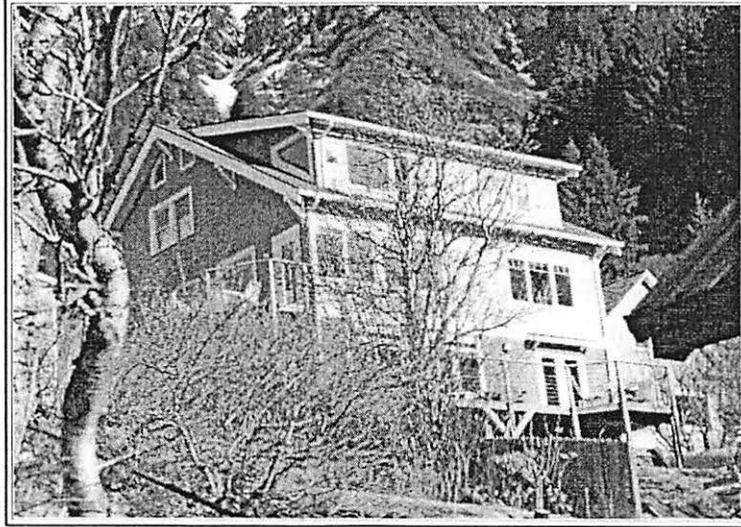


**APPRAISAL REPORT
OF**



313 Seventh Street
Juneau, AK 99801-1184

PREPARED FOR

Alaska USA Mortgage Company, LLC
4000 Credit Union Drive
Anchorage, AK 99503

AS OF

04/12/2017

PREPARED BY

Kasberg Appraisal Services
P. O. Box 33514
Juneau, AK 99803

Individual Condominium Unit Appraisal Report

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.

Property Address 313 Seventh Street Unit # 4 City Juneau State AK Zip Code 99801-1184
 Borrower Clay D. Good & Claire C. Fordyce Owner of Public Record Clay Good & Claire Fordyce County Juneau City and Borough
 Legal Description Budzo Manor Condo Unit 4
 Assessor's Parcel No. 1C040A270004 Tax Year 2017 R.E. Taxes \$ 1,502
 Project Name Budzo Manor Condominiums Phase # 1 Map Reference 2009-32 Census Tract 0005.00
 Occupant Owner Tenant Vacant Special Assessments \$ 0 HOA \$ 200 per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe)
 Assignment Type Purchase Transaction Refinance Transaction Other (describe)
 Lender/Client Alaska USA Mortgage Company, LLC Address 4000 Credit Union Drive, Anchorage, AK 99503
 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, offerings price(s), and date(s). SEAMLS

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 down payment 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				Condominium Unit Housing Trends				Condominium Housing		Present Land Use %		
Location	<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	PRICE	AGE	One-Unit	70 %	
Built-Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%	Demand/Supply	<input checked="" type="checkbox"/> Shortage	<input type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	10 %	
Growth	<input type="checkbox"/> Rapid	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Slow	Marketing Time	<input checked="" type="checkbox"/> Under 3 mths	<input type="checkbox"/> 3-6 mths	<input type="checkbox"/> Over 6 mths	100	Low	5	Multi-Family	5 %
Neighborhood Boundaries The North Boundary is Basin Road; The South Boundary is South Franklin Street; The East Boundary is Nelson Street; The West Boundary is Ross Way								350	High	50	Commercial	15 %
Neighborhood Description Historically the subject's neighborhood has had an above average to good market appeal. The immediate neighborhood consists of generally older, however, typically above average condition and quality dwellings. The neighborhood is in very close proximity to major employment centers, shopping, schools and banking in the downtown Juneau area.								150	Pred.	30	Other	%

 Market Conditions (including support for the above conclusions) See 1004MC and related addendum.

