

PRICE OPINION OF



RESIDENTIAL PROPERTY

LOCATED AT:

10227 Ridge Road
Telluride, CO 81435

AS OF:

07/08/2010

BY:

Stacy Merry

Berliner and Finn Real Estate
Specialists in Residential Real Estate
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RESIDENTIAL BROKER PRICE OPINION

REO# D123456 This BPO is the Initial 2nd Opinion Updated Extr. Only DATE 07/08/2010

PROPERTY ADDRESS: 10227 Ridge Road Client Company: Lisa Lacey
Telluride, CO 81435 Contact Name: Vendor Resource Management

FIRM NAME: Berliner and Finn COMPLETED BY Stacy Merry
 PHONE NO. 713-555-1212 FAX NO. 281-555-0034
 EMAIL ADDR: howard@finnandberliner.com

I. GENERAL MARKET CONDITIONS

Current market conditions: Depressed Slow Stable Improving Excellent
 Employment conditions: Declining Stable Improving
 Market price of this type property has: Decreased 20 % in past 2 months
 Increased _____ % in past _____ months
 Remained Stable.

Estimated percentage of owners vs. tenants in neighborhood: 80 % owner occupant 20 % tenant
 There is a: normal supply over supply shortage of comparable listings in the neighborhood.
 Approximate number of comparable units for sale in neighborhood: 6
 No. of competing listings in neighborhood that are REO or Corporate owned: 1
 No. of boarded or blocked-up homes: 0

II. SUBJECT MARKETABILITY

Range of values in the neighborhood is \$ 95,000 to \$ 123,111.
 The subject is an over improvement under improvement appropriate improvement for the neighborhood.
 Normal marketing time in the area is 72 days.
 Are all types of financing available for the property? Yes No If no, explain _____
 Has the property been on the market in the last 12 months? Yes No If yes, \$ _____ list price (attach MLS printout)
 To the best of your knowledge, why did it not sell? This property sold on 11/16/2007 for \$126,000

Unit Type: single family detached condo co-op mobile home
 single family attached townhouse modular other
 If condo/other mandatory associations exist: Fee \$ N/A monthly or annually. Current? Yes No Fee delinquent \$200.01
 The fee includes: Insurance Landscape Pool Tennis Other _____
 Association Contact: Name: N/A Phone No.: _____

III. COMPETITIVE CLOSED SALES

ITEM	SUBJECT	COMPARABLE NUMBER 1		COMPARABLE NUMBER 2		COMPARABLE NUMBER 3	
Address	10227 Ridge Road Telluride CO 81435	10215 GLENMARE Telluride, CO 81435		10202 OLENTANGY Telluride, CO 81435		9939 SOUTHPORT DR Telluride, CO 81435	
Proximity to Subject		.22 mi. NE REO/CORP <input checked="" type="checkbox"/>		.03 mi. E REO/CORP <input type="checkbox"/>		1.07 mi. N REO/CORP <input type="checkbox"/>	
Sale Price	\$	\$ 77500		\$ 75000		\$ 95000	
Price/Gross Living Area	\$ Sq.Ft.	\$ 70.78 Sq.Ft.		\$ 82.87 Sq.Ft.		\$ 80.65 Sq.Ft.	
Data Source	Tract/Good	Tract/Good		Tract/Good		Tract/Good	
Sale Date & Days on Market		4/14/2008 215- OLP \$87,000		3/5/2008 210 - OLP \$79,900		3/27/2008 110 - OLP \$105,000	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) Adjustment	DESCRIPTION	+(-) Adjustment	DESCRIPTION	+(-) Adjustment
Sales or Financing Concessions		Conv/CC	-2325	Conv/CC	-2250		
Location	Suburban	Suburban		Suburban		Suburban	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	7800 sf	8369 sf.		7850 sf.		8880 SF.	
View	Tract/Good	Tract/Avg		Tract/Avg		Tract/Avd	
Design and Appeal	1st Trad	1st Trad		1st Trad		1st Trad	
Quality of Construction	Vinyl/Good	Brick/Good		Wood/Good		Brick/Wood	
Year Built	1958	50		52		46	
Condition	Fair	Average	-5000	Average	-5000	Average	-5000
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Room Count	6 4 1.5	6 4 1	+2000	5 3 1	+2000	6 3 2	-1000
Gross Living Area	1440 Sq. Ft.	1095 Sq. Ft.	12075	905 Sq. Ft.	18725	1178 Sq. Ft.	9170
Basement & Finished Rooms Below Grade	None	None		None		None	
Functional Utility	Typical	Typical		Typical		Typical	
Heating/Cooling	CHAC/GAS	CHAC/GAS		CHAC/GAS		CHAC/GAS	
Energy Efficient Items	2						
Garage/Carport	2 Gar Det	None	+10000	1 Gar Att	+5000	2 Gar Att	
Porches, Patio, Deck Fireplace(s), etc.	Patio Porch	Porch Patio					
Fence, Pool, etc.	Rear Fence	Rear Fence			+1000	Rear Fence	
Other							
Net Adj. (total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -\$	16750	<input checked="" type="checkbox"/> + <input type="checkbox"/> -\$	19475	<input checked="" type="checkbox"/> + <input type="checkbox"/> -\$	3170
Adjusted Sales Price of Comparable			\$ 94250		\$ 94475		\$ 98170

