

BUSINESS AFFAIRS AND HUMAN RESOURCES
NOVEMBER 24, 2014

IDAHO STATE UNIVERSITY

SUBJECT

Purchase of real property to replace the existing executive residence owned by the institution and to sell the existing residence.

REFERENCE

August 22, 2008 Approval by the Idaho State Board of Education (Board) for the sale of the Magnuson Alumni House and re-purposing the executive residence owned by the University (the Servel House) into a larger and more useful Alumni house that would better meet the needs of the Alumni Association. The University President was to be provided a housing allowance to fund a residence of his choosing that would better accommodate the business and events needs of the University. *(Note: Authorization was not exercised due to the inability to locate a suitable executive residence that met the required needs and uses.)*

October 23, 2014 Notified Board's Business Affairs and Human Resources (BAHR) Committee of intent make an offer to purchase a specific executive residence for ISU, subject to a full-out contingency that requires Board approval.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education's Governing Policies and Procedures; Sections V.I.1.-2., 5. and I.E.3.a.

Idaho Code § 33-107, Idaho Code § 58-331

BACKGROUND/DISCUSSION

The Idaho State University (ISU) executive residence (known as the Servel House) located on South 7th Avenue in Pocatello, was built in 1917, and originally owned by Xavier and Julia Servel. In 1949, past President Carl W. McIntosh requested approval to purchase the home as the primary residence for the president of what was then Idaho State College. Much discussion ensued concerning the building of a new home versus the remodeling of a 31 year old home. On July 5, 1951, the Board purchased the Servel Home for \$22,134 for the land and building, with an additional expenditure of \$6,879 for furnishings and repairs.

The Servel House has served as the executive residence for over 63 years, and is on the National Register of Historic Places (see Attachment 1). It has been the venue for many meetings, events, and activities for those six decades.

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While the Serval House is an appealing, historic, single-family residence, there are significant challenges with the residence to enable it to more adequately and efficiently serve as an executive residence. The aging structure continues to require increasing maintenance and care and operating costs, averaging approximately \$31,000 per year over the last three years and is close to \$33,000 in the current year. In terms of serviceability for official business and events, the residence has small rooms on three floors and a basement. Its status as a historic structure on the national registry makes anything other than complete renovation untenable, but also adds significantly to the cost of those renovations.

The exterior of the house presents an acceptable appearance for an executive residence for a university. However, the interior design and structure, as well as the yard, do not adequately serve the needs and requirements of the type of business meetings, activities, and events typically required of today's university presidents. Room size is small, typical of 1917 construction limitations, and is located on three floors, plus the basement. The furniture must be removed from the house to accommodate even medium-sized receptions and events. The basement stairwell is narrow and fire code limits the number of people allowed downstairs. The residence is located on a corner lot and the lawn and yard area face the street on two sides with very little yard in the back, providing little opportunity for outside events or activities. In addition, the design of the living quarters offer very limited privacy for a president's family while official events are taking place.

As we worked to address this problem over the past several years, it was clear we had three options;

- 1) Renovate and remain in the Serval House,
- 2) Construct a new executive residence on or near campus, or
- 3) Purchase an existing property that meets the acknowledged needs.

University Facilities Services explored possible renovation of the existing building and found it is neither feasible nor cost effective in the long-term. The design and structure of the building is such that enlarging rooms and bringing the residence up to code would require a major renovation. Renovation would be significantly impacted by the fact the home is on the National Register of Historic Places. The Facilities analysis estimates renovation costs of \$750,000. We believe this is cost prohibitive, especially given that once the renovation is complete, the residence would be a nearly 100 year old structure that would still not adequately accommodate the needs of the University.

ISU also considered the idea of constructing a new executive residence somewhere on or near campus. This option would allow ISU to design the structure to satisfy the needs of an executive residence, but it would be expensive. ISU estimates indicate the minimum cost of construction would be \$1,300,000, but could be even higher.

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ISU's analysis finds the third option – to purchase an existing property that satisfies the requirements for an executive residence – to be the most economically justifiable and business-effective solution. The challenge with this option was to find an existing residence that would solve the problem without requiring significant modification or renovation.

The University considered a total of 21 properties in an effort to locate one that would accommodate the unique needs typical of university executive residences. Of the 21 properties considered, four were determined to have potential. The average asking price of these four properties was approximately \$751,000. Visits and on-site evaluations were made of the four properties and it was determined the property located at 2627 Wild Horse Ridge in Pocatello would best accommodate the needs of the University.

Selection of the Wild Horse property was based upon the uniqueness of the structure in meeting and alleviating the issues associated with the existing Servel House. As shown in the floor plans in Attachment 3, the residence is unique in that it includes a sports court of approximately 2,400 square feet. This area, while integrated with the residence, has an outside entrance that maintains the privacy of the family and would allow for the hosting of activities, conferences or training, with or without the president's involvement. Moreover, the property has facilities for smaller events and receptions within the residential portion of the structure and ample lawn and yard space for outdoor events. Additional benefits are that annual maintenance costs would be reduced by approximately two thirds and utilities would go down by the same ratio.

Because of a recent and significant price reduction on the Wild Horse property and the resulting increased level of interest in the property by other potential buyers, the University sought and was granted authorization from the Business Affairs and Human Resources (BAHR) Committee to extend an offer on the Wild Horse property contingent upon Board approval. The contingency includes a full-out withdrawal if Board approval is not obtained. On October 24, 2014, an initial offer of \$545,000 was declined by the seller. A follow-up offer of \$560,000 (which was the recently reduced asking price) was accepted, with the contingency in full force. The independent appraisal of the Wild Horse property (see attachment 2) showed the property to be valued at \$595,000, or \$35,000 higher than the contingent offer accepted by the seller.

In addition to the purchase price of the property, other costs would be incurred to ensure the property satisfies the unmet needs with the existing residence. An inspection of the property (see the summary in attachment 4) disclosed certain repairs that would be required. In addition, a dividing wall would be built between the kitchen and dining area. The wall was in the original plans, but was not constructed. These repairs and modifications are estimated to cost \$20,000.

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Another \$80,000 would be applied to such things as a security system, internet access, and carpet and painting.

Acquisition of the property would avert the need to spend up to \$750,000 to renovate the Serval House. In addition, the sale of the Serval House would provide about \$400,000 to offset the purchase price of the Wild Horse property. The discounted present value of the savings from the annual maintenance and operations costs over 10 years are estimated to be over \$195,000.

As shown below, the net economics of the transaction make good fiscal sense. The upfront costs of the acquisition are more than offset by the sale of the residence and of the cost avoidance related to renovation and maintenance and repairs.

Purchase price	\$560,000
Minor repairs and modifications	20,000
Other updates and renovations	80,000
Avoidance of Serval House renovations (estimated)	(750,000)
Proceeds from sale of Serval House (estimated)	(400,000)
Net present value of maintenance & repair costs for 10 years*	<u>(195,000)</u>
 Total net savings to the University	 <u>\$ (685,000)</u>

*(Difference between new house and Serval house maintenance)

ATTACHMENTS

Attachment 1 – Photos of the Serval House	Page 7
Attachment 2 – Appraisal of 2627 Wild Horse Ridge	Page 9
Attachment 3 – Floor Plans	Page 41
Attachment 4 – Summary of Home Inspection	Page 45
Attachment 5 – Map from ISU campus to Property	Page 49

IMPACT

This proposal would provide the University with an executive residence that contains more and better functional space with which to conduct presidential business, including events, receptions, and conferences. The property is more conducive to fundraising and development activities and receptions. As noted above, while there are upfront costs to acquire the property, in the long term the university will experience a net fiscal benefit due to cost avoidance and cost reduction.

The funds to acquire the Wild Horse property and related repairs and renovations would come from existing institutional reserves and would not require new debt.

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STAFF COMMENTS AND RECOMMENDATIONS

ISU's proposal to purchase a new residence for its president presents a strong business case predicated on functional use and cost avoidance. The subject property, custom built in 2000, is 6,150 square feet, with five bedrooms and 3.5 bathrooms. The 2013 assessed value of the property was \$649,160, and property taxes that same year were \$6,571.

BAHR Committee members have raised several concerns regarding the subject property. First, committee members questioned the location of the home which is 6.2 miles from campus (located at the end of a cul-de-sac and abutting Bureau of Land Management land). A sentiment was voiced that a residence for the ISU president should be close to or on campus. ISU was also asked whether the seller has any ties to ISU or personal relationship with ISU leadership. ISU has affirmed that the seller has no ties to ISU and is not known to ISU administration.

Since a stated secondary purpose of the residence is to provide a more functional venue for entertaining, training and other events, the Board may want to inquire about availability and capacity for parking.

Public comments received to date regarding the purchase of this home question whether the expenditure is necessary in light of: (1) a perception that the current home that is perfectly adequate for the president; (2) excessive price range of the proposed home; and (3) misplaced priorities given steady tuition increases.

Regarding the sale of the Serval House, the Board has statutory authority to acquire or dispose of real estate pursuant to Idaho Code §33-107. However, Idaho Code §58-331 requires "surplus real property" owned by state agencies and institutions to be transferred to the Land Board of Land Commissioners ("Land Board") and then disposed of by the Land Board. (Since the two sections of Code are in conflict, the Board is sponsoring legislation in the upcoming legislative session to clarify that the Board would not have to go through the Land Board process when disposing of surplus property. The Land Board does not object to this legislative clarification.)

The strong business case for this action does make this the best option from a fiscal standpoint, saving ISU money over renovating the current residence or building a new residence. Another alternative not referenced in ISU's background materials is simply paying the president a housing allowance as is currently done with the president for Boise State University. The issue about proximity to campus is something staff is not able to opine on.

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BOARD ACTION

I move to approve the purchase of the property located at 2627 Wild Horse Ridge in Pocatello, Idaho as the official executive residence for ISU presidents and their families at a cost of \$560,000, plus all required closing costs normally associated with the buyer, and up to an additional \$100,000 for repairs, renovations and improvements; and further, to authorize the Vice President for Finance and Administration to execute all necessary transaction documents for closing the purchase.

Moved by _____ Seconded by _____ Carried Yes ___ No

I move to authorize Idaho State University to contact the Board of Lands and request approval to list the Serval House (located at 341 South 7th Avenue, Pocatello, ID) on the market; and further, to authorize ISU to accept a purchase offer for said property contingent on subsequent Board approval.

Moved by _____ Seconded by _____ Carried Yes ___ No

**Idaho State University Executive Residence
The Servel House**



The **Servel House**, located at 341 South 7th Avenue, was constructed in 1917 for the wealthy stockman Xavier Servel. The residence was constructed to exacting standards, within high expectations for opulence on the part of the original owners.

In 1951, the home was purchased by the State Board of Education to serve as the ISU President's official residence. Featuring hardwood floors and period décor, the home is part of the University Neighborhood Historic District and is listed on the National Register of Historic Places.

The residence underwent a major renovation in 1999 to meet the needs of the previous University President. Smaller remodel projects over the years have renovated the upstairs kitchen, the basement kitchen, and bathrooms located on three floors.

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Appraisal Report

Uniform Residential Appraisal Report

File # 0008147

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 2627 Wild Horse Rdg City Pocatello State ID Zip Code 83204
 Borrower Idaho State University Owner of Public Record Idaho State University County Bannock
 Legal Description S-19-T7S-R34E Lot 8, 5.22 AC, Block 1, Wild Horse Ridge Subdivision Phase 2
 Assessor's Parcel # RRWH2000500 Tax Year 2013 R.E. Taxes \$ 6,571
 Neighborhood Name Gibson Jack/ Wildhorse Ridge Map Reference 38540 Census Tract 0017.00
 Occupant Owner Tenant Vacant Special Assessments \$ 0 PUD HOA \$ 0 per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe)
 Assignment Type Purchase Transaction Refinance Transaction Other (describe) Proposed purchase
 Lender/Client Idaho State Univerisity Address
 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). DOM 219; Mls.#548397 Listed 03/24/2014 for \$725,000 and reduced 05/05/2014 to \$650,000 and again on 09/08/2014 to \$630,000 and again on 10/15/2014 to \$560,000.

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.

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 <input type="checkbox"/> Urban <input checked="" 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	50 %				
Built-Up <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input checked="" type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	00 %				
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	150	Low	0	00 %				
Neighborhood Boundaries Gibson Jack, Mink Creek, Portneuf areas bound Inkom on the south, Pocatello on the north and foothill hills public lands on the east and west.		975	High	30	00 %				
Neighborhood Description Beneficial elevated low density suburban development with good conformity of upper valued custom homes. Larger than typical secluded dwelling sites within 5-10 minute drive time of the Pocatello city center and near summer and winter recreation. The area featured some of the highest value homes in the county. There was one home under construction and three homes recently completed just south of the subject.		250	Pred.	16	50 %				
Market Conditions (including support for the above conclusions) Values have been increasing at an avg of 3.8% over the past 28 years. 2013 avg price was \$148,287, an increase of 4.48% from 2012, with an avg of 118 days on the market & 98% of list. Data in the market segment of subject was not adequate to determine a trend. Sales concessions of 1%-3% were common. Historically low financing was available for qualified buyers.									

Dimensions 82' X 381' X 442' X 446' X 658' Area 5.22 ac Shape Irregular View B;Mtn;
 Specific Zoning Classification Re residential Suburban Zoning Description Low density 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 Community Well-typica Street Asphalt
 Gas Sanitary Sewer Indiv septic - typical Alley None
 FEMA Special Flood Hazard Area Yes No FEMA Flood Zone x FEMA Map # 16005C0370D FEMA Map Date 07/07/2009
 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
 Nothing adverse noted. Underground power. Easements for utilities. The subject was located on a larger than typical site, higher on the bench and the the end of a dead end street with no neighbors behind. Extensive landscape with retaining walls, fences, sprinkler system, yard lights, and a large circular driveway. Culinary water provided by community well with irragation rights from city water system.

General Description		Foundation		Exterior Description		materials/condition		Interior		materials/condition	
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	Pour conc/Good	Floors	Hrdwod,ct,carpet/Gd						
# of Stories 1.5	<input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	Stucco,stone,Metl/Gd	Walls	Text drywall/Gd						
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 2,474 sq.ft.	Roof Surface	Comp shingles/Gd	Trim/Finish	Pine, hardwd/Gd						
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 95 %	Gutters & Downspouts	Painted alum/Gd	Bath Floor	Slate,Cer tile/Gd						
Design (Style) 1.5 Story	<input checked="" type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	Wood-swing/Gd	Bath Wainscot	Slate,Cer tile/Gd						
Year Built 2000	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated	Combination/Gd	Car Storage	<input type="checkbox"/> None						
Effective Age (Yrs) 5	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	Combination/Gd	<input checked="" type="checkbox"/> Driveway	# of Cars 4						
Attic <input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> Woodstove(s) # 0	Driveway Surface	Concrete						
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel Gas	<input checked="" type="checkbox"/> Fireplace(s) # 1	<input checked="" type="checkbox"/> Fence Chain	<input checked="" type="checkbox"/> Garage	# of Cars 6						
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck covrd	<input checked="" type="checkbox"/> Porch Covered	<input type="checkbox"/> Carport	# of Cars 0						
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool None	<input type="checkbox"/> Other None	<input checked="" type="checkbox"/> Att.	<input type="checkbox"/> Det. <input checked="" type="checkbox"/> Built-in						

Appliances Refrigerator Range/Oven Dishwasher Disposal Microwave Washer/Dryer Other (describe) Surround sound, security,vacuum
 Finished area above grade contains: 8 Rooms 4 Bedrooms 2.1 Bath(s) 3,633 Square Feet of Gross Living Area Above Grade
 Additional features (special energy efficient items, etc.). High end custom construction. Upgraded trim package. Custom kitchen cabinets with granite counter tops in the kitchen. Vaulted and trayed ceilings. Extra large garage and 2607 sf heated indoor sports court.
 Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C3;Kitchen-updated-one to five years ago;Bathrooms-updated-one to five years ago;Upgraded cabinets, granite counter tops and appliances in the kitchen. Upgraded slate floors and slate shower surround in the master bathroom. The walkout basement with 10' ceilings and full kitchen enhanced the utility of the basement and the basement level finish. Two central heating and cooling systems. Custom built ins in the family room, dining room and the office. Four fixture 2nd level and basement level bathrooms.
 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

Uniform Residential Appraisal Report

File # 0008147

There are 20 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 410,000 to \$ 890,000 .
 There are 13 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 540,000 to \$ 900,000 .

FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address	2627 Wild Horse Rdg Pocatello, ID 83204	1388 Remington Rd Pocatello, ID 83201			10955 Deerridge Dr Pocatello, ID 83202			9797 Andee K Ln Pocatello, ID 83204		
Proximity to Subject		6.72 miles N			10.64 miles N			1.14 miles S		
Sale Price	\$	\$ 660,000			\$ 525,000			\$ 539,000		
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 172.64 sq.ft.			\$ 253.01 sq.ft.			\$ 188.46 sq.ft.		
Data Source(s)		FilesMls#549705;DOM 4			Mls#548134 Site;DOM 148			Mls#546353 site;DOM 303		
Verification Source(s)		Mls, County Records			Mls, County Records			Mls,County records		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing Concessions		ArmLth Conv;0		ArmLth Conv;0		ArmLth Conv;0		ArmLth Conv;0		
Date of Sale/Time		s08/14;c05/14			s07/14;c06/14			s04/14;c03/14		
Location	B;Res;	B;Res;			B;Rural;			B;Res;		
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee simple		
Site	5.22 ac	18,763 sf +40,000			4.09 ac +10,000			2.80 ac +5,000		
View	B;Mtn;	B;CtySky; 0			B;Mtn;CtySky 0			B;Mtn;		
Design (Style)	DT1.5;1.5 Story	DT1.5;1.5 Story			DT1.0;Ranch 0			DT1.0;Ranch 0		
Quality of Construction	Q2	Q1 -13,200			Q2			Q2		
Actual Age	12	2 -5,000			6 -3,000			4 -4,000		
Condition	C3	C1 -26,400			C2 -10,500			C3		
Above Grade Room Count	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths		
	8 4 2.1	9 4 3.1	-1,500	6 3 2.0	+1,000	6 2 2.1	0			
Gross Living Area	3,633 sq.ft.	3,823 sq.ft. -6,650			2,075 sq.ft. +54,530			2,860 sq.ft. +27,055		
Basement & Finished Rooms Below Grade	2474sf2350sfwo 1rr1br1.0ba2o	2431sf2066sfwo 1rr1br1.0ba2o +5,172			2075sf1880sfwu 1rr2br1.0ba1o +11,182			2836sf2694sfwo 1rr2br1.0ba0o -8,744		
Functional Utility	Good/Walkout	Good/Walkout			Good/Walkout			Good/Walkout		
Heating/Cooling	2-fwa/2central	2-fwa/2central			G-Fwa/Central +2,000			2-fwa/2central		
Energy Efficient Items	Standard	Standard			Standard			Standard		
Garage/Carport	4ga2gbi4dw	4ga4dw +6,000			3ga2gd4dw +1,500			3ga4dw +10,500		
Porch/Patio/Deck	C'prch,c'dck,cpto	C'prch,C'dk,cpati 0			C'porch,C'patio +2,000			C'porch,patio +3,000		
Fireplace	1-Gas Fireplace	2-Gas Fireplace -2,000			2-Gas Fireplace -2,000			2-propane fplc -2,000		
Site improvements	SS,Retainwall	SS,Retainwall			Fences,SS 0			Fences,SS 0		
Additional features	2607 sf sports	None +15,000			None +15,000			None +15,000		
Net Adjustment (Total)		☒ + ☐ - \$ 11,422			☒ + ☐ - \$ 81,712			☒ + ☐ - \$ 45,811		
Adjusted Sale Price of Comparables		Net Adj. 1.7 % Gross Adj. 18.3 % \$ 671,422			Net Adj. 15.6 % Gross Adj. 21.5 % \$ 606,712			Net Adj. 8.5 % Gross Adj. 14.0 % \$ 584,811		

I did did not research the sale or transfer history of the subject property and comparable sales. If not, explain The subject was custom built by the current owner with no prior sale history.

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) Mls, county records.

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) Mls, county records.

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										
Price of Prior Sale/Transfer										
Data Source(s)	Mls	Mls			Mls			Mls		
Effective Date of Data Source(s)	10/29/2014	10/29/2014			10/29/2014			10/29/2014		
Analysis of prior sale or transfer history of the subject property and comparable sales	No prior sale of the comparables within the past 12 months.									

Summary of Sales Comparison Approach Comparables were the most recent, proximate, and similar known to compare to the subject. The comparables bracketed the GLA and site area and established a realistic range of value. The site value for each property was estimated and adjusted on a per unit basis. Age differences were adjusted at \$500 per year. Quality adjustments were based upon 2% of the sale/list price. Condition adjustments were based upon 2% and 4% of the sale/list price. Additional bathroom fixtures were assigned \$500 each. No significant variation in room count was reflected in the market. The functional utility adjustments were based upon 1% of the sale price. The value for heating systems, porches, decks, patios, site improvements and additional features were estimated and adjusted on a per unit basis. The basement gross area differences were adjusted at \$8.00 per sf plus \$17.00 for finished area differences. Comparables #2, #5 and #6 required adjustments that exceed the desired norms due to the large GLA, basement and sports court adjustments that were required.

Indicated Value by Sales Comparison Approach \$ 595,000

Indicated Value by: Sales Comparison Approach \$ 595,000 Cost Approach (if developed) \$ Income Approach (if developed) \$

The sales comparison value range indication was realistic and given the greatest weight. The comparables bracketed the GLA of the subject & a final value within the range of value was reasonable. Comparable #3, #7 and #9 required the least adjustment and were supported by a weighted average of the comparables. The subject was listed below market after being initially listed for \$725,000 and "Shop worn" and the sellers motivated to sell. 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:

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 \$ 595,000 , as of 10/29/2014 , which is the date of inspection and the effective date of this appraisal.

SALES COMPARISON APPROACH

RECONCILIATION

Uniform Residential Appraisal Report

File # 0008147

• Urar: supporting land sales.		
09/2013 lot 7, block 2, Wild horse Ridge 3	\$106,000	3.07 acres = \$34,527 per acre
08/2013 lot 6, block 2, Wild horse Ridge 2	\$102,900	2.70 acres = \$38,111 per acre
11/2012 lot 14, block 1, Sage Hollow	\$102,000	4.65 acres = \$21,935 per acre
09/2012 9221 N Sunset Road	\$105,900	5.00 acres = \$21,000 per acre
05/2012 LOT 5, Block 1 Deer Hollow	\$95,500	4.28 acres = \$22,313 per acre
062011 lot 3, blk 1, South Bay	\$40,000	1.20 acres = \$39,215 per acre
05/2011 lot 1r, Black Angus Sub	\$39,950	5.00 acres = \$7,990 per acre
04/2011 Sheepskin Rd	\$35,000	8.6 acres = \$4,069 per acre
08/2009 lot 1, blk 2, Mountain Meadows	\$132,000	4.70 acres = \$28,085 per acre
10/2008 lot 7, blk 5, Sage Hollow Phase 4	\$135,000	5.11 acres = \$25,812 per acre
06/2008 lot 3, block 5, Sage Hollow 4	\$120,000	5.11 acres = \$23,483 per acre

The comparables established a broad range of value as was typical when comparing custom homes in limited market. The comparables established a \$ price per sf of GLA unit value range of \$124.00 to \$258.00. The \$ price per sf of GLA unit value opinion for the subject was \$163 and on the low end of the range established by the comparables in the market grid.

Comments comparables

Comparables #7-#10 were pending and active listings that required adjustments within the desired norms and bracket the the value opinion and no time adjustments were applied. Listing Comparables were adjusted at the current sale to list ratio of 98%.

ADDITIONAL COMMENTS

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) The site value opinion was estimated by market comparison with improved and vacant land sales and land extraction and land allocation.

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE			= \$
Source of cost data Marshall swift cost data/appraiser data	DWELLING	Sq.Ft. @ \$	= \$
Quality rating from cost service C2 Effective date of cost data 10/2014		Sq.Ft. @ \$	= \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)			= \$
The cost approach was considered, but a reliable site value and depreciation from all causes could not be extracted from the market.	Garage/Carport	Sq.Ft. @ \$	= \$
	Total Estimate of Cost-New		= \$
	Less Physical	Functional	External	
	Depreciation			= \$()
	Depreciated Cost of Improvements			= \$
	"As-is" Value of Site Improvements			= \$
Estimated Remaining Economic Life (HUD and VA only) 70 Years	INDICATED VALUE BY COST APPROACH			= \$

COST APPROACH

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) The income approach was considered, but data was not adequate to provide a meaningful value indication.

INCOME

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.

PUD INFORMATION

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.

Uniform Residential Appraisal Report

File # 0008147

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.

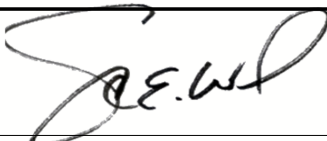
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation 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 
 Name Scott E Watson
 Company Name Watson Appraisal Service
 Company Address 465 Canyon Dr
Pocatello, ID 83204
 Telephone Number (208) 478-6703
 Email Address watsonappraisal@cablone.net
 Date of Signature and Report 10/31/2014
 Effective Date of Appraisal 10/29/2014
 State Certification # CRA-2086
 or State License # _____
 or Other (describe) _____ State # _____
 State ID
 Expiration Date of Certification or License 11/13/2015

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 _____

ADDRESS OF PROPERTY APPRAISED
2627 Wild Horse Rdg
Pocatello, ID 83204
APPRAISED VALUE OF SUBJECT PROPERTY \$ 595,000

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 _____

LENDER/CLIENT
 Name Gloria Howell
 Company Name Idaho State Univerisity
 Company Address _____
 Email Address _____

COMPARABLE SALES

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

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File # 0008147

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address	2627 Wild Horse Rd Pocatello, ID 83204	9927 W Gibson Jack Rd Pocatello, ID 83204			9576 Snowberry Cir Pocatello, ID 83204			553 Vern St Chubbuck, ID 83202		
Proximity to Subject		0.76 miles S			0.43 miles E			8.52 miles N		
Sale Price	\$	\$ 535,000			\$ 435,000			\$ 400,000		
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 258.45 sq.ft.			\$ 174.00 sq.ft.			\$ 137.84 sq.ft.		
Data Source(s)		Mls#548393 Site;DOM 98			MLS#548903 Site;DOM 84			Mls#548666 site;DOM 190		
Verification Source(s)		Mls,County records			Mls, county records			Mls, County Records		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing Concessions		ArmLth Conv;0		ArmLth Conv;0		ArmLth Conv;0		ArmLth Conv;0		
Date of Sale/Time		s06/14;c04/14			s07/14;c05/14			s10/14;c10/14		
Location	B;Res;	B;Private;	0	B;Res;		N;Res;	+8,000			
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple				
Site	5.22 ac	8.7 ac	-8,000	3.45 ac	+4,500	19,602 sf	+50,000			
View	B;Mtn;	B;Mtn;Woods	0	B;Mtn;		N;Res;	+4,000			
Design (Style)	DT1.5;1.5 Story	DT1.0;Ranch	0	DT1.0;Ranch	0	DT1.5;1.5 Story				
Quality of Construction	Q2	Q2		Q3	+8,700	Q2				
Actual Age	12	6	-3,000	13	+500	6	-3,000			
Condition	C3	C2	-10,700	C3		C3				
Above Grade Room Count	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths				
	8 4 2.1	5 1 1.1	+1,500	6 3 2.0	+1,000	8 3 2.1	0			
Gross Living Area	3,633 sq.ft.	2,070 sq.ft.	+54,705	2,500 sq.ft.	+39,655	2,902 sq.ft.	+25,585			
Basement & Finished Rooms Below Grade	2474sf2350sfwo1rr1br1.0ba2o	1974sf1776sfwo1rr4br2.0ba1o	+13,758	2500sf1250sfwo1rr1br1.0ba0o	+18,492	1386sf1280sfwo1rr2br1.0ba0o	+26,894	0		
Functional Utility	Good/Walkout	Good/Walkout		Good/Walkout		Good/Walkout				
Heating/Cooling	2-fwa/2central	G-Fwa/Central	+2,000	G-Fwa/Central	+2,000	G-Fwa/Central	+2,000			
Energy Efficient Items	Standard	Standard		Standard		Standard				
Garage/Carport	4ga2gbi4dw	3ga4dw	+10,500	3ga3dw	+11,000	3ga3dw	+11,000			
Porch/Patio/Deck	C'prch,c'dck,cpto	C'prch,C'dck,cpat	0	C'Prch,Cpat,deck	+1,000	C'porch,2dk,pat	0			
Fireplace.	1-Gas Fireplace	1-Gas Fireplace		2-Gas fireplace	-2,000	1-Gas Fireplace				
Site improvements	SS,Retainwall	SS,Retainwall		SS,Retainwall		Fences,SS	0			
Additional features	2607 sf sports	Shop	+5,000	None	+15,000	3,000 sf shop	-2,000			
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$	64,263	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$	99,847	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$	122,479			
Adjusted Sale Price of Comparables		Net Adj. 12.0 % Gross Adj. 20.7 %	\$ 599,263	Net Adj. 23.0 % Gross Adj. 23.9 %	\$ 534,847	Net Adj. 30.6 % Gross Adj. 33.1 %	\$ 522,479			

SALES COMPARISON APPROACH

SALE HISTORY

ANALYSIS / COMMENTS

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 # 4		COMPARABLE SALE # 5		COMPARABLE SALE # 6	
Date of Prior Sale/Transfer							
Price of Prior Sale/Transfer							
Data Source(s)	Mls	Mls		Mls		Mls	
Effective Date of Data Source(s)	10/29/2014	10/29/2014		10/29/2014		10/29/2014	

Analysis of prior sale or transfer history of the subject property and comparable sales

Analysis/Comments Comparable #6 was located near lower value homes and the location adjustment was based upon 2% of the sale price. Comparable #6 was located on the valley floor with an inferior view and the view adjustment was based upon 1% of the sale price.

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SALES COMPARISON APPROACH table with columns for Feature, Subject, Comparable Sale #7, #8, and #9. Includes rows for Address, Proximity to Subject, Sale Price, and various adjustments.

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).

SALE HISTORY table with columns for Item, Subject, Comparable Sale #7, #8, and #9. Includes rows for Date of Prior Sale/Transfer, Price of Prior Sale/Transfer, and Data Source(s).

Analysis of prior sale or transfer history of the subject property and comparable sales

Analysis/Comments section with multiple rows for detailed notes and observations.