PROJECT SITE
 Topography Moderate Downslope Size 4893 sf Density 35.61 Units Per Acre View B;Wtr;CitySky
 Specific Zoning Classification D-18 Zoning Description Multi-Family, 5,000 sq. ft. min. lot size, 18 units per acre
 Zoning Compliance Legal Legal Nonconforming - Do the zoning regulations permit rebuilding to current density? Yes No
 No Zoning Illegal (describe) See the Comment Addendum for more information.
 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	<input checked="" type="checkbox"/>	Water	<input checked="" type="checkbox"/>	Street	Asphalt	<input checked="" type="checkbox"/>	
Gas	<input type="checkbox"/>	Sanitary Sewer	<input checked="" type="checkbox"/>	Alley	None	<input type="checkbox"/>	

FEMA Special Flood Hazard Area Yes No FEMA Flood Zone X FEMA Map# 02110C1566D FEMA Map Date 08/19/2013
 Are the utilities and/or 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.
 No apparent adverse easements or encroachments were noted. However, a title report was not available for review. The site area is taken from City and Borough of Juneau Assessor records. The subject doesn't have on-site parking, however, this is common in the Juneau Townsite and historically hasn't negatively affected marketability.

Data source(s) for project information One of the Developer/Owners - Clay Good
 Project Description Detached Row or Townhouse Garden Mid-Rise High-Rise Other (describe) Flat

General Description	General Description	Subject Phase	If Project Completed	If Project Incomplete
# of Stories 1	Exterior Walls Wood/Ave+	# of Units 4	# of Phases 1	# of Planned Phases
# of Elevators 0	Roof Surface Asphalt/Ave	# of Units Completed 4	# of Units 4	# of Planned Units
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed	Total # Parking 0	# of Units For Sale 0	# of Units For Sale 0	# of Units For Sale
<input type="checkbox"/> Under Construction	Ratio (spaces/units) 0.00	# of Units Sold 4	# of Units Sold 4	# of Units Sold
Year Built 1936	Type Street	# of Units Rented 1	# of Units Rented 1	# of Units Rented
Effective Age 25	Guest Parking 0	# of Owner Occupied Units 3	# of Owner Occupied Units 3	# of Owner Occupied Units

Project Primary Occupancy Principal Residence Second Home or Recreational Tenant
 Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No
 Management Group - Homeowners' Association Developer Management Agent - Provide name of management company. The partner in developing the condominium project and owner of the subject is Clay Good.
 Does any single entity (the same individual, investor group, corporation, etc.) own more than 10% of the total units in the project? Yes No If Yes, describe
 According to the City and Borough of Juneau Assessor records, H. Brett Dillingham and Clay D. Good own and/or are partial owners in units 1 and 2.
 Was the project created by the conversion of an existing building(s) into a condominium? Yes No If Yes, describe the original use and the date of conversion.
 The subject property was originally a fourplex and was converted into a small condominium project. See Plat 2009-32.
 Are the units, common elements, and recreation facilities complete (including any planned rehabilitation for a condominium conversion)? Yes No If No, describe
 Is there any commercial space in the project? Yes No If Yes, describe and indicate the overall percentage of the commercial space.

Kasberg Appraisal Services
COMMENT ADDENDUM

File No. 4032

Case No.

Borrower Clay D. Good & Claire C. Fordyce

Property Address 313 Seventh Street

City Juneau County Juneau City and Borough State AK Zip Code 99801-1184

Lender/Client Alaska USA Mortgage Company, LLC Address 4000 Credit Union Drive, Anchorage, AK 99503

Additional Sales Comparison Analysis Addendum:

(Also see the Addendum Titled "Adjustments on the Grid" following this addendum)

I have made an examination of publicly available information about the subject property and comparable sales by researching the City and Borough of Juneau Assessor records, on-line information provided by the Alaska Department of Natural Resources Recorder's Office; and information shared by local appraisers, my own files, other real estate professionals, and SEAMLS. Photos: All the photos of the subject and the comparable sales are originals from my own files.

Roadways and Natural Boundaries:

All of the comparables used on the grid for direct comparison are located in competing neighborhoods within the Juneau-Douglas market area. Buyers would likely consider all of the neighborhoods when in search for a property like the subject. If any location adjustments are warranted, they are made on the grid. The roadways and natural boundaries dividing the subject from the comparables do not pose a market division or regional barrier. The subject and all of the comparable sales are located in the City and Borough of Juneau.

Photos:

Although seasonal differences may occur, photos are from my own files.

