL
Site	23,878 S/F
Quality	BLOCK-STUCCO/AVG
Age	39 YEARS

Subject Interior

Subject Interior

Comparable Photo Page

Borrower/Client TBD			
Property Address 12824 N 68TH ST			
City SCOTTSDALE	County MARICOPA	State AZ	Zip Code 85254
Lender LIBERTY ONE LENDING			

Comparable 1

12812 N 68TH STREET

Prox. to Subject	0.01 miles
Sale Price	1,200,000
Gross Living Area	37,000
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	3.5
Location	SUBURBAN
View	RESIDENTIAL /AVG
Site	24,254 S/F
Quality	BLOCK-STUCCO/AVG
Age	38 YEARS

Comparable 2

11433 N 69TH STREET

Prox. to Subject	0.91 miles
Sale Price	1,495,000
Gross Living Area	4,339
Total Rooms	10
Total Bedrooms	5
Total Bathrooms	4
Location	SUBURBAN
View	RESIDENTIAL
Site	41,868 S/F
Quality	BLOCK-STUCCO/AVG
Age	1 YEARS

Comparable 3

11402 N 64TH STREET

Prox. to Subject	1.03 miles
Sale Price	1,350,000
Gross Living Area	3,658
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	3.5
Location	SUBURBAN
View	RESIDENTIAL /AVG
Site	36,590 S/F
Quality	BLOCK-STUCCO/AVG
Age	36 YEARS

INVOICE

FROM:
NOLD ASSOCIATES
119 W RENEE DR
PHOENIX, AZ 85027

Telephone Number: **Fax Number:**

TO:

Telephone Number: **Fax Number:**
Alternate Number: **E-Mail:**

INVOICE NUMBER

DATE

REFERENCE

Internal Order #:
Lender Case #:
Client File #:
Main File # on form: XXX-6501
Other File # on form:
Federal Tax ID:
Employer ID:

DESCRIPTION

Lender: LIBERTY ONE LENDING **Client:**
Purchaser/Borrower: TBD
Property Address: 12824 N 68TH ST
City: SCOTTSDALE
County: MARICOPA **State:** AZ **Zip:** 85254
Legal Description: DESERT ESTATES 6 LOT 58

FEES	AMOUNT
SPECIAL RATE	200.00
SUBTOTAL	200.00

PAYMENTS			AMOUNT
Check #:	Date:	Description:	
Check #:	Date:	Description:	
Check #:	Date:	Description:	
		SUBTOTAL	
		TOTAL DUE	$ 200.00