Market Conditions Addendum to the Appraisal Report

File No. 0008147

The purpose of this addendum is to provide the lender/client with a clear and accurate understanding of the market trends and conditions prevalent in the subject neighborhood. This is a required addendum for all appraisal reports with an effective date on or after April 1, 2009.

Property Address 2627 Wild Horse Rdg City Pocatello State ID ZIP Code 83204

Borrower Idaho State University

Instructions: The appraiser must use the information required on this form as the basis for his/her conclusions, and must provide support for those conclusions, regarding housing trends and overall market conditions as reported in the Neighborhood section of the appraisal report form. The appraiser must fill in all the information to the extent it is available and reliable and must provide analysis as indicated below. If any required data is unavailable or is considered unreliable, the appraiser must provide an explanation. It is recognized that not all data sources will be able to provide data for the shaded areas below; if it is available, however, the appraiser must include the data in the analysis. If data sources provide the required information as an average instead of the median, the appraiser should report the available figure and identify it as an average. Sales and listings must be properties that compete with the subject property, determined by applying the criteria that would be used by a prospective buyer of the subject property. The appraiser must explain any anomalies in the data, such as seasonal markets, new construction, foreclosures, etc.

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	2	8	3	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	0.33	2.67	1.00	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Total # of Comparable Active Listings	12	20	20	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	36.4	7.5	20.0	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Median Comparable Sale Price	719,500	420,500	435,000	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	503	91	84	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	447,500	450,000	529,900	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	208	140	115	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	96	97	98	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.). Sales concessions of 3%-5% have remained stable for the past 12 months. Market conditions search was expanded to include all single family homes located in Bannock county priced between \$400,000 & \$900,000,000 that would compete with the subject property by prospective buyers. Building contractors were not currently offering concessions or financial assistance above what was typical. There was very limited sales data in the market segment of the subject as there are few qualified buyers and the few qualified buyers typically choose to custom build new. Data was not adequate to determine a trend the market was stable.

Are foreclosure sales (REO sales) a factor in the market? Yes No If yes, explain (including the trends in listings and sales of foreclosed properties).

There were no known competing foreclosure sales in the market in the value range of the subject. Reo and foreclosure sales were not expected to be a significant factor in the market segment of the subject. The subject would compete well with the 20 alternative properties in this market segment due to the additional GLA, superior construction and large view lot with a superior garage and sports court amenity.

Cite data sources for above information. Mls, title companies, newspaper legals, banks.

Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions.

Local builders & lenders report difficulty in obtaining & providing loans on spec built homes. There were very few new housing units being produced in the value range of the subject. The local market was traditionally the least active in the current 4th quarter of the year. The total number of sales in the Pocatello/Chubbuck market for 2013 was 860 compared to 746 for 2012. There were currently 72 pending single family detached homes under contract in the Pocatello/Chubbuck market. The median list price of the pending sales was \$145,200. The median days on the market were 54. A new manufacture recently announced plans to invest 25 Million dollars in an existing plant and initially hire 200 full-time employees and ultimately build up to 1,000 employees over a 15 year time period.

If the subject is a unit in a condominium or cooperative project, complete the following:

Project Name:

Subject Project Data	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab.Rate)				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing

Are foreclosure sales (REO sales) a factor in the project? Yes No If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

Summarize the above trends and address the impact on the subject unit and project.

S.E.W.

Signature	Signature
Appraiser Name Scott E Watson	Supervisory Appraiser Name
Company Name Watson Appraisal Service	Company Name
Company Address 465 Canyon Dr, Pocatello, ID 83204	Company Address
State License/Certification # CRA-2086 State ID	State License/Certification # State
Email Address watsonappraisal@cableone.net	Email Address

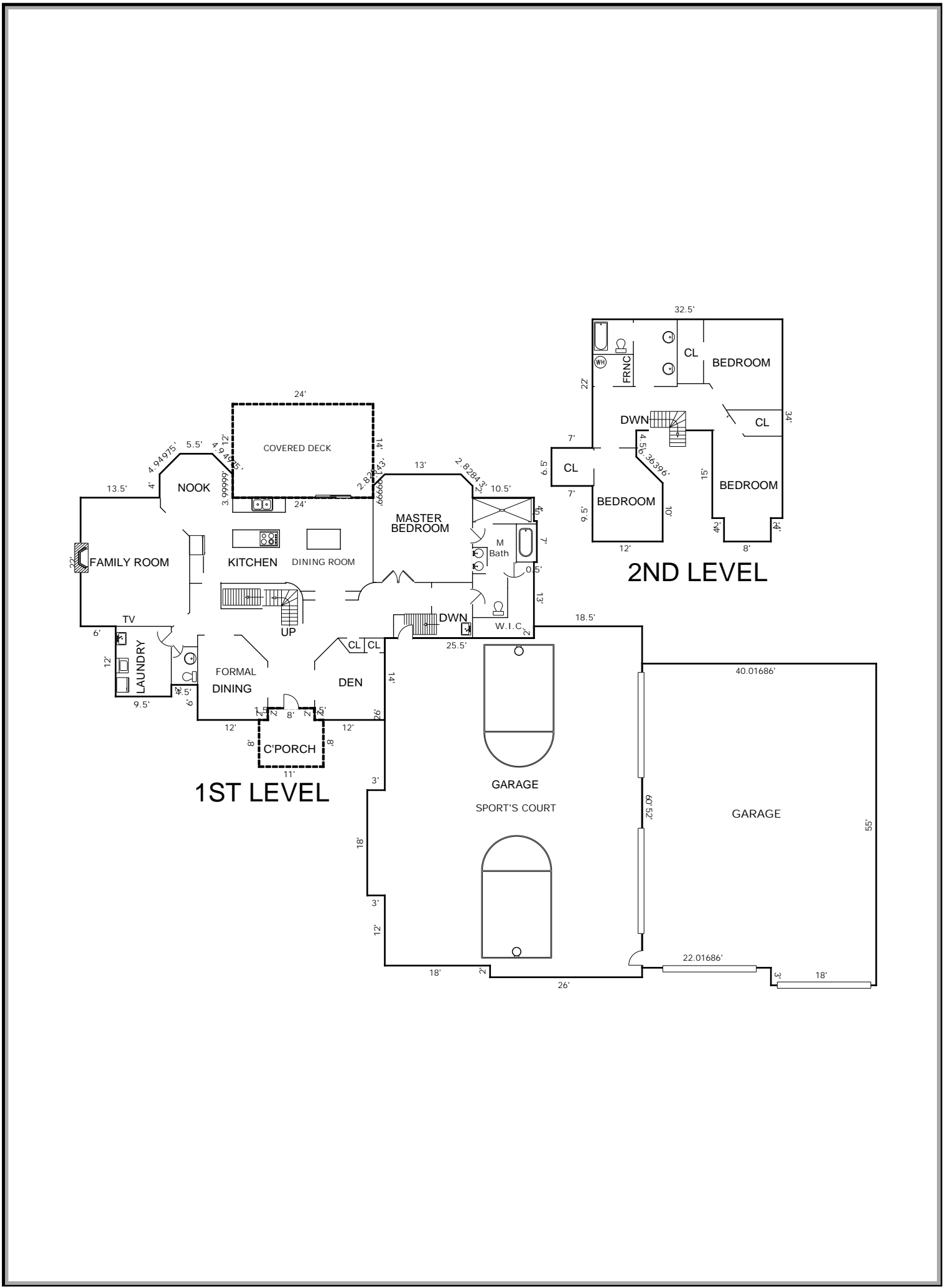
MARKET RESEARCH & ANALYSIS

CONDO/COOP PROJECTS

APPRAISER

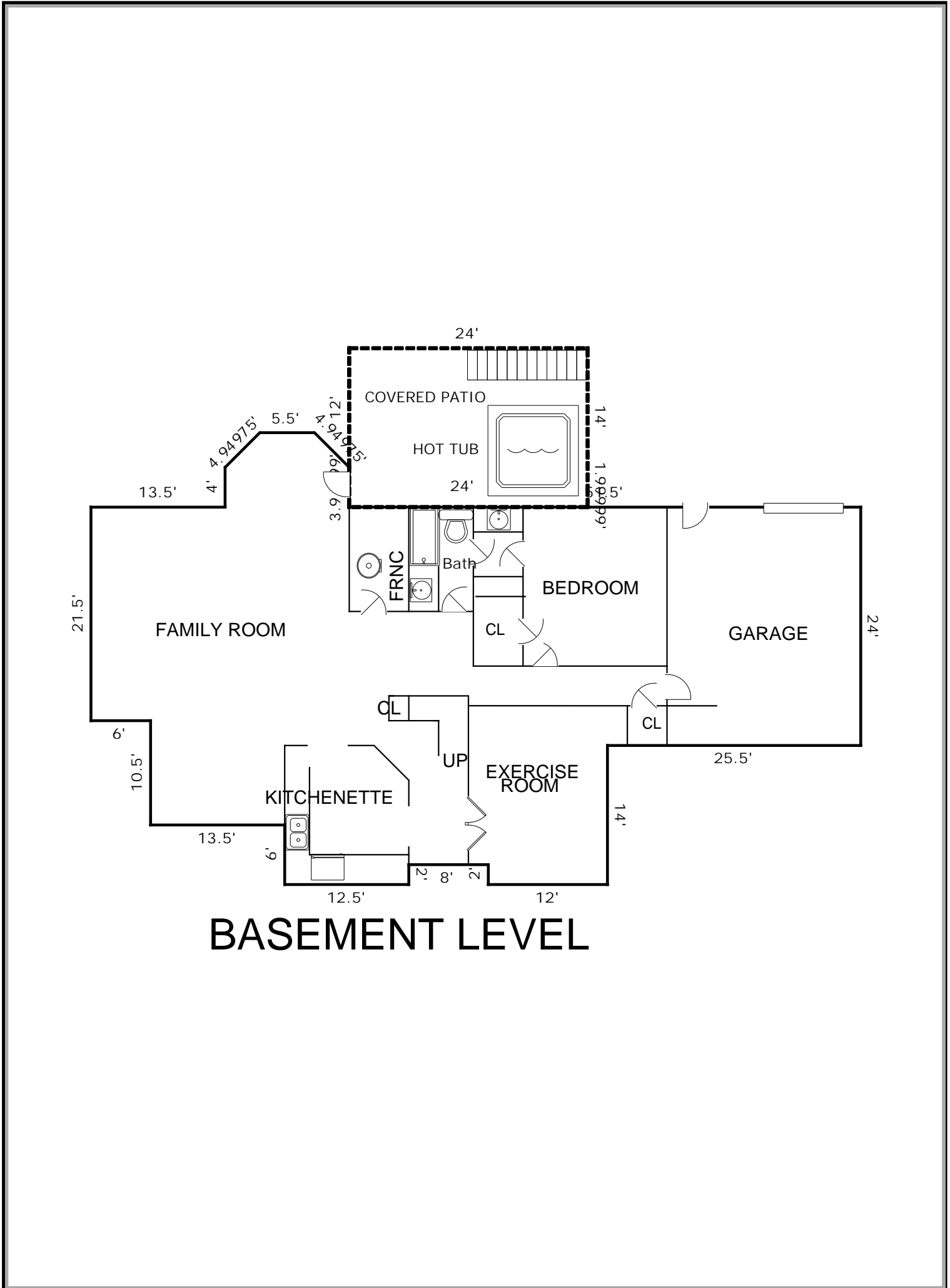
Building Sketch (Page - 1)

Borrower	Idaho State University		
Property Address	2627 Wild Horse Rdg		
City	Pocatello	County Bannock	State ID Zip Code 83204
Lender/Client	Idaho State University		



Building Sketch (Page - 2)

Borrower	Idaho State University				
Property Address	2627 Wild Horse Rdg				
City	Pocatello	County	Bannock	State	ID Zip Code 83204
Lender/Client	Idaho State Univerisity				



BASEMENT LEVEL

Building Sketch (Page - 3)

Borrower	Idaho State University					
Property Address	2627 Wild Horse Rdg					
City	Pocatello	County	Bannock	State ID	Zip Code	83204
Lender/Client	Idaho State Univerisity					

TOTAL Sketch by a la mode, inc.

Area Calculations Summary

Living Area	Calculation Details		
First Floor	2560 Sq ft		
		7 × 0.5 =	3.5
		12 × 2 =	24
		12 × 2 =	24
		32 × 4 =	128
		9.5 × 2 =	19
		46 × 8 =	368
		71.5 × 2 =	143
		77.5 × 22 =	1705
		12.5 × 4 =	50
		0.5 × 3.5 × 3.5 =	6.125
		0.5 × 3.5 × 3.5 =	6.125
		5.5 × 3.5 =	19.25
		17 × 2 =	34
		0.5 × 2 × 2 =	2
		0.5 × 2 × 2 =	2
		13 × 2 =	26
Second Floor	1072.625 Sq ft		
		6.5 × 7 =	45.5
		8 × 4 =	32
		38 × 7.5 =	285
		19 × 13 =	247
		34 × 12 =	408
		0.5 × 4.5 × 4.5 =	10.125
		10 × 4.5 =	45
Total Living Area (Rounded):	3633 Sq ft		
Non-living Area			
Covered Deck	383.99969 Sq ft	24 × 16 =	384
4 Car Attached	2134.87695 Sq ft	40.0169 × 52 =	2080.8788
		3 × 18 =	54
Covered Porch	104 Sq ft	11 × 8 =	88
		8 × 2 =	16
Garage / Basketball	2607 Sq ft	18 × 3 =	54
		56 × 18 =	1008
		26 × 58 =	1508
		18.5 × 2 =	37
Covered Deck	383.9996 Sq ft	24 × 16 =	384
Basement	2473.5 Sq ft	12 × 2 =	24
		12.5 × 2 =	25
		32.5 × 4 =	130
		46 × 8 =	368
		71.5 × 2.5 =	178.75
		77.5 × 21.5 =	1666.25
		12.5 × 4 =	50
		0.5 × 3.5 × 3.5 =	6.125
		0.5 × 3.5 × 3.5 =	6.125
		5.5 × 3.5 =	19.25

Subject photo page

Borrower	Idaho State University				
Property Address	2627 Wild Horse Rdg				
City	Pocatello	County	Bannock	State	ID Zip Code 83204
Lender/Client	Idaho State University				



Subject - Front

2627 Wild Horse Rdg
 Sales price
 Gross living area 3,633
 Total rooms 8
 Total bedrooms 4
 Total bathrooms 2.1
 Location B;Res;
 View B;Mtn;
 Site 5.22 ac
 Quality Q2
 Age 12



Subject - Front



Subject - Rear

Subject photo page

Borrower	Idaho State University				
Property Address	2627 Wild Horse Rdg				
City	Pocatello	County	Bannock	State	ID Zip Code 83204
Lender/Client	Idaho State Univerisity				



Subject - Rear

2627 Wild Horse Rdg
 Sales price
 Gross living area 3,633
 Total rooms 8
 Total bedrooms 4
 Total bathrooms 2.1
 Location B;Res;
 View B;Mtn;
 Site 5.22 ac
 Quality Q2
 Age 12