The following is general information about each of the comparables used on the grid:

Comparable sale 1: This unit is located on the top floor with vaulted wood paneled ceilings and skylights, and it is an end unit, providing additional windows. Per the appraiser, the floor coverings have been replaced; laminate in the kitchen was installed in 2004, and the age of the carpet is unknown. The bathroom was recently updated with new floor coverings and tub surround. The kitchen has newer appliances. This unit has fewer upgrades than the subject, but is newer construction. Hence, no quality adjustment is warranted. The view amenity is superior to the subject's, warranting an adjustment.

Comparable sale 2: This unit has vaulted ceilings in the living room and den, some T & G wood ceilings and wall. On the upper level, there is a room (marketed as a second bedroom); however, it does not have egress, thus is considered a den. Per the appraiser, this den has been expanded over the typical loft area in these units, which made the upper level den was large compared to the first floor. Additionally, there is no bathroom on the upper level. The kitchen has some updated appliances. This unit has a carport. This unit has fewer upgrades than the subject, but is newer construction. Hence, no quality adjustment is warranted. The view amenity is superior to the subject's, warranting an adjustment.

Comparable sale 3: This property is located within the subject's Juneau Townsite neighborhood. This property is on leased land. Per the appraiser, the lease was recently extended through 2056. Building improvements include: replaced roof membrane in 2008, replaced the windows in 1995, and replaced the boilers in 2007. This unit has refinished kitchen cabinets, replaced counter tops, and newer interior doors. Very average and inferior in quality finishes compared to the subject. Hence, condition and quality adjustments are warranted.

Comparable sale 4: This property is located within the subject's Juneau Townsite neighborhood. Per the appraiser, this unit has been updated within the past two years, including: updated the bathroom, installed new floor coverings, applied fresh interior paint, and installed new appliances. The kitchen cabinets, counter tops and appliances are newer. The bathroom toilet, floors, vanity and vanity sink are newer. The finishes are average in quality, such as laminate and vinyl floors. This was a for sale by owner transaction. The sale price was provided by the appraiser, but confirmation couldn't be verified. An extraordinary assumption is made that it closed at the pending sale price provided by the appraiser.

Comparable sale 5: This was a for sale by owner transaction, and was a cash sale. Financing options are very limited for units in this condominium project due to the current D-5 zoning, which doesn't allow multi-family units. Hence, the City is saying the units couldn't be reconstructed if destroyed. The association is appealing to the City regarding this issue as the City permitted the project when built. Per the real estate agent involved, this unit had newer laminate flooring, fresh interior paint, updated appliances and some kitchen cabinets have been replaced. The exterior of the project has been well maintained over the years. Although rated C4 in condition, the overall effective age is similar to the subject, thus no adjustment is warranted.

Borrower Clay D. Good & Claire C. Fordyce

Property Address 313 Seventh Street

City Juneau County Juneau City and Borough State AK Zip Code 99801-1184

Lender/Client Alaska USA Mortgage Company, LLC Address 4000 Credit Union Drive, Anchorage, AK 99503

Adjustments on the Grid Derived from Market Reaction:

Location & Time: Due to the Juneau-Douglas market area being a small community with a population of about 32,000 people and a large land mass, Juneau has a limited market often resulting in comparable sales in excess of 1 mile distant and sales that have closed in excess of 90 days. If a location adjustment is warranted, comments are made within the Additional Sales Comparison Analysis Addendum.

Site: Site adjustments are based on estimated site value rather than size alone while taking into consideration differences in topography, soils, physical characteristics, shape, access, available utilities, and zoning.

View: No adjustments are made for a residential view. Unless otherwise stated, mountain views are typically not adjusted for; this is because it is very common for properties in the Juneau-Douglas area to have some form of a mountain view. Many factors are taken into consideration when adjusting for a view amenity, such as: water (river, pond, lake or ocean), clarity, distance, elevation, filters (like trees and buildings), seasonally and tidally affected views.

Design (Style): Adjustments are not typically made for most variations in design (style). However, properties with excessive stairs (three flights or more) are adjusted. Custom designs (styles) are considered in the quality of construction adjustment.

Quality of Construction Features: Adjustments may be warranted for differences in properties that have similar UAD quality ratings but may not fit into the next level of ratings. This is due to variations in quality of construction features and craftsmanship.