IV. MARKETING STRATEGY

As-Is Minimal Lender Required Repairs Repaired Most Likely Buyer: Owner occupant Investor

V. REPAIRS

Itemize ALL repairs needed to bring property from its present "as is" condition to average marketable condition for the neighborhood. Check those repairs you recommend that we perform for most successful marketing of the property:

<input checked="" type="checkbox"/>	Interior Paint	\$ 1000.00	<input type="checkbox"/>		\$
<input checked="" type="checkbox"/>	Carpet Replaced	\$ 3000.00	<input type="checkbox"/>		\$
<input checked="" type="checkbox"/>	Repair paneling	\$ 100.00	<input type="checkbox"/>		\$
<input checked="" type="checkbox"/>	Repair sheetrock	\$ 100.00	<input type="checkbox"/>		\$
<input checked="" type="checkbox"/>	Repair door	\$ 250.00	<input type="checkbox"/>		\$

GRAND TOTAL FOR ALL REPAIRS \$ 4450.00

VI. COMPETITIVE LISTINGS								
ITEM	SUBJECT		COMPARABLE NUMBER 1		COMPARABLE NUMBER 2		COMPARABLE NUMBER 3	
Address	10227 Ridge Road Telluride CO 81435		10242 TORRINGTON N Telluride, CO 81435		10118 OLENTANGY Telluride, CO 81435		10014 SANTA MONICA Telluride, CO 81435	
Proximity to Subject			.26 mi. NE REO/CORP <input type="checkbox"/> N		.12 mi. W REO/CORP <input type="checkbox"/> N		1.16 mi. N REO/CORP <input type="checkbox"/> N	
List Price	\$		\$ 82999		\$ 89000		\$ 107000	
Price/Gross Living Area	\$ /Sq.Ft.		\$ 80.35 /Sq.Ft.		\$ 75.42 /Sq.Ft.		\$ 103.58 /Sq.Ft.	
Data Source	Inspection		ML #: 7786794 OLP\$92500		ML #: 2218316 OLP\$89,000		ML #: 885060 OLP\$107,000	
VALUE ADJUSTMENTS	DESCRIPTION		DESCRIPTION		DESCRIPTION		DESCRIPTION	
Sales or Financing Concessions			+(-) Adjustment		+(-) Adjustment		+(-) Adjustment	
Days on Market			182		84		34	
Location	Suburban		Suburban		Suburban		Suburban	
Leasehold/Fee Simple	Fee Simple		Fee Simple		Fee Simple		Fee Simple	
Site	7800 sf		7200 sf.		7422 sf.		7560 sf.	
View	Tract/Good		Resd/Avg		Resd/Avg		Resd/Avg	
Design and Appeal	1st Trad		1st Trad		1st Trad		1st Trad	
Quality of Construction	Vinyl/Good		Brick/Good		Vinyl/Good		Brk/Cmt/Gd	
Year Built	1958		53		52		48	
Condition	Fair		Average		Average		Average	
Above Grade Room Count	Total	Bdrms	Baths	+2000	Total	Bdrms	Baths	+2000
	6	4	1.5		5	3	1	
Gross Living Area	1440 Sq. Ft.		1033 Sq. Ft.		14245		1180 Sq. Ft.	
Basement & Finished Rooms Below Grade	None							
Functional Utility	Typical		Typical		Typical		Typical	
Heating/Cooling	CHAC/GAS		CHAC/Gas		CHAC/Gas		CHAC/Gas	
Energy Efficient Items	2							
Garage/Carport	2 Gar Det		1 CarP Att		+5000		1 Car Att	
Porches, Patio, Deck	Patio							
Fireplace(s), etc.	Porch							
Fence, Pool, etc.	Rear Fence		None		+1000		None	
Other							OverPriced	
Net Adj. (total)			<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 17245		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 10100		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -6755	
Adjusted Sales Price of Comparable			\$ 100244		\$ 99100		\$ 100245	