2014.10.29 09:49



Subject - Front

2014.10.29 09:52



Subject - Street

2012.07.25 11:35

Interior Photos

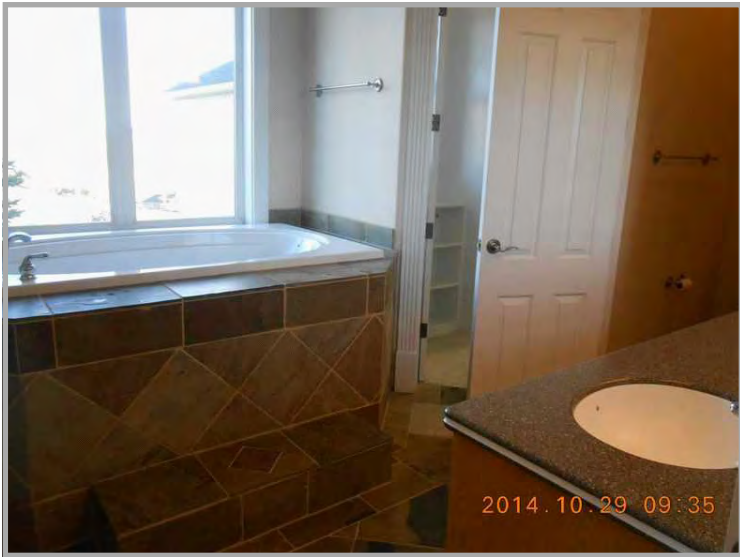
Borrower	Idaho State University				
Property Address	2627 Wild Horse Rdg				
City	Pocatello	County	Bannock	State	ID
Lender/Client	Idaho State University				
				Zip Code	83204



Kitchen



Living Family Room



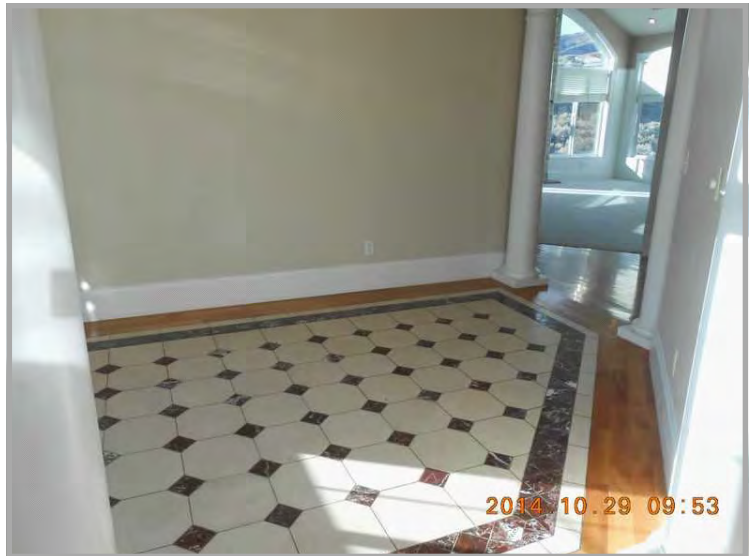
Master Bathroom



1/2 Bath, Utility



Bathroom



Formal Dining Room

Interior Photos

Borrower	Idaho State University						
Property Address	2627 Wild Horse Rdg						
City	Pocatello	County	Bannock	State	ID	Zip Code	83204
Lender/Client	Idaho State University						



Office



Dining Room



Bedroom



Bedroom



Bedroom



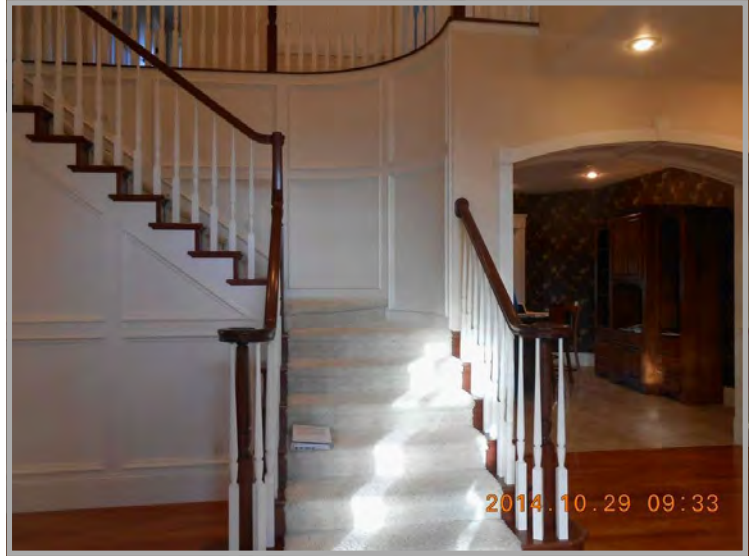
Basement Kitchen

Interior Photos

Borrower	Idaho State University				
Property Address	2627 Wild Horse Rdg				
City	Pocatello	County	Bannock	State	ID
Lender/Client	Idaho State Univerisity				
				Zip Code	83204



Kitchen/Family Room



Entry



Basement Bathroom



Basement Bedroom



Mechanical



Hot Tub Room

Interior Photos

Borrower	Idaho State University				
Property Address	2627 Wild Horse Rdg				
City	Pocatello	County	Bannock	State	ID Zip Code 83204
Lender/Client	Idaho State University				



Bathroom



Additional furnace



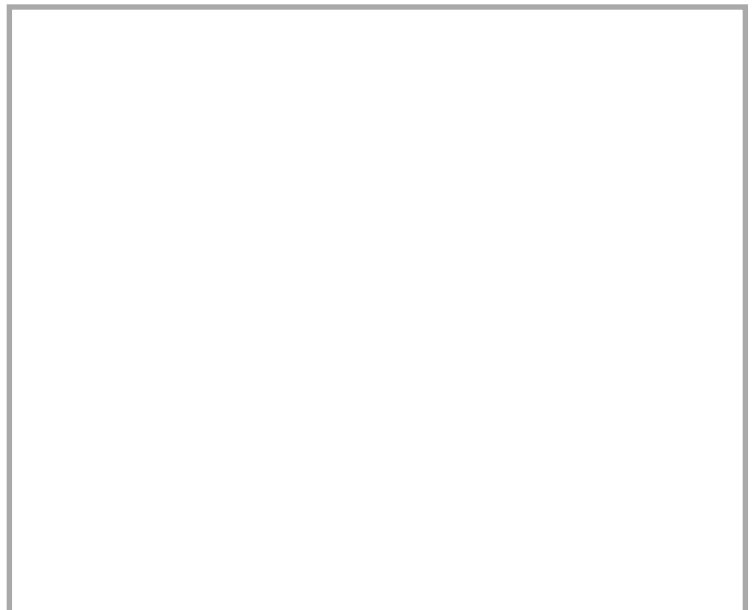
Master Bath



built-ins



Street



Subject Photo Page

Borrower	Idaho State University				
Property Address	2627 Wild Horse Rdg				
City	Pocatello	County	Bannock	State	ID Zip Code 83204
Lender/Client	Idaho State Univerisity				



Subject - Built-in Garage

2627 Wild Horse Rdg
 Sales Price
 Gross Living Area 3,633
 Total Rooms 8
 Total Bedrooms 4
 Total Bathrooms 2.1
 Location B;Res;
 View B;Mtn;
 Site 5.22 ac
 Quality Q2
 Age 12



Subject - sports Court



Subject - garage

Comparable photo page

Borrower	Idaho State University				
Property Address	2627 Wild Horse Rdg				
City	Pocatello	County	Bannock	State	ID Zip Code 83204
Lender/Client	Idaho State Univerisity				



Comparable 1

1388 Remington Rd
 Prox. To subject 6.72 miles N
 Sale price 660,000
 Gross living area 3,823
 Total rooms 9
 Total bedrooms 4
 Total bathrooms 3.1
 Location B;Res;
 View B;CtySky;
 Site 18,763 sf
 Quality Q1
 Age 2



Comparable 2

10955 Deerridge Dr
 Prox. To subject 10.64 miles N
 Sale price 525,000
 Gross living area 2,075
 Total rooms 6
 Total bedrooms 3
 Total bathrooms 2.0
 Location B;Rural;
 View B;Mtn;CtySky
 Site 4.09 ac
 Quality Q2
 Age 6



Comparable 3

9797 Andee K Ln
 Prox. To subject 1.14 miles S
 Sale price 539,000
 Gross living area 2,860
 Total rooms 6
 Total bedrooms 2
 Total bathrooms 2.1
 Location B;Res;
 View B;Mtn;
 Site 2.80 ac
 Quality Q2
 Age 4

Comparable photo page

Borrower	Idaho State University				
Property Address	2627 Wild Horse Rdg				
City	Pocatello	County	Bannock	State	ID Zip Code 83204
Lender/Client	Idaho State Univerisity				



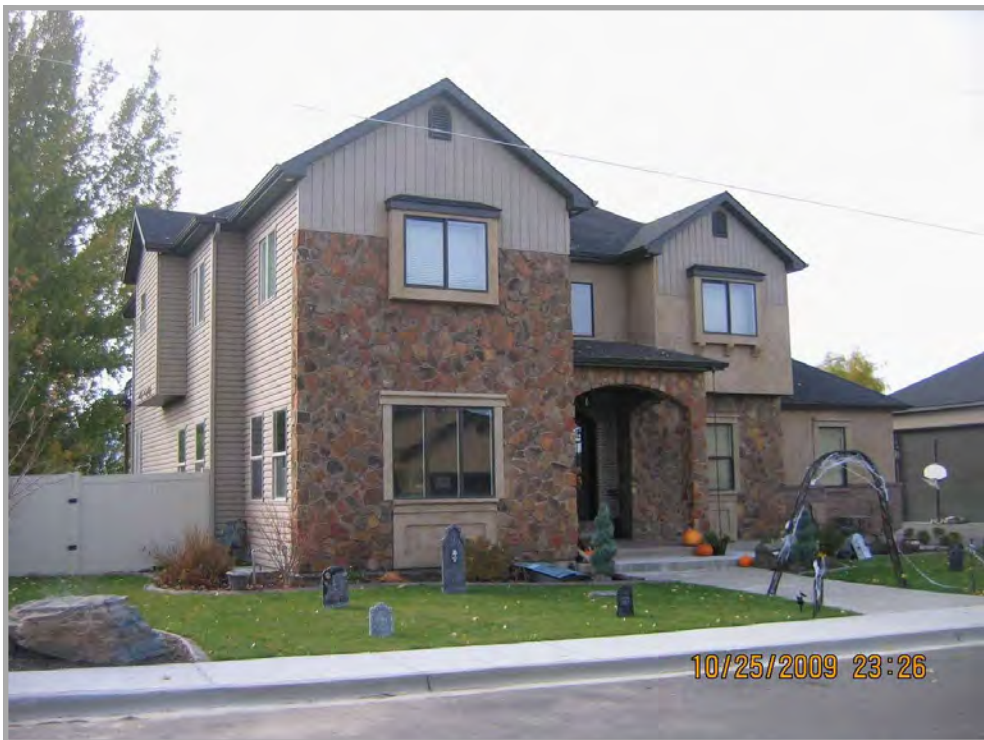
Comparable 4

9927 W Gibson Jack Rd
 Prox. To subject 0.76 miles S
 Sale price 535,000
 Gross living area 2,070
 Total rooms 5
 Total bedrooms 1
 Total bathrooms 1.1
 Location B;Private;
 View B;Mtn;Woods
 Site 8.7 ac
 Quality Q2
 Age 6



Comparable 5

9576 Snowberry Cir
 Prox. To subject 0.43 miles E
 Sale price 435,000
 Gross living area 2,500
 Total rooms 6
 Total bedrooms 3
 Total bathrooms 2.0
 Location B;Res;
 View B;Mtn;
 Site 3.45 ac
 Quality Q3
 Age 13



Comparable 6

553 Vern St
 Prox. To subject 8.52 miles N
 Sale price 400,000
 Gross living area 2,902
 Total rooms 8
 Total bedrooms 3
 Total bathrooms 2.1
 Location N;Res;
 View N;Res;
 Site 19,602 sf
 Quality Q2
 Age 6

Comparable Photo Page

Borrower	Idaho State University				
Property Address	2627 Wild Horse Rdg				
City	Pocatello	County	Bannock	State	ID Zip Code 83204
Lender/Client	Idaho State University				



Comparable 7

1340 Remington Rd
 Prox. to Subject 6.70 miles N
 Sale Price 620,000
 Gross Living Area 3,508
 Total Rooms 9
 Total Bedrooms 3
 Total Bathrooms 3.0
 Location B;Res;
 View B;CtySky;
 Site 19700 sf
 Quality Q1
 Age 2



Comparable 8

5926 Country Club Dr
 Prox. to Subject 1.01 miles NE
 Sale Price 579,000
 Gross Living Area 2,950
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 2.0
 Location B;Res;
 View B;CtySky;
 Site 33,541 sf
 Quality Q1
 Age 6



Comparable 9

2486 Cimmaron Cir
 Prox. to Subject 2.03 miles E
 Sale Price 565,000
 Gross Living Area 3,359
 Total Rooms 8
 Total Bedrooms 3
 Total Bathrooms 3.1
 Location B;Res;
 View B;Mtn;
 Site 9.30 ac
 Quality Q2
 Age 15

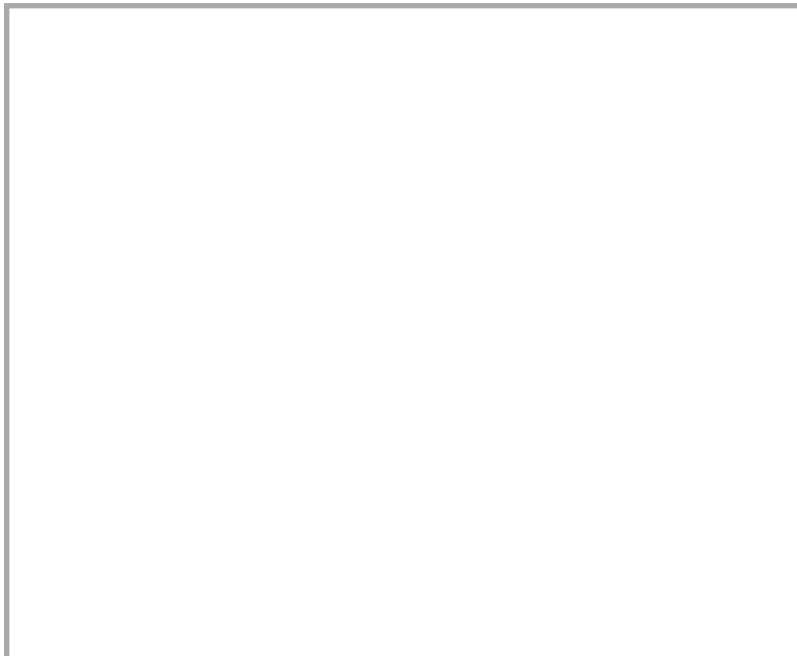
Comparable Photo Page

Borrower	Idaho State University				
Property Address	2627 Wild Horse Rdg				
City	Pocatello	County	Bannock	State	ID Zip Code 83204
Lender/Client	Idaho State Univerisity				