Actual Age/Effective Age/Condition: Adjustments for actual age are not made on the grid. Both the estimated effective age and condition of improvements the subject and the comparable sales are taken into consideration when making condition adjustments. Both long-lived and short-lived components are taken into consideration in the condition of improvements. Adjustments may be warranted for differences in properties that have a similar UAD condition rating but falls between two ratings. This is due to variations in levels of updating, maintenance and remodeling.

Room Count: The Juneau-Douglas real estate market indicates adjustments are warranted for properties with less than three bedrooms (two bedroom properties), otherwise, no adjustments are warranted for differences in the number of bedrooms. Adjustments are made for the total number of bedrooms including basement bedrooms. Adjustments are made for differences in bathroom count at \$5,000 per full bathroom and \$2,500 per ½ bathroom; and warranted bedroom count adjustments are made at \$10,000.

Gross Living Area: Due to the small size of the Juneau-Douglas market, and the wide diversity of properties throughout community neighborhoods or subdivisions, data that can be used for match pair analysis is very limited. Although paired data analysis can be used to extract and support adjustments when there is more than one difference between the paired properties, most have several differences. No match pairs are available for the subject due to the small size of the project (only 4 units). After extracting data from the very limited match pairs of other properties, the market reaction appears to support gross living area adjustments of \$60 per square foot. Adjustments are not warranted for differences of 50 square feet or less.

Functional Utility: If a functional utility adjustment is warranted, comments are made within the Additional Sales Comparison Analysis Addendum.

Heating/Cooling: Electric baseboard heat is common in the Juneau-Douglas area; it is a permanent heat source that does not require ventilation. Oil stoves are common secondary heat sources and do require to be ventilated. The combination of electric baseboard heat and an oil stove is considered similar to oil hot water baseboard in value. In-floor radiant heat and heat pumps are considered upgraded heat sources.

Energy Efficient Items: The highest available energy rating is 6 stars. HRV systems are an upgrade and are adjusted for. Slight differences in energy ratings are not adjusted for.

Garage/Carport: Garage adjustments are made at \$3,000 per stall plus \$15 per square foot for differences of 50 square feet or more. A carport is typically adjusted at \$3,000 per stall.

Porch/Patio/Deck: The overall size, quality, quantity and condition of exterior amenities are taken into consideration when adjustments are made for a deck, patio, porch, balcony, shed, covered area, storage area, landscaping, etc.

Other items: Extra amenities may include a jet tub, built-in or hardwired hot tub, attic area, storage area, second kitchen, wet bar, and workshop. No value is given to non-realty items.

Data Sources: Appraisers in the Juneau-Douglas area typically share data for sale transactions which includes the most recent measurement of gross living area, current information regarding the sale, recent updating, quality features, etc. Personal inspections and data from other appraisers is more reliable than MLS and assessor data. The assessor is not always aware of additions, remodeling, finished basements, etc. MLS derives most of their data from the Assessor data base. Inconsistent information of comparable sales used in prior appraisal reports is most likely because MLS or assessor data was used for active listings or pending sales; this information may be all that was available at that time and, as mentioned above, is not as reliable as data obtained from another appraiser once the subject of a sale has been inspected by an appraiser.

APPRAISAL COMPLIANCE ADDENDUM

File No. 4032
Case No.

Borrower/Client <u>Clay D. Good & Claire C. Fordyce</u>	
Address <u>313 Seventh Street</u>	Unit No. <u>4</u>
City <u>Juneau</u>	County <u>Juneau City and Borough</u> State <u>AK</u> Zip Code <u>99801-1184</u>
Lender/Client <u>Alaska USA Mortgage Company, LLC</u>	

This Appraisal Compliance Addendum is included to ensure this appraisal report meets all USPAP 2014 requirements.

APPRAISAL AND REPORT IDENTIFICATION

This Appraisal Report is one of the following types:

Appraisal Report This report was prepared in accordance with the requirements of the Appraisal Report option of USPAP Standards Rule 2-2(a).

Restricted Appraisal Report This report was prepared in accordance with the requirements of the Restricted Appraisal Report option of USPAP Standards Rule 2-2(b). The intended user of this report is limited to the identified client. This is a Restricted Appraisal Report and the rationale for how the appraiser arrived at the opinions and conclusions set forth in the report may not be understood properly without the additional information in the appraiser's workfile.

