

of

216 SW 131st St
Burien, WA 98146

As Of:

06/11/11

Prepared For:

Prime Pacific Bank
2502 196th St SW
Lynnwood WA 98036

Prepared By:

Cynthia A. Nagle, CREA
PARAGON APPRAISALS
922 N Cedar St
Tacoma, WA 98406

RESTRICTED APPRAISAL REPORT

Restriction on Use of this Appraisal: This is a Restricted Appraisal Report as defined and permitted by the Uniform Standards of Professional Appraisal Practice (USPAP). This Restricted Appraisal Report is intended for use only by the client for the stated use. The client understands the limited utility of the Restricted Appraisal Report and its limited application to only the specified use. This report cannot be properly understood without additional information contained in the appraiser's work file. Use by anyone other than the client is prohibited.

CLIENT AND PROPERTY IDENTIFICATION

Client Prime Pacific Bank
Client's Address 2502 196th St SW, Lynnwood WA 98036

Identification of Property being Appraised

X Address 216 SW 131st St City Burien St WA Zip 98146
X Legal Description L9 B5 Airway Heights Add
Property Survey (See Attached)
Property Sketch (See Attached)

Statement of the Real Property Interest being Appraised

X Fee Simple Leasehold Other

APPRAISAL APPROACH

Statement of Purpose of Appraisal

X To estimate the market value of the subject property.
To estimate

Statement of Intended Use of Appraisal

Portfolio review

Statement of the Appraisal Procedures followed

This is a Complete Appraisal assignment. All of the procedures of the Valuation Process as required by the Uniform Standards of Professional Appraisal Practice (USPAP) specific guidelines for a Complete Appraisal were performed. This Restricted Appraisal Report is made based on client instructions.
X This is a Limited Appraisal assignment. All of the procedures of the Valuation Process as required by the Uniform Standards of Professional Appraisal Practice (USPAP) specific guidelines for a Complete Appraisal were performed except for those departures permitted by USPAP and requested by the client. The client understands the limitations of this appraisal and agrees that the performance of this limited appraisal is appropriate. Departures from the USPAP specific guidelines are identified and explained in this Restricted Appraisal Report or in the addenda of this report.

Statement of All Assumptions and Limiting Conditions that Affect the Analyses, Opinion, and Conclusion

X A statement of typical or ordinary assumptions and limiting conditions is attached to this report.
X Extraordinary assumptions or limiting conditions are disclosed with statements of each opinion and value conclusion that is affected.

Description of the Extent of the Process of Collecting, Confirmation and Reporting Data Northwest Multiple Listing Service, Realist, County records were used to obtain information, confirm data in reporting the attached report.

Statement of the Exclusion of any of the Usual Approaches to Value Sales Approach is utilized to determine estimated fair market value. The Cost Approach and Income Approach are not developed per Lender's instructions.

VALUE CONCLUSIONS

Statement of the Appraiser's Opinion of the Highest and Best Use of Subject Property

X Present Use Other

Statement of Definition of the Value to be Estimated

X A definition of value being estimated is attached to this report.
A definition of value estimated is

Statement of Value Conclusions

Table with 2 columns: Approach (Cost, Income, Sales Comparison, Reconciliation) and Value (\$). All values are 'Not developed'.

Estimated Value as of the Date of Appraisal is \$

Supporting Documentation

X Supporting documentation for this appraisal is maintained on file by the appraiser. The file is available for inspection by the client, such third parties as may be authorized by due process of law, and as required by USPAP Guidelines.

Report Attachments

X Sales Comp. Approach X Limited Appraisal Disclosure X Comparable Photos Property Survey
Cost Approach X Definition of Value & Cert. X Location Map Environmental Addendum
Income Approach Subject Photos Property Sketch

The analyses, opinions and conclusions used to prepare this Restricted Appraisal Report were developed in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of The Appraisal Standards Committee of the Appraisal Foundation.

APPRAISER

Signature Cynthia A. Nagle
Name Cynthia A. Nagle, CREA
Date Report Signed 06/11/11
Did X Did not inspect subject property.
Cert./Lic. # 1701423 St WA Exp: 5/29/13

SUPERVISORY APPRAISER

Signature
Name
Date Report Signed
Did Did not inspect subject property.
Cert./Lic. # St Exp:

SUMMARY APPRAISAL REPORT

File No. 14451
Case No. 30188

THIS IS A SUMMARY APPRAISAL REPORT AS DEFINED AND PERMITTED BY THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE.
THIS REPORT CONTAINS A SUMMARY OF ALL INFORMATION SIGNIFICANT TO THE SOLUTION OF THE APPRAISAL PROBLEM WHICH IS IN THE APPRAISER'S FILE.