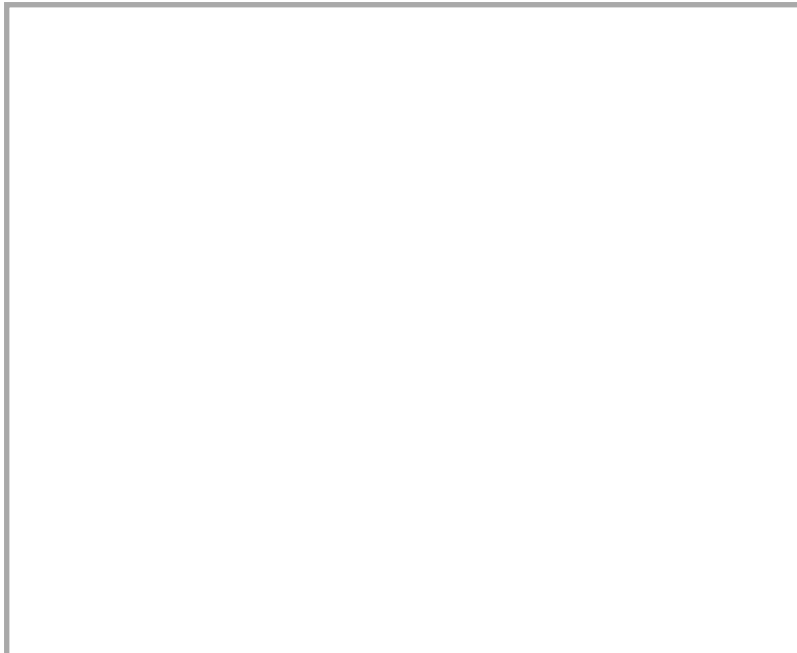
Comparable 10

2597 Silver Sage Ln
 Prox. to Subject 0.51 miles SE
 Sale Price 575,000
 Gross Living Area 4,656
 Total Rooms 11
 Total Bedrooms 5
 Total Bathrooms 3.1
 Location B;Res;
 View B;Mtn;
 Site 3.17 ac
 Quality Q2
 Age 14



Comparable 11

Prox. to Subject
 Sale Price
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location
 View
 Site
 Quality
 Age

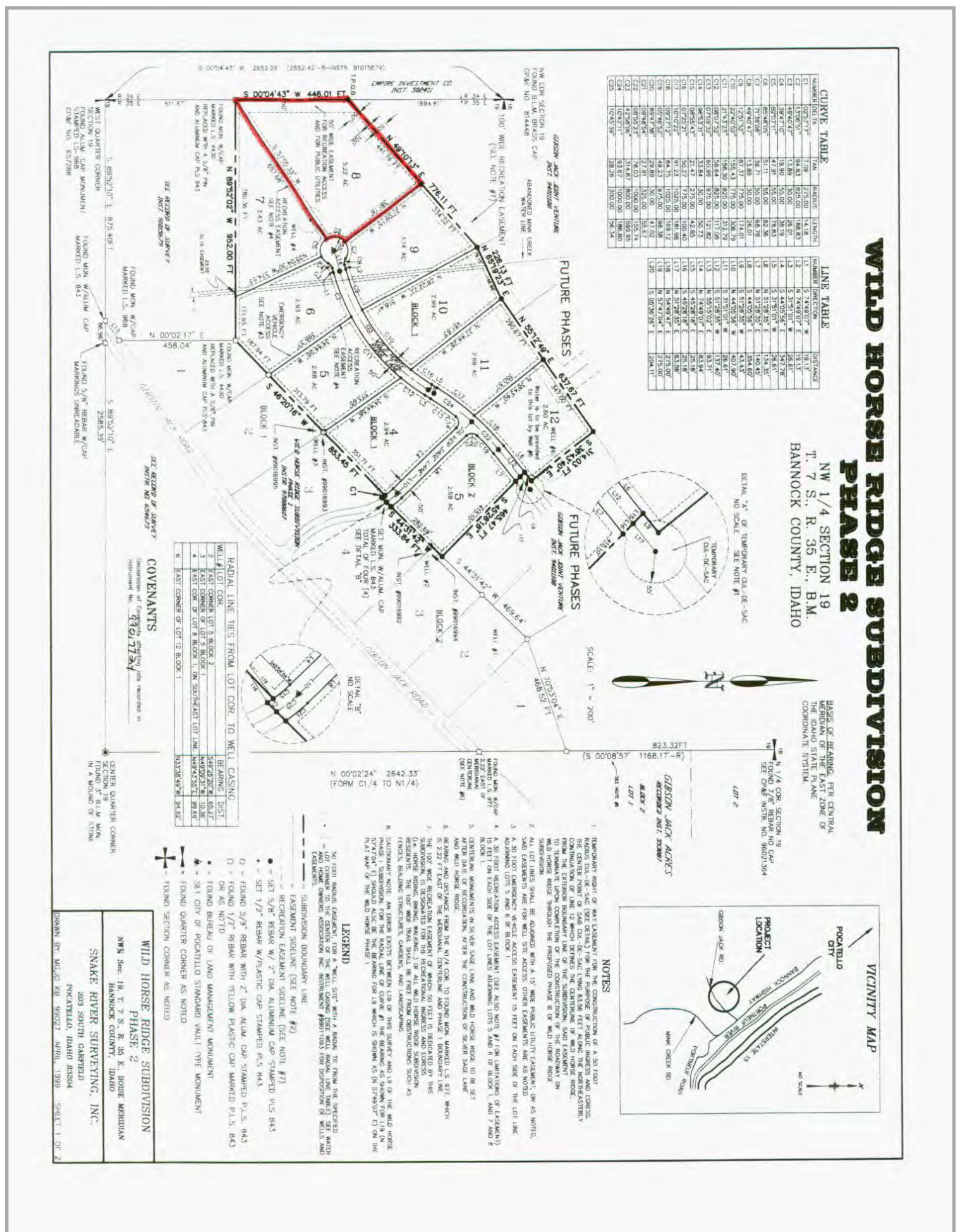


Comparable 12

Prox. to Subject
 Sale Price
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location
 View
 Site
 Quality
 Age

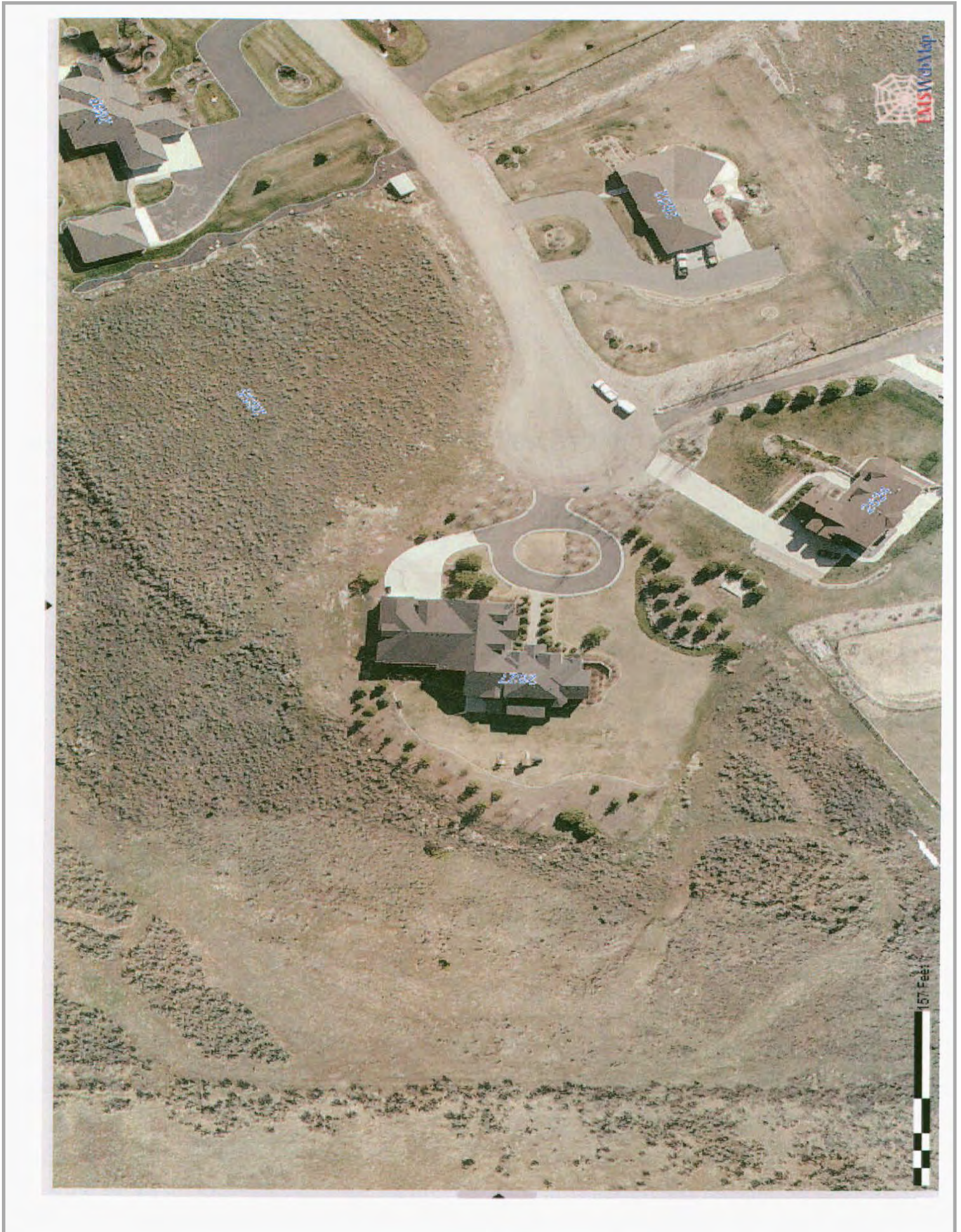
Plat map

Borrower	Idaho State University
Property Address	2627 Wild Horse Rdg
City	Pocatello
County	Bannock
State ID	
Zip Code	83204
Lender/Client	Idaho State University



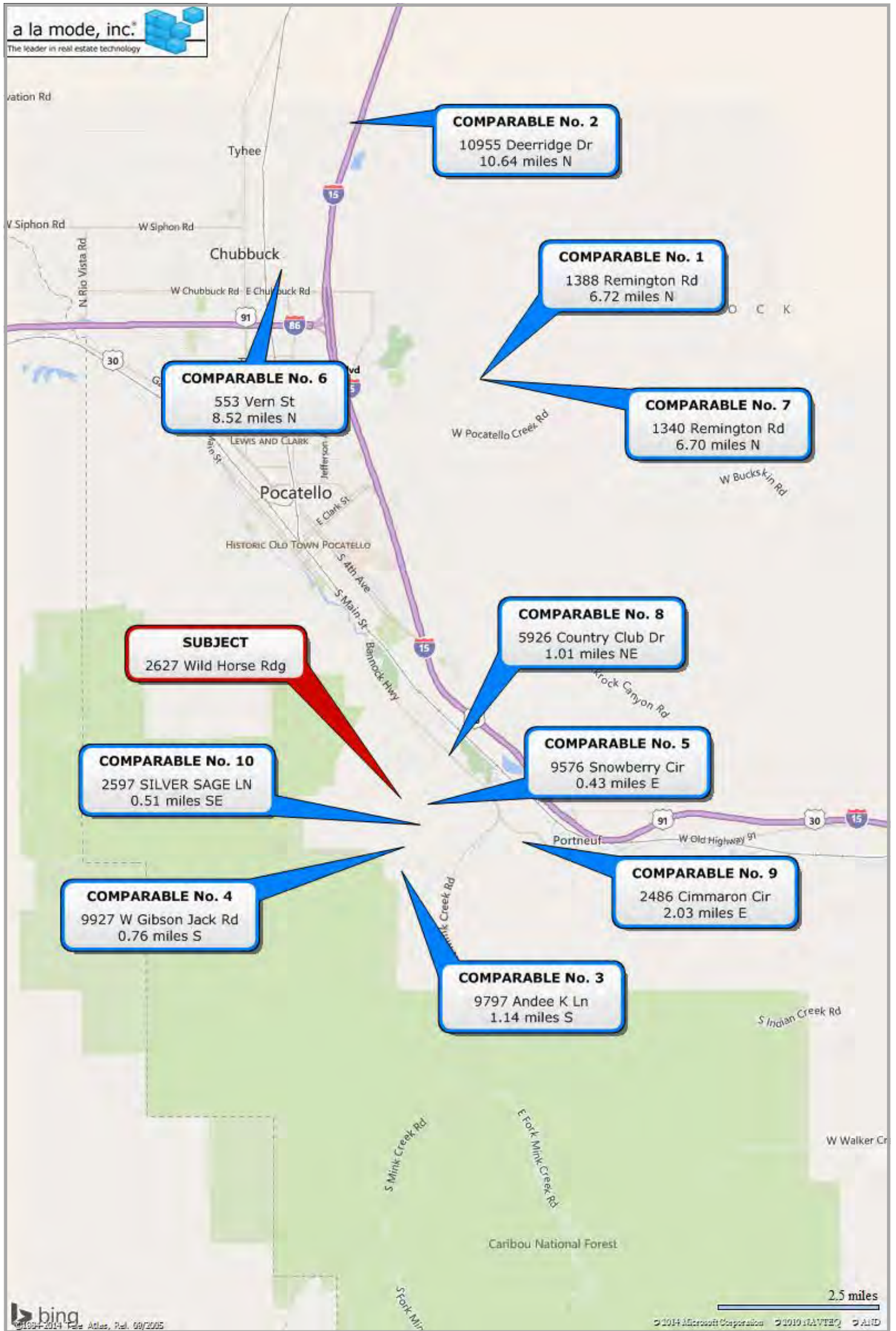
Plat Map

Borrower	Idaho State University				
Property Address	2627 Wild Horse Rdg				
City	Pocatello	County	Bannock	State	ID Zip Code 83204
Lender/Client	Idaho State University				



Location Map

Borrower	Idaho State University						
Property Address	2627 Wild Horse Rdg						
City	Pocatello	County	Bannock	State	ID	Zip Code	83204
Lender/Client	Idaho State University						



Location Map

Borrower	Idaho State University				
Property Address	2627 Wild Horse Rdg				
City	Pocatello	County	Bannock	State	ID Zip Code 83204
Lender/Client	Idaho State University				



UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Condition Ratings and Definitions

C1

The improvements have been recently constructed and have not been previously occupied. The entire structure and all components are new and the dwelling features no physical depreciation.

Note: Newly constructed improvements that feature recycled or previously used materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100 percent new foundation and the recycled materials and the recycled components have been rehabilitated/remanufactured into like-new condition. Improvements that have not been previously occupied are not considered "new" if they have any significant physical depreciation (that is, newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep).

C2

The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category are either almost new or have been recently completely renovated and are similar in condition to new construction.

Note: The improvements represent a relatively new property that is well maintained with no deferred maintenance and little or no physical depreciation, or an older property that has been recently completely renovated.

C3

The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

Note: The improvement is in its first-cycle of replacing short-lived building components (appliances, floor coverings, HVAC, etc.) and is being well maintained. Its estimated effective age is less than its actual age. It also may reflect a property in which the majority of short-lived building components have been replaced but not to the level of a complete renovation.

C4

The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

Note: The estimated effective age may be close to or equal to its actual age. It reflects a property in which some of the short-lived building components have been replaced, and some short-lived building components are at or near the end of their physical life expectancy; however, they still function adequately. Most minor repairs have been addressed on an ongoing basis resulting in an adequately maintained property.

C5

The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

Note: Some significant repairs are needed to the improvements due to the lack of adequate maintenance. It reflects a property in which many of its short-lived building components are at the end of or have exceeded their physical life expectancy but remain functional.

C6

The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

Note: Substantial repairs are needed to the improvements due to the lack of adequate maintenance or property damage. It reflects a property with conditions severe enough to affect the safety, soundness, or structural integrity of the improvements.