ADDITIONAL CERTIFICATIONS

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to parties involved
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 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.
- My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).
- This report has been prepared in accordance with Title XI of FIRREA as amended, and any implementing regulations.

PRIOR SERVICES

I have NOT performed services, as an appraiser or in another other capacity, regarding the property that is the subject of the report within the three-year period immediately preceding acceptance of this assignment.

I HAVE performed services, as an appraiser or in another capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Those services are described in the comments below.

PROPERTY INSPECTION

I HAVE made a personal inspection of the property that is the subject of this report.

I have NOT made a personal inspection of the property that is the subject of this report.

APPRAISAL ASSISTANCE

Unless otherwise noted, no one provided significant real property appraisal assistance to the person signing this certification. If anyone did provide significant assistance, they are hereby identified along with a summary of the extent of the assistance provided in the report.

Deborah Reid, appraiser trainee, provided assistance in this appraisal report as follows: accompanied me during the inspection, completed general data research, the floor plan sketch, and assisted with the sales comparison approach. The final analysis and valuation conclusion was completed by Jane A. Kasberg.

ADDITIONAL COMMENTS

Additional USPAP related issues requiring disclosure and/or any state mandated requirements: Under the hypothetical condition that the subject is being sold, a reasonable exposure time is approximately 60-90 days, in the subject market, for the property to sell at appraised value. Exposure time is defined by USPAP as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

The highest and best use of the subject's improvements is the current use. An alternate use is unlikely due to the existing use and zoning.

MARKETING TIME AND EXPOSURE TIME FOR THE SUBJECT PROPERTY

A reasonable marketing time for the subject property is 60-90 day(s) utilizing market conditions pertinent to the appraisal assignment.

A reasonable exposure time for the subject property is 60-90 day(s).

APPRAISER SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature <u>Jane Kasberg</u>	Signature _____
Name <u>Jane A. Kasberg</u>	Name _____
Date of Signature <u>04/24/2017</u>	Date of Signature _____
State Certification # <u>968</u>	State Certification # _____
or State License # _____	or State License # _____
State <u>AK</u>	State _____
Expiration Date of Certification or License <u>06/30/2017</u>	Expiration Date of Certification or License _____
Effective Date of Appraisal <u>04/12/2017</u>	Supervisory Appraiser Inspection of Subject Property: <input type="checkbox"/> Did Not <input type="checkbox"/> Exterior Only from street <input type="checkbox"/> Interior and Exterior

Individual Condominium Unit Appraisal Report

This report form is designed to report an appraisal of a unit in a condominium project or a condominium 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 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 unit, (2) inspect and analyze the condominium project, (3) inspect the neighborhood, (4) inspect each of the comparable sales from at least the street, (5) research, verify, and analyze data from reliable public and/or private sources, and (6) 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 this 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.

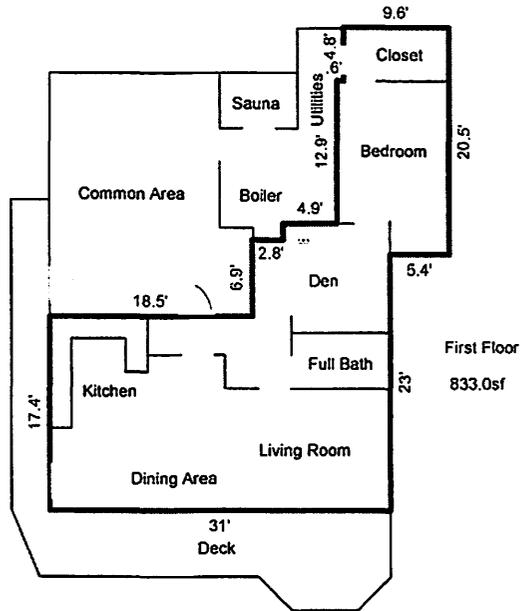
Individual Condominium Unit Appraisal Report**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

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.

Kasberg Appraisal Services
SKETCH ADDENDUM

File No. 4032
 Case No.