VII. THE MARKET VALUE

(The value should fall within the range indicated by the adjusted Sales Price of the Comparables. Place the greatest weight on those comparables that are recent, in closest proximity, and with the fewest overall adjustments.)

	Market Value	Suggested List Price
AS IS	\$ <u>95,000</u>	\$ <u>95,000</u>
REPAIRED	\$ <u>95,000</u>	\$ <u>95,000</u>

VIII. COMMENTS

(Include specific positives / negatives, special concerns, encroachments, easements, water rights, environmental concerns, flood zones, etc. Check the box if additional comments are continued on Page 3 of this report.)

Some homes in area lack average maintenance levels and hinder value.
Best available comparables utilized.
Established Neighborhood.
Area homes vary in condition.

Signature: Stacy Merry

Date: 07/07/2010

ADDITIONAL COMMENTS

Subject Property Address: 10227 Ridge Road Telluride, CO 81435

The current market conditions are not especially good for the expeditious marketing of the subject. In this neighborhood, there is an over-supply of houses on the market, so even with making repairs on the house, and with pricing the house reasonably, it still make take some time to dispose of the property. Still the property has a number of features that are advantageous to the marketability of the subject. The current market conditions are not especially good for the expeditious marketing of the subject, still the property has a number of features that are good.

The subject, even with excess competition, can compete well, especially with the cosmetic repairs suggested in this report. Most of the other homes on the market are in less than ideal condition, giving the subject an opportunity to stand out from the crowd. The subject is larger than most of the surrounding properties, certainly all of the Sales and Listings; so this may also provide for a good marketing opportunity, by stressing the size of the subject.

All but one of the Sales and Listings were in the nearby vicinity of the subject property. The subject was 200 - 500 square feet larger than the comparable sales and listings, typically 300-400 feet larger. Because of the relative small size of the houses to start with, that is in the 1000 sq. ft. range, it was considered appropriate to adjust the subject upward in each comparison. The fact that the subject is 20 to 40% larger than the comparables should assist in it selling at the top of its class.

The majority of the repairs are minor, with the largest repairs being the painting of the interior and the replacing of the carpet. It is recommended that all of the repairs be completed for best marketing situation for the subject. Otherwise the house is in good shape, and the landscaping is above average, as the last owner took pride in planting bushes and flowers around the yard.

It is considered that the best marketing strategy for the subject is to first complete all the repairs. Then when describing of the property, be sure to emphasize the fact that the subject is one of the larger homes in the neighborhood, and that with the extra space, it would be a great buy. Plus, mentioning the well kept yard would also be advantageous, as well as the great shape that the home is in. It is considered that the best marketing strategy for the subject is to first complete all the repairs.

This property is one of the larger homes in the neighborhood, is in good condition, and has a well-kept yard. It has been freshly painted, and new carpet has been laid throughout the home. The home is in great condition overall, and represents a great buy! Don't wait to get this house.