CLIENT Prime Pacific Bank Census Tract 275.00 Map Reference 654 J1

PROPERTY IDENTIFICATION AND SUMMARY DESCRIPTION: Street 216 SW 131st St

City Burien State WA Zip 98146 Description noted below

REAL PROPERTY INTEREST: Fee Simple Leasehold Project Type: PUD Condominium HOA\$ /Mo.

PURPOSE OF THE APPRAISAL: To estimate market value Other

INTENDED USE OF THE APPRAISAL: For loan security purposes Other

SUMMARY OF THE APPRAISAL PROCEDURES FOLLOWED: Determined Scope of Work, gathering of data within the immediate neighborhood of the subject, adjusted for differences noted in data collected, and reconciling data collected. No inspection made.

SUMMARY OF THE EXTENT OF THE PROCESS COLLECTING, CONFIRMING AND REPORTING DATA: Realist, NWMLS, County records were used for data collection, along with the appraisers knowledge of the area, and data confirmed.

NEIGHBORHOOD SUMMARY: Note: Race and Racial composition of the neighborhood are not appraisal factors

Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Predominant occupancy	Single Family housing	Present land uses %	Land use change
Built Up	<input checked="" type="checkbox"/> Over 75 %	<input type="checkbox"/> 25-75 %	<input type="checkbox"/> Under 25 %		PRICE \$ (000)		
Growth rate	<input type="checkbox"/> Rapid	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Slow	<input type="checkbox"/> Owner 80	80 Low 0	One family 75	<input type="checkbox"/> In process
Property values	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining	<input checked="" type="checkbox"/> Tenant 0-20	360 High 100+	2-4 family 5	To: _____
Demand/supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In balance	<input type="checkbox"/> Over supply	<input type="checkbox"/> Vacant(0-5%)	Predominate	Muti-family 8	
Marketing time	<input checked="" type="checkbox"/> Under 3 mos.	<input type="checkbox"/> 3-6 mos.	<input type="checkbox"/> Over 6 mos.	<input type="checkbox"/> Vacant(over 5%)	170 40-70	Commercial 8	
						vac/pub 4	

Neighborhood boundaries, characteristic, marketability of properties, marketing time, trends, and supply and demand: N: 116th, S: 148th, W: Ambaum Rd, E: Des Moines-Memorial Dr. MLS statistics indicate 15% decline in the last year, approx 80 DOM. Supply/demand appears in balance.

SUMMARY OF SITE DATA: Site is approx .31ac, county notes no site nuisances

SUMMARY DESCRIPTION OF THE IMPROVEMENTS: Realist and County indicates subject is one story, no basement, of Fair quality, Average condition built in 1942 with a one car garage.

SUMMARY OF THE APPRAISAL'S OPINION OF THE HIGHEST AND BEST USE: Realist and County indicates subject is one story, no basement, of Fair quality, average condition built in 1942.

SUMMARY OF THE SALES COMPARISON APPROACH: Emphasis was placed on 3 BR homes in the Burien neighborhood of similar square footage.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3			
Address	216 SW 131st St Burien, WA 98146	1206 SW 119th St Burien, WA 98146	427 SW 122nd St Burien, WA 98146	834 S 148th St Burien, WA 98146			
Proximity to subject		0.96 miles NW	0.54 miles N	1.27 miles SE			
Sales Price	\$ NA	\$ 142,250	\$ 118,000	\$ 153,900			
Price/Gross Liv. Area	\$ 0.00	\$ 158.06	\$ 129.67	\$ 135.00			
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)Adjustment	DESCRIPTION	+(-) Adjustments	DESCRIPTION	+(-)Adjustments
Sale/Financing Concessions		FHA		Cash		FHA	
Date of sale/Time		4/21/11		1/20/11	-6,637	4/4/10	
Location	Burien	Burien		Burien		Burien	
Site	.31 ac	.12 ac		.25 ac		.22 ac	
View	Neighborhood	Neighborhood		Neighborhood		Neighborhood	
Design and Appeal	1 sty/Avg	1 sty/Avg		1 sty/Avg		1 sty/Avg	
Quality of Construction	Fair	Fair		Fair		Fair	
Age	69 yrs	103 yrs		69 yrs		60 yrs	
Condition	Avg	Avg		Avg-	+20,000	Avg	
Above Grade	Total Bdrms Baths	Totals Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Room Count	5 2 1.00	5 2 1.00		5 2 1.00		5 2 1.00	
Gross Living Area	1,020 Sq. ft.	900 Sq. ft.	+3,600	910 Sq. ft.	+3,300	1,140 Sq. ft.	-3,600
Functional Utility	Avg	Avg		Avg		Avg	
Heating/Cooling	FAU/None	FAU/None		FAU/None		FAU/None	
Garage/Carport	1 Gar	No Gar	+5,000	2Gar+Cpt	-7,500	1 Gar	
Doc #		201104281004		201101211666		201104080176	
Net Adjustments		<input checked="" type="checkbox"/> + <input type="checkbox"/> - 8,600		<input checked="" type="checkbox"/> + <input type="checkbox"/> - 9,163		<input type="checkbox"/> + <input checked="" type="checkbox"/> - -3,600	
Adjusted Sales Price		N=6% G=6% \$ 150,850		N=8% G=32% \$ 127,163		N=-2% G=2% \$ 150,300	