Quality Ratings and Definitions

Q1

Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

Q2

Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residence constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Quality Ratings and Definitions (continued)

Q3

Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

Q4

Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

Q5

Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

Q6

Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure

Definitions of Not Updated, Updated, and Remodeled

Not Updated

Little or no updating or modernization. This description includes, but is not limited to, new homes.

Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is 'Not Updated' may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical/functional deterioration.

Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.

An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

Remodeled

Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion.

A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls, and/or the addition of square footage). This would include a complete gutting and rebuild.

Explanation of Bathroom Count

Three-quarter baths are counted as a full bath in all cases. Quarter baths (baths that feature only a toilet) are not included in the bathroom count. The number of full and half baths is reported by separating the two values using a period, where the full bath count is represented to the left of the period and the half bath count is represented to the right of the period.

Example:

3.2 indicates three full baths and two half baths.

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Abbreviations Used in Data Standardization Text

Abbreviation	Full Name	Fields Where This Abbreviation May Appear
ac	Acres	Area, Site
AdjPrk	Adjacent to Park	Location
AdjPwr	Adjacent to Power Lines	Location
A	Adverse	Location & View
ArmLth	Arms Length Sale	Sale or Financing Concessions
ba	Bathroom(s)	Basement & Finished Rooms Below Grade
br	Bedroom	Basement & Finished Rooms Below Grade
B	Beneficial	Location & View
Cash	Cash	Sale or Financing Concessions
CtySky	City View Skyline View	View
CtyStr	City Street View	View
Comm	Commercial Influence	Location
c	Contracted Date	Date of Sale/Time
Conv	Conventional	Sale or Financing Concessions
CrtOrd	Court Ordered Sale	Sale or Financing Concessions
DOM	Days On Market	Data Sources
e	Expiration Date	Date of Sale/Time
Estate	Estate Sale	Sale or Financing Concessions
FHA	Federal Housing Authority	Sale or Financing Concessions
GlfCse	Golf Course	Location
Glfvw	Golf Course View	View
Ind	Industrial	Location & View
in	Interior Only Stairs	Basement & Finished Rooms Below Grade
Lndfl	Landfill	Location
LtdSght	Limited Sight	View
Listing	Listing	Sale or Financing Concessions
Mtn	Mountain View	View
N	Neutral	Location & View
NonArm	Non-Arms Length Sale	Sale or Financing Concessions
BsyRd	Busy Road	Location
o	Other	Basement & Finished Rooms Below Grade
Prk	Park View	View
Pstrl	Pastoral View	View
PwrLn	Power Lines	View
PubTrn	Public Transportation	Location
rr	Recreational (Rec) Room	Basement & Finished Rooms Below Grade
Relo	Relocation Sale	Sale or Financing Concessions
REO	REO Sale	Sale or Financing Concessions
Res	Residential	Location & View
RH	USDA - Rural Housing	Sale or Financing Concessions
s	Settlement Date	Date of Sale/Time
Short	Short Sale	Sale or Financing Concessions
sf	Square Feet	Area, Site, Basement
sqm	Square Meters	Area, Site
Unk	Unknown	Date of Sale/Time
VA	Veterans Administration	Sale or Financing Concessions
w	Withdrawn Date	Date of Sale/Time
wo	Walk Out Basement	Basement & Finished Rooms Below Grade
wu	Walk Up Basement	Basement & Finished Rooms Below Grade
WtrFr	Water Frontage	Location
Wtr	Water View	View
Woods	Woods View	View

Other Appraiser-Defined Abbreviations

Abbreviation	Full Name	Fields Where This Abbreviation May Appear
Ss	Sprinkler system	Site improvements
Fplc	Fireplace	Fireplace
Avg	Average	Design
C	Covered	Porches
P	Propane	Hvac
G	Gas	Hvac
Fwa	Forced warm air	Hvac
Pkg	Package	Energy
Shltr	Horse shelter	Outbuildings
Retain	Retaining walls	
Crk	Creek	
scrty	Security system	
intcm	Intercom	
Sylt	Skylight	
Pnd	Pond	

Borrower	Idaho State University	File No.	0008147
Property Address	2627 Wild Horse Rdg		
City	Pocatello	County	Bannock
		State	ID
		Zip Code	83204
Lender/Client	Idaho State University		

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

Appraisal Report (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)

Restricted Appraisal Report (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

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 limiting conditions 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 the 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).

Reasonable Exposure Time (USPAP defines Exposure Time 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.)

My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: _____

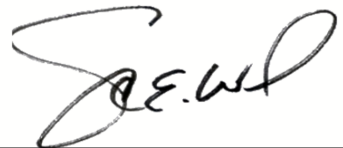
Exposure time was supported by the comparables in the market grid & the market conditions addendum & estimated to be between 90 and 180 days after final list.

Comments on Appraisal and Report Identification

Note any USPAP-related issues requiring disclosure and any state mandated requirements:

In the performance of this assignment, significant real property appraisal assistance was provided by Joel Watson. Specifically, the assistant's duties included assisting in the subject property inspection under the supervision of the signing appraiser, researching online tax assessment data for the subject and comparable sales, reviewing zoning maps and personally confirming the subject's zoning with local zoning officer, reviewing FEMA flood maps, and assisting in the research, selection, and verification of the sales used in the sales comparison approach.

APPRAISER:

Signature: 

Name: Scott E Watson

State Certification #: CRA-2086

or State License #: _____

State: ID Expiration Date of Certification or License: 11/13/2015

Date of Signature and Report: 10/31/2014

Effective Date of Appraisal: 10/29/2014

Inspection of Subject: None Interior and Exterior Exterior-Only

Date of Inspection (if applicable): 10/29/2014

SUPERVISORY or CO-APPRAISER (if applicable):

Signature: _____

Name: _____

State Certification #: _____

or State License #: _____

State: _____ Expiration Date of Certification or License: _____

Date of Signature: _____

Inspection of Subject: None Interior and Exterior Exterior-Only

Date of Inspection (if applicable): _____

ELEVATION PLAN GENERAL NOTES:

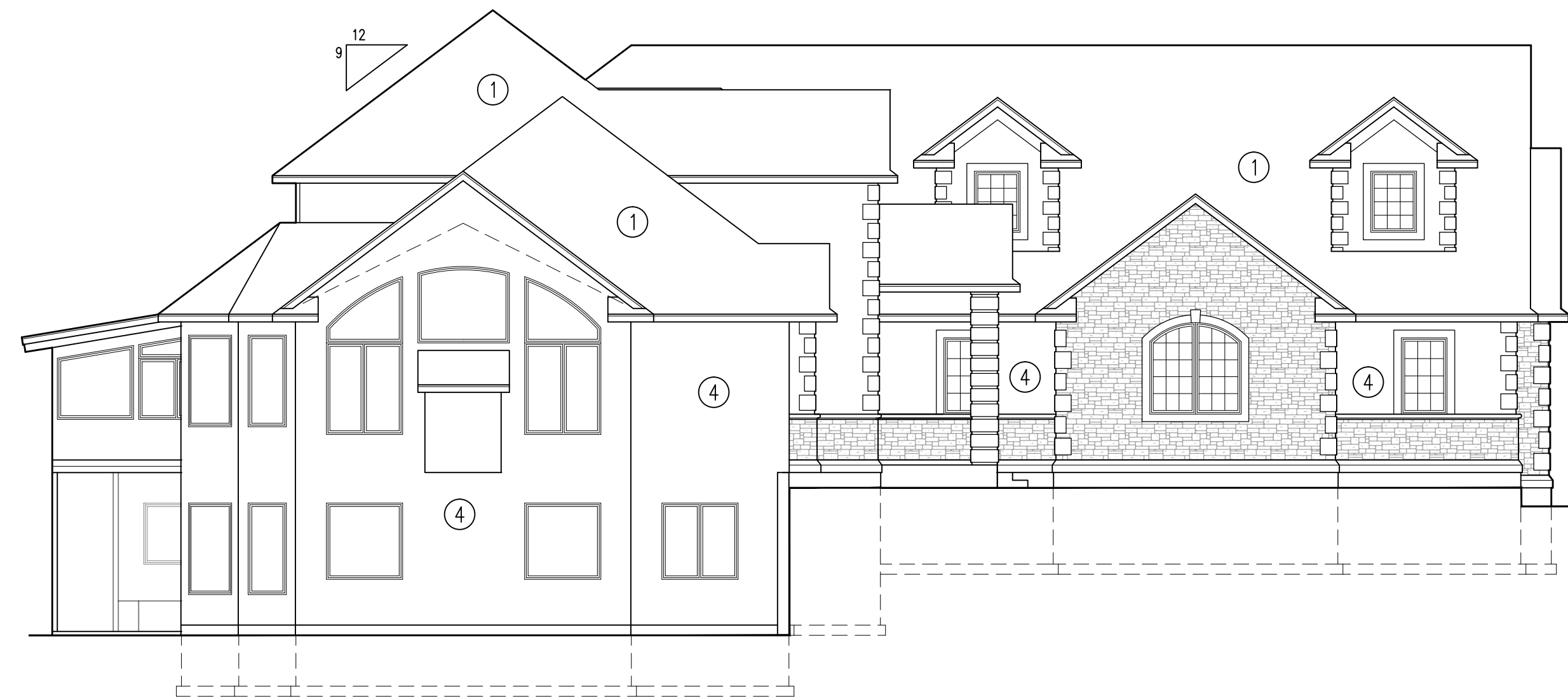
1. Roof sheathing 7/16" w/fer board or equal, 15# roofing felt, and shingles as noted on plan.
2. 2"x4" fascia boarder, aluminum fascia and vented alum. soffit system.
3. Aluminum siding
4. Stucco system, refer to stucco provider for all backing and wall preparations.
5. Brick veneer, with ties of 22ga.#16" o.c.



REAR ELEVATION
SCALE: 1/4"=1'-0"

ATTIC VENTILATION NOTES:

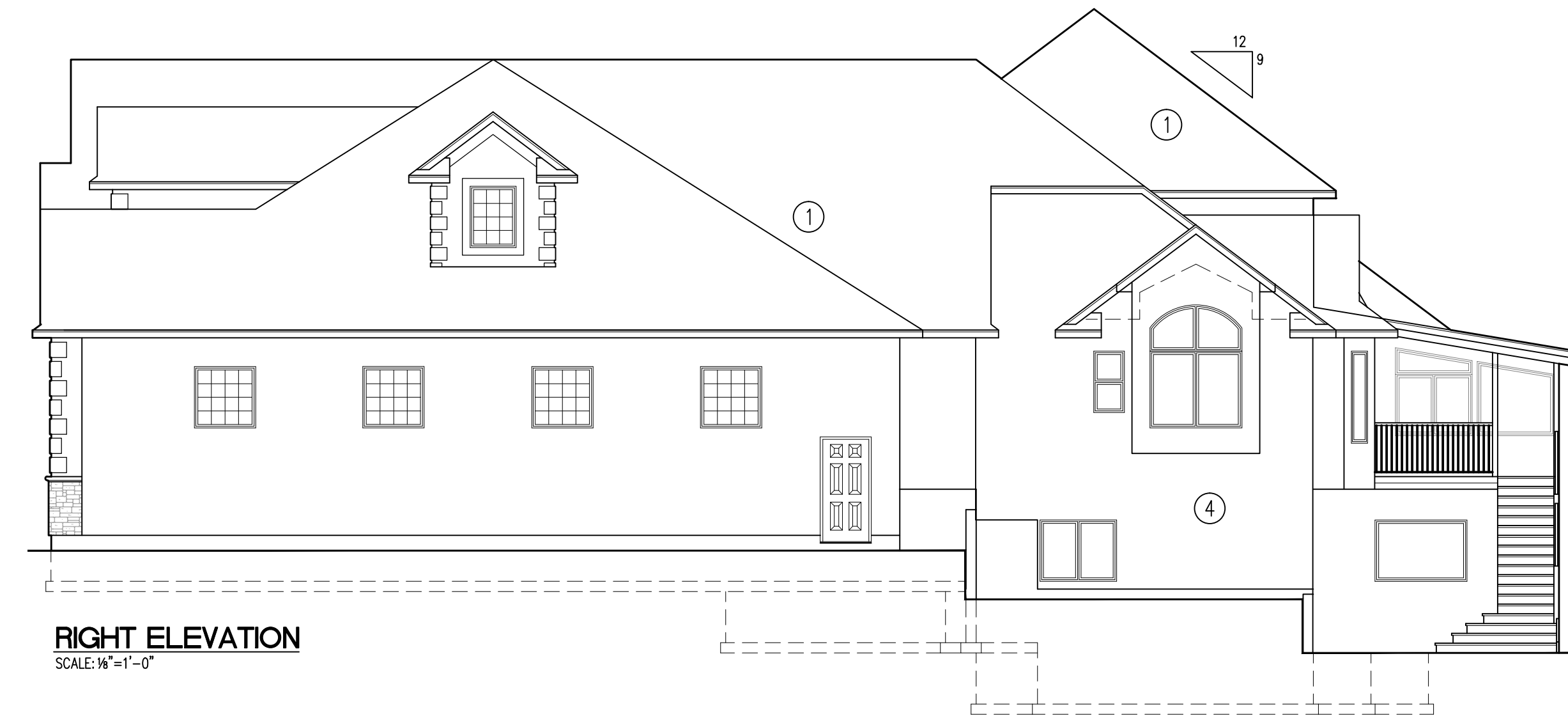
The net free ventilation area shall not be less than 1/300th provided that at least 50% of the area is provided by ventilators located in the upper portion of the space to be ventilated, the other to be provided by vented soffit system.



LEFT ELEVATION
SCALE: 1/4"=1'-0"

GENERAL NOTES:

Compliance with codes and ordinances governing the work shall be made and enforced by the general contractor. General contractor shall verify all existing conditions and dimensions prior to construction. Note that all written dimensions take precedence over scale. Manufacturers specifications for installation of materials shall be followed. Workmanship throughout shall be of the best quality of the trade involved and the general contractor shall coordinate the work of the various trades to expedite the job in a smooth and continuous process.



RIGHT ELEVATION
SCALE: 1/4"=1'-0"

WINDOWS NOTES:

Bedroom windows to have a finished sill height max. of 44" from floor.
Windows to have 20" min. clear width and 24" min. clear height.
Bedroom windows to have an opening of a min. of 5.7 sq. ft.
Windows to be sized at 1/10th for the sq. ft. for glass size and 1/20th of the sq. ft. for ventilation requirements.
Windows within 18" of the floor to be of tempered glass.



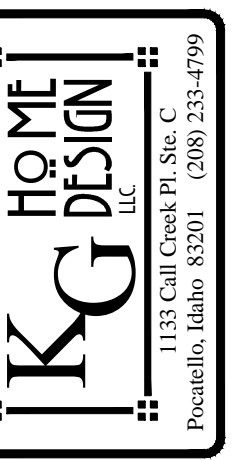
FRONT ELEVATION
SCALE: 1/4"=1'-0"

EXCAVATION NOTES:

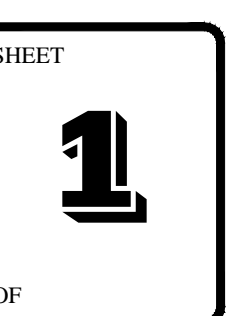
All footings shall bear on natural undisturbed soil. Footings shall be excavated to a minimum depth so as to provide frost protection. (36" min.)
Finish grading shall be done so as to provide positive drainage away from all building foundations, a minimum slope of 2% shall be maintained for first 10'-0" with 1% slope thereafter to approved drainage area.