PHOTOGRAPHS OF SUBJECT PROPERTY



FRONT VIEW

10227 Ridge Road
Telluride, CO 81435

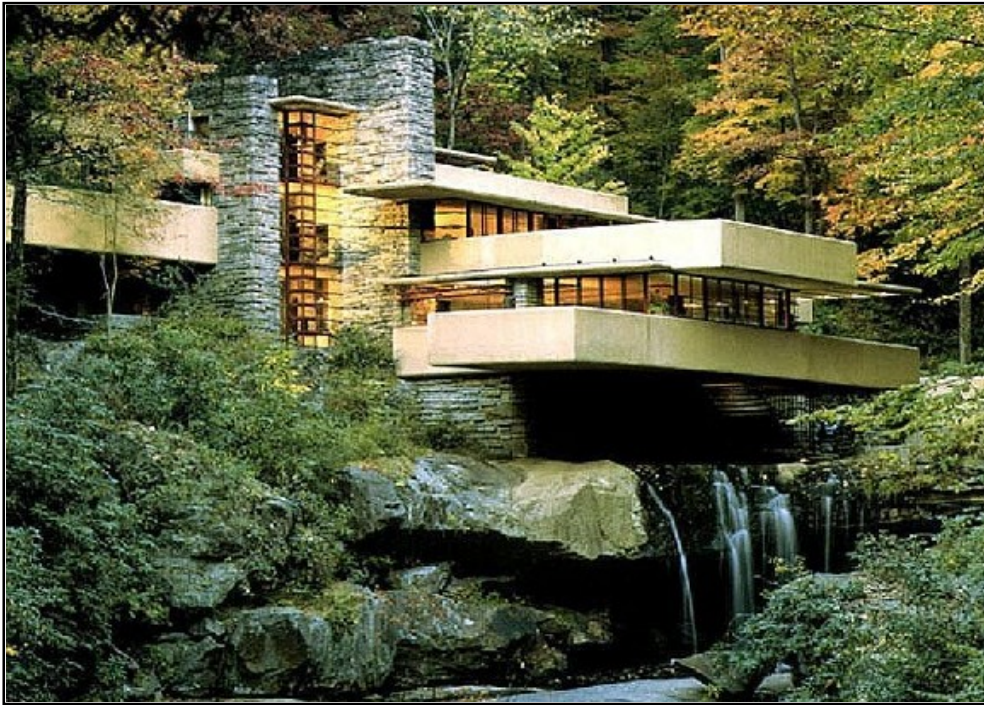


REAR VIEW



STREET SCENE

PHOTOGRAPHS OF SUBJECT PROPERTY



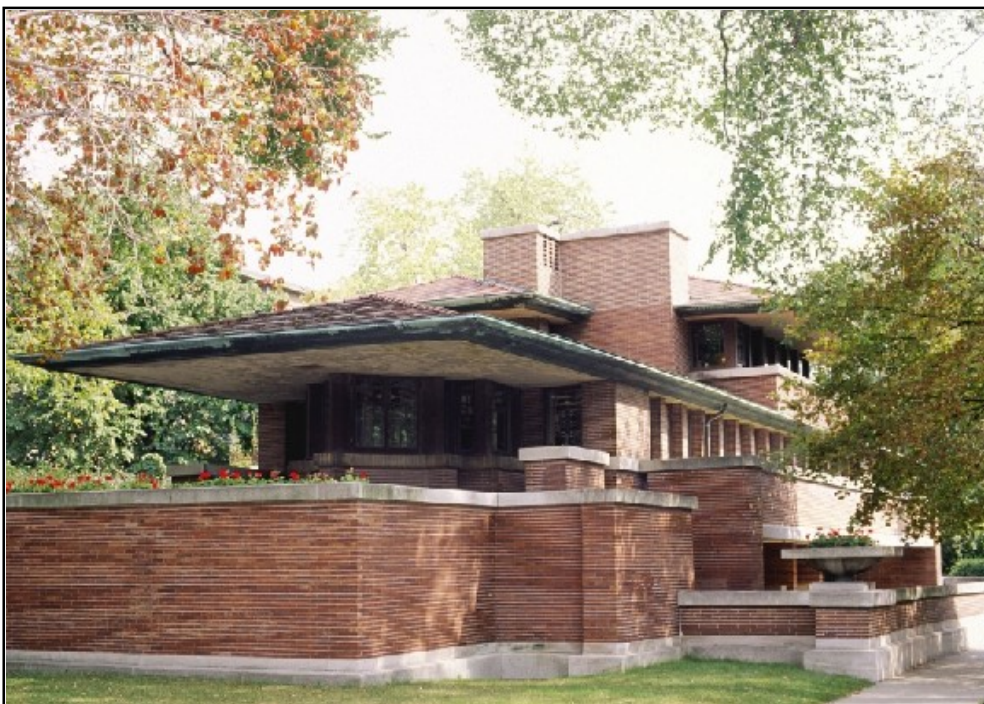
COMPARABLE #1

10215 GLENMARE
Telluride, CO 81435,
\$ 77500
4/14/2008



COMPARABLE #2

10202 OLENTANGY
Telluride, CO 81435,
\$ 75000
3/5/2008



COMPARABLE #3

9939 SOUTHPORT DR
Telluride, CO 81435,