INDICATED VALUE BY THE SALES COMPARISON ANALYSIS \$ 150,000

SUMMARY OF THE COST APPROACH OR THE SUPPORTED REASON FOR IT'S EXCLUSION: Per Lender instructions Cost Approach to be excluded.

SUMMARY OF THE INCOME APPROACH OR SUPPORTED REASONS FOR IT'S EXCLUSIONS: Per Lender instructions Income Approach to be excluded.

SUMMARY OF THE INFORMATION CONSIDERED AND THE REASONING THAT SUPPORTS THE ANALYSES, OPINIONS AND CONCLUSIONS AND ANY ADDITIONAL INFORMATION: Most weight given to Comps 1 and 3 which are FHA closed sales. Comp 2 is a Cash same and may have sold slightly under market value, MLS notes priced to sell. Also MLS notes that Comp 2 needs TLC for which an adjustment has been made. Adjustments: \$30/sf GLA, Garages at \$5000 per parking space, carports at \$2500. Sale 1: DOM-60, OLP \$149,000. Sale 2: DOM-60, OLP \$125,000. Sale 3: DOM-33, OLP \$162,900.

SPECIAL ASSUMPTIONS AND LIMITING CONDITIONS THAT EFFECT ANALYSIS, OPINIONS AND CONCLUSIONS: Extraordinary assumption is that the property is in average condition, not recently remodeled, additionally assumption is that data collected is correct.

A statement of the normal assumptions and limiting conditions that effect the analyses, opinions and conclusions is attached to this report.

DEFINITION OF VALUE: Fair market value is estimated, from data noted, no inspection made.

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS SUBJECT OF THIS REPORT TO BE \$ 150,000

My analysis, opinions and conclusions were developed, and this Summary Appraisal Report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Standards Board of the Appraisal Foundation.

SIGNATURES AND DATES OF REPORTS: Effective Date of the Appraisal: 06/11/11 Date of Report: 06/11/11

APPRaiser Cynthia A. Nagle, CREA	SUPERVISORY APPRAISAL:
Address 922 N Cedar St	Address
City Tacoma State WA Zip 98406	City State Zip
I Inspected the <input checked="" type="checkbox"/> interior <input type="checkbox"/> exterior of the subject property, no inspection made	I inspected the <input type="checkbox"/> interior <input type="checkbox"/> exterior of the subject property.
Signature: <i>Cynthia Nagle</i>	Signature:
State WA Cert/License # 1701423 Expires 5/29/13	State Cert/License # Expires
Date Signed: 06/11/11	Date Signed:

PARAGON APPRAISALS
EXTRA COMPARABLES 4-5-6

File No. 14451
Case No. 30188

Borrower Wilner, Dave/Brenda						
Property Address 216 SW 131st St						
City	Burien	County	King	State	WA	Zip Code 98146
Lender/Client Prime Pacific Bank			Address 2502 196th St SW, Lynnwood WA 98036			