Borrower Clay D. Good & Claire C. Fordyce
 Property Address 313 Seventh Street
 City Juneau County Juneau City and Borough State AK Zip Code 99801-1184
 Lender/Client Alaska USA Mortgage Company, LLC Address 4000 Credit Union Drive, Anchorage, AK 99503



Sketch by Ape: Sketch v3 Standard™

Comments: The interior sketch is not drawn to scale and interior measurements may be rounded. The floor plan is provided to give the reader general information regarding the layout and the interior measurements (for condominiums) used to calculate the GLA used on the grid.

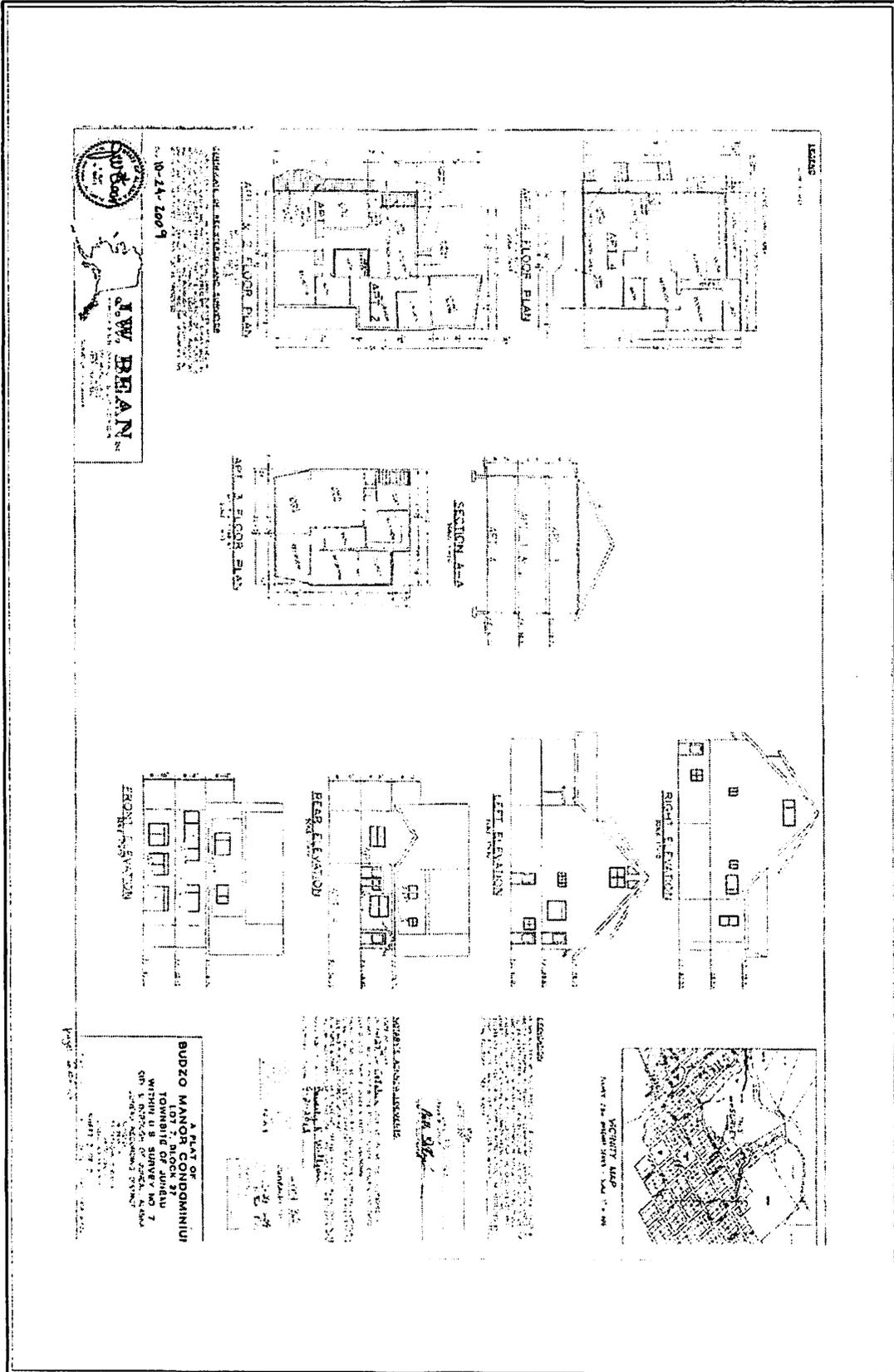
AREA CALCULATIONS SUMMARY				BUILDING AREA BREAKDOWN		
Code	Description	Net Size	Net Totals	Breakdown		Subtotals
GBA1	First Floor	832.98	832.98	First Floor		
				15.1	x 1.5	22.65
				12.9	x 10.2	131.58
				5.6	x 12.5	70.00
				1.3	x 17.9	23.27
				4.8	x 9.6	46.08
				17.4	x 31.0	539.40
	Net BUILDING Area	(rounded)	833	6 Items	(rounded)	833