\$ 95000
3/27/2008



LIST #1

10242 TORRINGTON N
Telluride, CO 81435,
\$ 82999
DOM 182



LIST #2

10118 OLENTANGY
Telluride, CO 81435,
\$ 89000
DOM 84



LIST #3

10014 SANTA MONICA
Telluride, CO 81435,
\$ 107000
DOM 34



**FRONT FOYER
ENTRANCE**



FAMILY ROOM



Dining Room

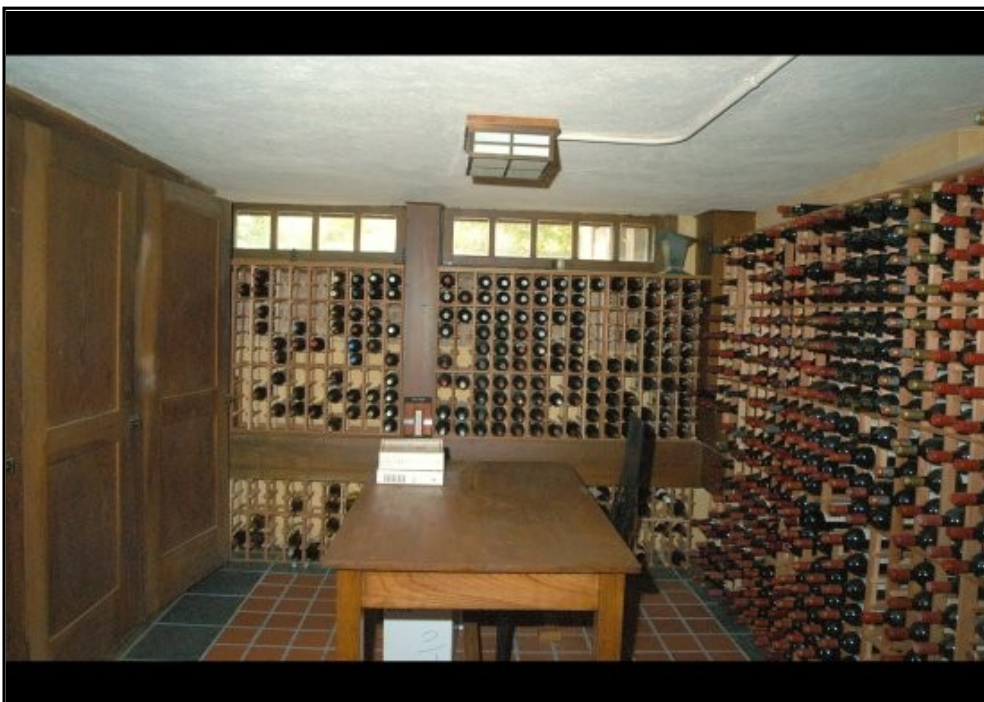
ADDITIONAL PHOTOGRAPHS



Conference Room



Living Room



Wine Cellar

ADDITIONAL PHOTOGRAPHS