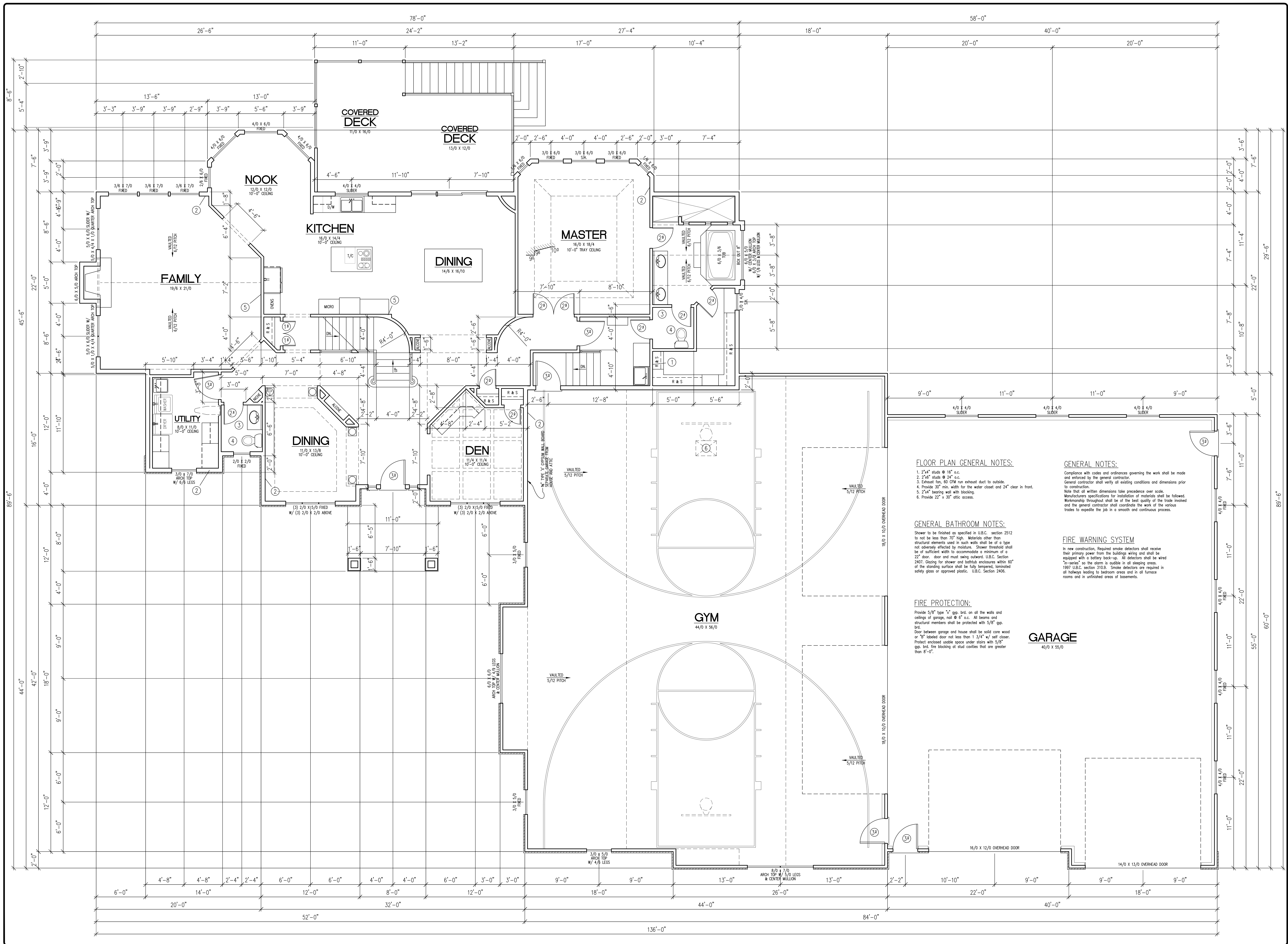
REV	DATE	DATE	DATE

ELEVATIONS
SCALE: NOTED



AD14-03
BY KKG





FLOOR PLAN GENERAL NOTES:

- 2"x4" studs @ 16" o.c.
- 2"x6" studs @ 24" o.c.
- Exhaust fans, 60 CFM run exhaust duct to outside.
- Provide 30" min. width for the water closet and 24" clear in front.
- 2"x4" bearing wall with blocking.
- Provide 22" x 30" attic access.

GENERAL BATHROOM NOTES:

Shower to be finished as specified in U.B.C. section 2512 to not be less than 70" high. Materials other than structural elements used in such walls shall be of a type not adversely affected by moisture. Shower threshold shall be of sufficient width to accommodate a minimum of a 22" door, door and mat swing outward. U.B.C. Section 2407. Glazing for shower and bathtub enclosures within 60" of the standing surface shall be fully tempered, laminated safety glass or approved plastic. U.B.C. Section 2408.

FIRE PROTECTION:

Provide 5/8" type "X" gyp. brd. on all the walls and ceilings of garage, hall @ 8" o.c. All beams and structural members shall be protected with 5/8" gyp. brd.

Door between garage and house shall be solid core wood or "B" labeled door not less than 1 3/4" w/ self closer. Protect enclosed usable space under stairs with 5/8" gyp. brd. fire blocking at stud cavities that are greater than 8'-0".

GENERAL NOTES:

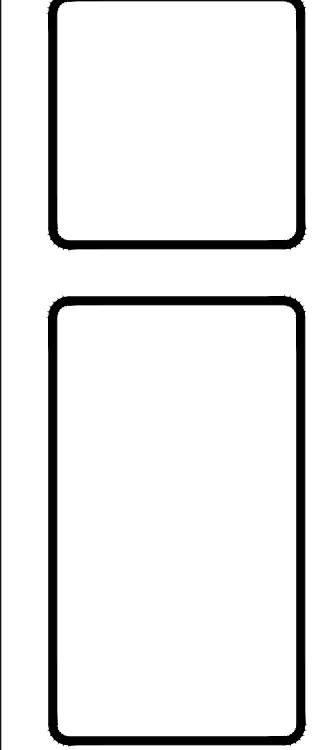
Compliance with codes and ordinances governing the work shall be made and enforced by the general contractor. General contractor shall verify all existing conditions and dimensions prior to construction. Note that all written dimensions take precedence over scale. Manufacturer specifications for installation of materials shall be followed. Workmanship throughout shall be of the best quality of the trade involved and the general contractor shall coordinate the work of the various trades to expedite the job in a smooth and continuous process.

FIRE WARNING SYSTEM

In new construction, Required smoke detectors shall receive their primary power from the buildings wiring and shall be equipped with a battery back-up. All detectors shall be wired "in-series" so the alarm is audible in all sleeping areas. 1997 U.B.C. section 310.8. Smoke detectors are required in all hallways leading to bedroom areas and in all furnace rooms and in unfinished areas of basements.

GARAGE
40'0" x 55'0"

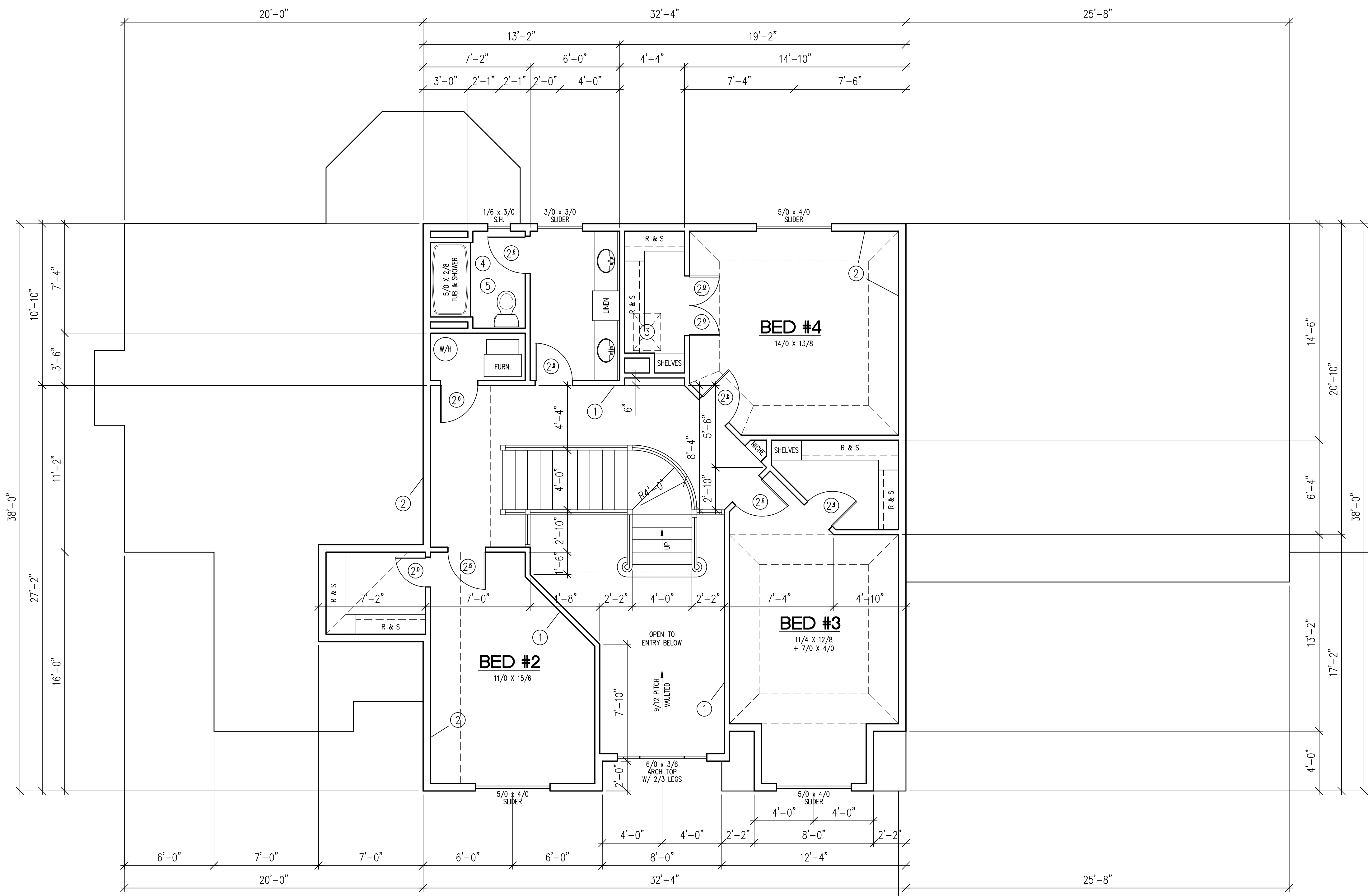
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MAIN FLOOR PLAN
2575 SQUARE FEET, 2601 SQUARE FEET GYM, 2156 SQUARE FEET GARAGE
SCALE: 1/4" = 1'-0"

HOME DESIGN
1151 Collin Creek Rd., Ste. C
Richardson, Texas 75081 (972) 243-1999

BY KKG KKG
SHEET 2 OF 2



FLOOR PLAN GENERAL NOTES:

1. 2"x4" studs @ 16" o.c.
2. 2"x6" studs @ 24" o.c.
3. Provide 22" x 30" attic access.
4. Exhaust fan, 60 CFM run exhaust duct to outside.
5. Provide 30" min. width for the water closet and 24" clear in front.

FIRE PROTECTION:

Provide 5/8" type "1" app. brd. on all the walls and ceilings of garage, nail @ 6" o.c. All beams and structural members shall be protected with 5/8" app. brd.

Door between garage and house shall be solid core wood or "b" labeled door not less than 1 3/4" w/ self closer.

Protect enclosed usable space under stairs with 5/8" app. brd. fire blocking at stud cavities that are greater than 8'-0".

FIRE WARNING SYSTEM

In new construction, Required smoke detectors shall receive their primary power from the buildings wiring and shall be equipped with a battery back-up. All detectors shall be wired "in-series" so the alarm is audible in all sleeping areas.

1997 U.S.C. section 3103.9. Smoke detectors are required in all hallways leading to bedroom areas and in all furnace rooms and in unfinished areas of basements.

GENERAL NOTES:

Compliance with codes and ordinances governing the work shall be made and enforced by the general contractor.

General contractor shall verify all existing conditions and dimensions prior to construction.

Note that all written dimensions take precedence over scale. Manufacturers specifications for installation of materials shall be followed. Workmanship throughout shall be of the best quality of the trade involved and the general contractor shall coordinate the work of the various trades to expedite the job in a smooth and continuous process.

MECHANICAL GENERAL NOTES:

Mechanical contractor to provide combustion air to furnace area in accordance with local natural gas specifications.

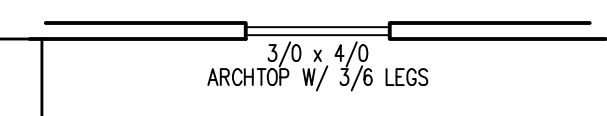
Combustion air to be brought into house from outside. 2-ducts provided, 1 placed at 12" above floor, and 1 placed at 12" below ceiling. Combustion air shall be supplied by two (2) VERTICAL openings, each with 1 sq. in. per 4,000 BTU/h of the total input rating of all appliances within the space.

OR

Combustion air shall be supplied by two (2) HORIZONTAL openings, each with 1 sq. in. per 2,000 BTU/h of the total input rating of all appliances within the space.

GENERAL BATHROOM NOTES:

Shower to be finished as specified in U.S.C. section 2512 to not be less than 70" high. Materials other than structural elements used in such walls shall be of a type not adversely affected by moisture. Shower threshold shall be of sufficient width to accommodate a minimum of a 22" door, door and must swing outward. U.S.C. Section 2407. Coating for shower and bathtub enclosures within 60" of the standing surface shall be fully tempered, laminated safety glass or approved plastic. U.S.C. Section 2406.