Borrower Clay D. Good & Claire C. Fordyce

Property Address 313 Seventh Street

City Juneau County Juneau City and Borough State AK Zip Code 99801-1184

Lender/Cient Alaska USA Mortgage Company, LLC Address 4000 Credit Union Drive, Anchorage, AK 99503



Kasberg Appraisal Services
COMMENT ADDENDUM

File No. 4032

Case No.

Borrower Clay D. Good & Claire C. Fordyce

Property Address 313 Seventh Street

City Juneau County Juneau City and Borough State AK Zip Code 99801-1184

Lender/Client Alaska USA Mortgage Company, LLC Address 4000 Credit Union Drive, Anchorage, AK 99503

Top of page 3:

The comparable listing and comparable sale data shown on the top of page 2 is for properties considered comparable to the subject, located within the subject's neighborhood and competing neighborhoods within the City and Borough of Juneau. Due to the Juneau-Douglas area being a small community with a population of about 32,000 people and a large land mass, Juneau has a limited market often resulting in comparable sales in excess of 1 mile distant, thus the use of comparable sales from competing neighborhoods is appropriate. Every effort was made to find comparable sales of properties similar in gross living area, age, quality, design and condition on similar sites/locations. (This data is primarily derived from the Southeast Alaska Multiple Listing Service and does not reflect for sale by owner properties). See 1004MC and related addendum for further information. The 1004MC also includes the data from the subject's neighborhood and competing neighborhoods shown on the top of page 3.

Inspection:

I have examined the property herein exclusively for the purposes of identification and description of the real estate. The objective of my walk-through inspection is to develop an opinion of the highest and best use of the subject property and make meaningful comparisons in the valuation of the property. This "walk-through" inspection is for developing an understanding of the current use, general condition and functional utility of the improvements; it is not the equivalent of inspection by a home inspector, qualified engineer or any other appropriately qualified professional. Any obvious deficiencies or adverse conditions noted during my "walk through", or discovered by other means during the appraisal process of the subject, have been disclosed in this appraisal report.

Intended User and Use:

The Intended User of this appraisal report is the Lender/Client. Unless specifically stated within the report, there are no additional Intended Users. Obtaining a copy of this appraisal report does not establish you as an intended user. The Intended Use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated Scope of Work, purpose of the appraisal report, reporting requirements of this appraisal report form, and Definition of Market Value as defined in the report.

Subject Condominium Legal Non Conforming Use and Set Backs

According to Laura Boyce, City and Borough of Juneau, Community Development Department, Senior Planner:

"As for the use of four units, the units are non-conforming for the zone district. Only two units are allowed by the zoning district - D-18. According to CBJ 49.30.500(c), the Planning Commission, through the conditional use permit process, may approve reconstruction of the units if the building is damaged by involuntary means.

The existing lot size is less than the required minimum lot area for a D-18 lot (minimum is 5,000 sf). The existing lot size is nonconforming. The lot depth is conforming; the minimum lot depth for the D-18 zone district is 85 feet and this lot is shown at approximately 100 feet. The lot width is also conforming to the D-18 zone district; the required minimum lot width is 50 feet and according to our records, the lot is 50 feet wide.

The required setbacks for the D-18 zone district requires 20 feet of front yard, 10 feet of rear yard, and 5 feet of side yard setbacks. It appears that only the rear yard setback is met. "