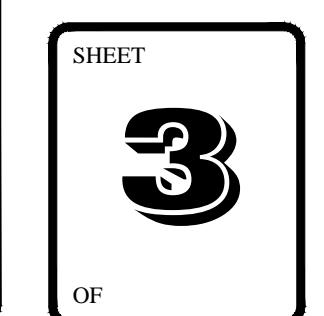


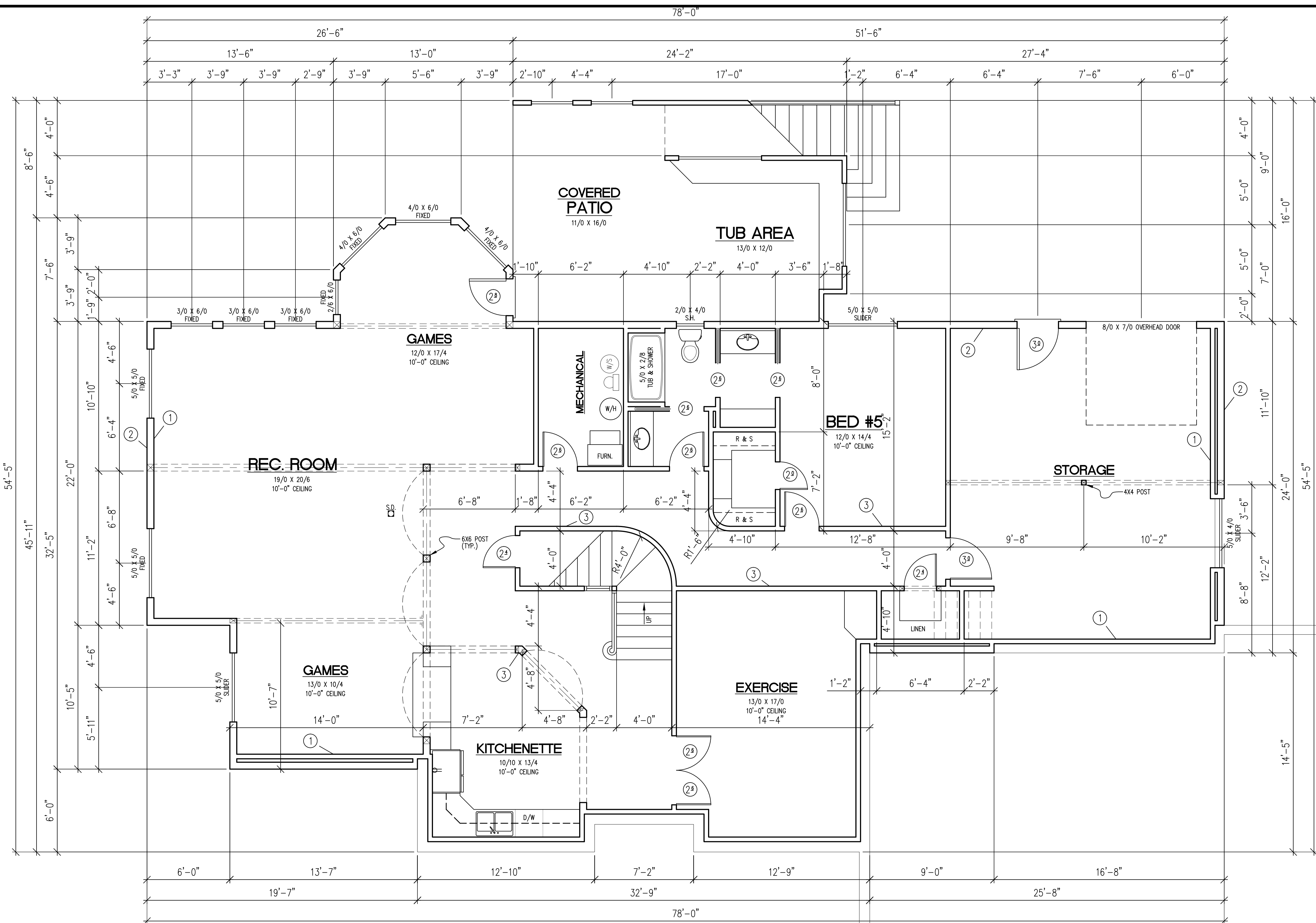
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SECOND FLOOR PLAN
 1022 SQUARE FEET
 SCALE: 1/4" = 1'-0"



DWG: A014-03
 BY: KKG
 DATE: 11/11/11





FLOOR PLAN GENERAL NOTES:

1. 2"x4" studs @ 16" o.c.
2. 2"x6" studs @ 24" o.c.
3. 2"x4" bearing wall with blocking at joint.

FRAMING AND SHEATHING NOTES:

All exterior studs to be 2x6 @ 24" o.c. provided that a stud is located directly under truss. All interior studs to be 16" o.c. max. Floor sheathing shall be 3/4" T&G APA rated 40/20 CDX sheathing nailed with 8d nails @ 6" o.c. at all panel edges, supported edges, and all blocking. Use 8d nails @ 10" o.c. in field. Nails shall be min. 1/2" from edge of panel. Lay sheathing with face grain at right angles to framing and glue with adhesive conforming to APA specs. Floor joist shall be blocked at all bearing points. Block all horiz. edges of wall sheathing with 2x blocking. Use 8d nails 6" o.c. edges & 10" o.c. field. Extend sheathing over sill plate and nail per floor sheathing schedule.

Typical roof sheathing shall be 7/16" rated CDX sheathing nailed with 8d nails @ 6" o.c. at panel edges, supported edges, and all blocking nailed with 8d nails 12" o.c. along intermediate framing members. Unless otherwise noted use (2) 2x10 for bearing header.

Minimum nailing shall be as per U.B.C. Section 23-1B-1. Staples can be substituted for nails at a rate equal to load values provided by 1997 U.B.C. standard or engineer approval. Provide solid bearing through floor systems and posts down to conc. footing.

Contractor and all subcontractors shall follow all standard building codes, practices, and requirements as listed in the 1997 Uniform Building Code.

GENERAL BATHROOM NOTES:

Shower to be finished as specified in U.B.C. section 2512 to not be less than 70" high. Materials other than structural elements used in such walls shall be of a type not adversely affected by moisture. Shower threshold shall be of sufficient width to accommodate a minimum of a 2" door, door and must swing outward. U.B.C. Section 2407. Glazing for shower and bathtub enclosures within 60" of the standing surface shall be fully tempered, laminated safety glass or approved plastic. U.B.C. Section 2406.

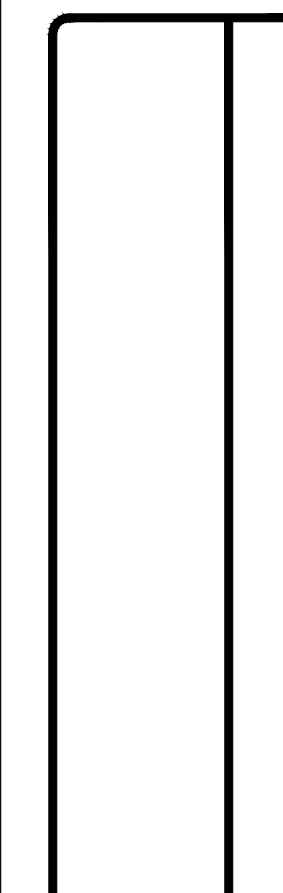
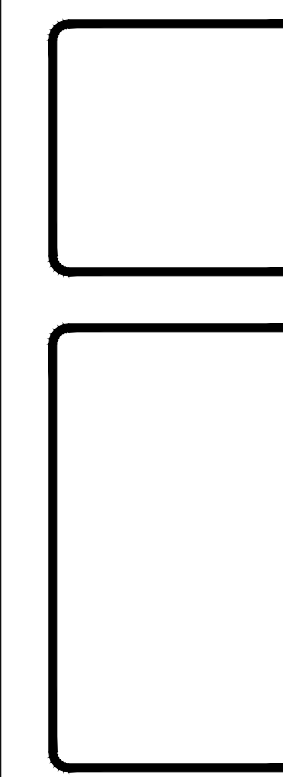
MECHANICAL GENERAL NOTES:

Mechanical contractor to provide combustion air to furnace area in accordance with local natural gas specifications. Combustion air to be brought into house from outside. 2-ducts provided, 1/placed at 12" above floor, and 1/placed at 12" below ceiling. Combustion air shall be supplied by two (2) VERTICAL openings, each with 1 sq. in. per 4,000 BTU/h of the total input rating of all appliances within the space. OR Combustion air shall be supplied by two (2) HORIZONTAL openings, each with 1 sq. in. per 2,000 BTU/h of the total input rating of all appliances within the space.

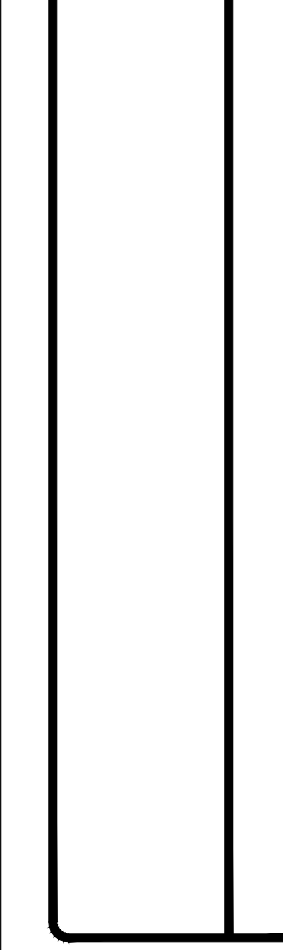
FIRE WARNING SYSTEM

In new construction, Required smoke detectors shall receive their primary power from the buildings wiring and shall be equipped with a battery back-up. All detectors shall be wired "to-series" so the alarm is audible in all sleeping areas. 1997 U.B.C. section 310.9. Smoke detectors are required in all hallways leading to bedroom areas and in all furnace rooms and in unfinished areas of basements.

REV	DATE	DATE	DATE



BASEMENT FLOOR PLAN
 2516 SQUARE FEET
 SCALE: 1/4"=1'-0"



11/15/2014-03
 BY KKG
 SHEET
4

Summary of Home Inspection Issues for 2627 Wild Horse Ridge
Home Inspection by Pillar To Post, 10/29/14

1.1 Deck(s) / Patio(s)

Recommend a cap be installed on unused gas pipe to reduce chance a gas leak and subsequent dangers.



2.1 Exterior Walls

There are areas on the EIFS siding that are damaged. Recommend a qualified contractor review and make necessary repairs reduce water and pest intrusion.



to

2.2 Exterior Lighting

Northwest soffit light fixture is damaged, repair as needed.



3.1 Door

The open/close button panel on the left side of door does not operate the automatic door. Repair as needed.



4.1 Homes Circuit Wires

Electrical junction boxes should have proper covers to reduce accidental shock and subsequent injury. Place proper covers on uncovered junction boxes.



5.1 Hose Bibb

Hose bib missing handle and therefore not tested. Recommend replacement of handle for proper use and function.



5.2 Hot Water Tank

The left water heater in the mechanical room is not connected to the water distribution system. Recommend a qualified plumber review and make necessary connections for proper use and function as desired.



6.1 Dryer

Recommend a cap be installed on unused gas pipe to reduce chance of a gas leak and subsequent dangers.



7.1 Fireplace

Fan does not function in gas fireplace. Repair/replace as needed. Thermostat slide adjustment for gas fireplace does not function with ease. Recommend repair or replacement for ease of use.



8.1 and 9.1 Garbage Disposal

Garbage disposers in main kitchen and in basement kitchen did not function at time of inspection. Recommend repair/replacement.

10.1 Lighting

Wall light fixture on basement stairway is damaged. Repair/replace as desired.



Exterior:

Missing cover on vacuum exhaust. Recommend sealing around windows, foundation and wall penetrations to reduce pest and water penetration and subsequent damages.



Garage Side on Back Door

North garage man door is sealed and missing locking mechanism. Repair as needed for proper use and function.



Ceiling

Evidence of previous leak from east furnace flue/roof. Leak does not appear to be active at the time of inspection, Protimeter Moisture meter used for detection. Monitor area and repair as needed.



Gutter/Downspout

Consider extending downspout leaders to at least 6' away from foundation walls to help aid drainage and reduce the chance of moisture penetration and subsequent damage.



Flashing

Recommend installation of a roof "kick-out" to divert water from front chimney edge and causing additional deterioration of stone and mortar.



Venting

Evidence of previous leak around flue pipe. Leak does not appear to be active at the time of inspection, Protimeter Moisture meter used for detection. Monitor area and repair as needed.



Vanity

Past staining under 2nd floor bathroom vanity



Tub Faucet/Mixer

Second floor tub/shower faucet is very stiff, indicating abuse / wear or lack of use. Recommend a qualified plumber review and make necessary repairs / replacement for proper use and function.



Windows

Many thermal window units are noted to have lost their seal. Replace as needed.

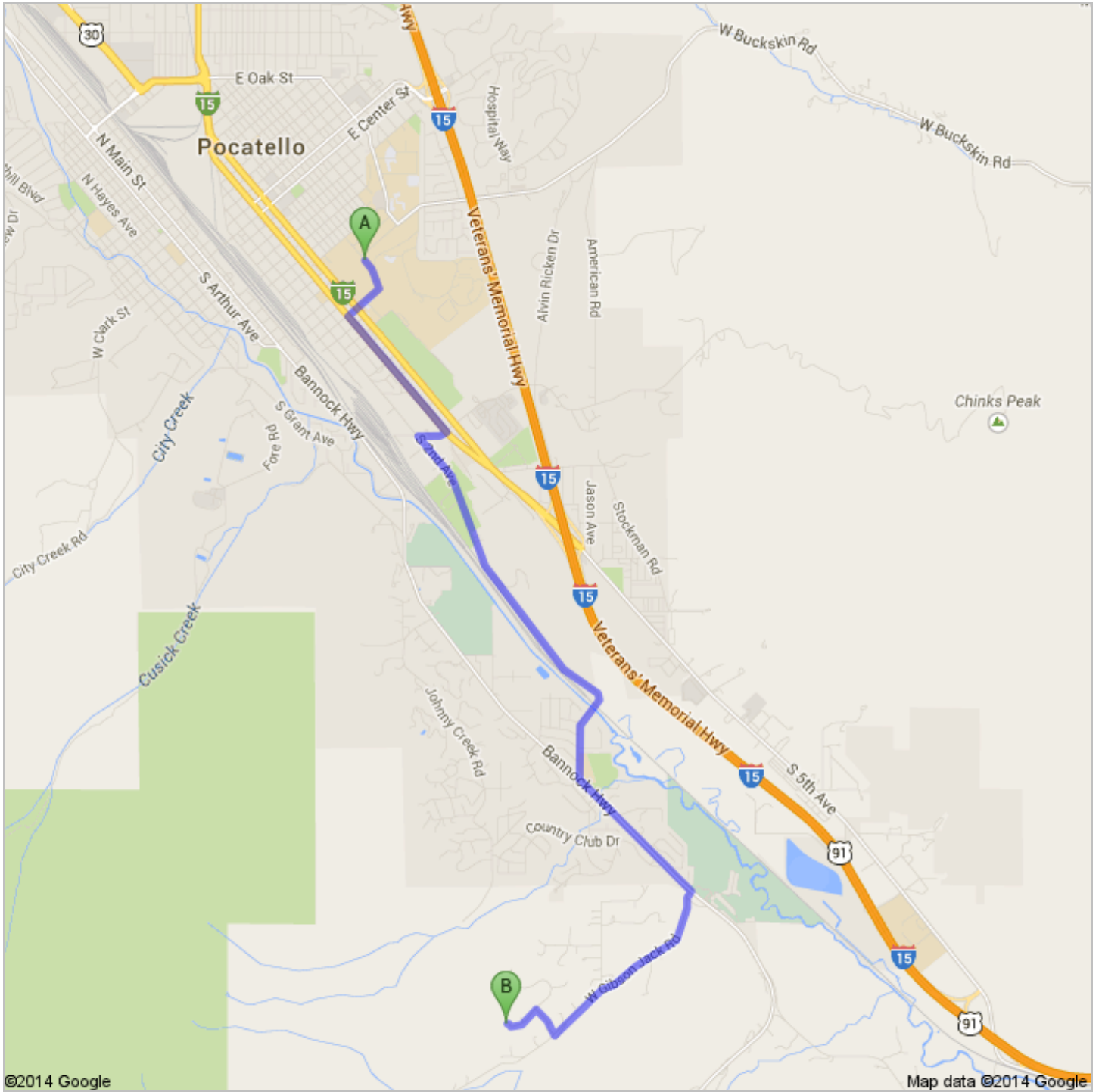




Directions to 2627 Wild Horse Ridge, Pocatello, ID 83204

6.2 mi – about 14 mins

Map: ISU to subject property



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