ITEM	SUBJECT			COMPARABLE NO. 4			COMPARABLE NO. 5			COMPARABLE NO. 6					
Address	216 SW 131st St Burien, WA 98146			7 SW 134th St Burien, WA 98146			13915 4th Ave SW Burien, WA 98146								
Proximity to Subject				0.26 miles SE			0.6 miles S								
Sales Price	\$ NA			\$ 175,000			\$ 139,950			\$					
Price/Gross Liv. Area	\$ 0.00 <input checked="" type="checkbox"/>			\$ 213.41 <input checked="" type="checkbox"/>			\$ 166.61 <input checked="" type="checkbox"/>			\$ <input checked="" type="checkbox"/>					
VALUE ADJUSTMENTS	DESCRIPTION			DESCRIPTION + (-) \$ Adjustment			DESCRIPTION + (-) \$ Adjustment			DESCRIPTION + (-) \$ Adjustment					
Sales/Financing Concessions				LISTING			LISTING								
Date of Sale/Time				LP/SP -5% -8,750			LP/SP -5% -6,998								
Location	Burien			Burien			Burien								
Site	.31 ac			.19 ac			.22 ac								
View	Neighborhood			Neighborhood			Neighborhood								
Design and Appeal	1 sty/Avg			1 sty/Avg			1 sty/Avg								
Quality of Construction	Fair			Fair			Fair								
Age	69 yrs			69 yrs			62 yrs								
Condition	Avg			Avg			Avg								
Above Grade	Total	Bdrms	Baths	Total	Bdrms	Baths	Total	Bdrms	Baths	Total	Bdrms	Baths			
Room Count	5	2	1.00	4	2	1.00	4	2	1.75						
Gross Living Area	1,020		Sq. Ft.	820		Sq. Ft.	+6,000		840		Sq. Ft.	+5,400			
Basement & Finished Rooms Below Grade	None			820 Unfin			-8,200			None					
Functional Utility	Avg			Avg			Avg								
Heating/Cooling	FAU/None			FAU/None			Wall/None			+5,000					
Garage/Carport	1 Gar			1 Gar			1 Carport			+2,500					
				MLS 186794			MLS 188905								
Net Adj. (total)				<input type="checkbox"/> + <input checked="" type="checkbox"/> -			-10,950			<input checked="" type="checkbox"/> + <input type="checkbox"/> -			4,402		
Adjusted Sales Price				N: -6% G:13%			\$ 164,050			N:3% G:15%			\$ 144,352		
				N:0% G:0%			\$ 0			N:0% G:0%			\$ 0		

Comments on Comparables: Listing 1 : DOM-110, OLP \$175,000. Listing 2: DOM-109, OLP \$139,950. Sales displayed indicate a -5% LP/SP adjustment.

Definition of Market Value
Ordinary Assumptions and Limiting Conditions
Certification

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 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 considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of 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.

ORDINARY 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. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. If the appraiser has provided a sketch in the appraisal report, the sketch shows approximate dimensions and is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. If 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 the appraisal report that the subject site is (or is not) located in an identified Special Flood Hazard Area, as 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 required to do so by a court.
5. The appraiser has noted in the appraisal report any significant adverse conditions (such as needed repairs, depreciation, 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 normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. 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, the appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
7. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
8. 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 completion of the improvements will be performed in a workmanlike manner.
9. I have agreed to enter into this assignment as requested by the client named in the report for the use specified by the client which is stated in the report, which calls for things that are different from the work that would otherwise be required by the specific guidelines of the USPAP. The client has agreed that the performance of this limited appraisal service is appropriate for their intended use.

Other:

CERTIFICATION:

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
3. I have no (or the specified) present or prospective interest in this property that is the subject of this report, and I have no (or the specified) personal interest or bias with respect to the parties involved.
4. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
5. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Practice.
6. I have (or have not) as indicated on the report made a personal inspection of the property that is the subject of this report. If more than one person has signed the report, each person has indicated on the report whether they did or did not make an inspection of the appraisal property.
7. Unless otherwise indicated below, no one provided me with significant professional assistance in the completion of this appraisal assignment.

SUPERVISORY APPRAISER'S CERTIFICATION:

If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications, and am taking full responsibility for the appraisal and the appraisal report.

APPRAISER

Signature Cynthia Nagle
 Name Cynthia A. Nagle, CREA
 Date Report Signed 06/11/11
 Did Did Not Inspect Property
 Cert./Lic. # _____ St _____ Exp: 5/29/13

SUPERVISORY APPRAISER

Signature _____
 Name _____
 Date Report Signed _____
 Did Did Not Inspect Property
 Cert./Lic. # _____ St _____ Exp: _____

PARAGON APPRAISALS
LOCATION MAP ADDENDUM

File No. 14451
Case No. 30188

Borrower Wilner, Dave/Brenda
Property Address 216 SW 131st St
City Burien County King State WA Zip Code 98146
Lender/Client Prime Pacific Bank Address 2502 196th St SW, Lynnwood WA 98036



Appraiser License Certificate

File No. 14451
Case No. 30188

STATE OF WASHINGTON			
DEPARTMENT OF LICENSING – BUSINESS AND PROFESSIONS DIVISION			
THIS CERTIFIES THAT THE PERSON NAMED HEREON IS AUTHORIZED, AS PROVIDED BY LAW, AS A			
CERTIFIED RESIDENTIAL REAL ESTATE APPRAISER			
CYNTHIA A NAGLE 922 N. CEDAR STREET TACOMA WA 98406			
Cert/Lic No. 1701423	Issued Date 07/24/2001	Expiration Date 05/29/2013	<i>Elizabeth A. Luce</i> Director

PL-630-159 (R/2/04)

Borrower Wilner, Dave/Brenda

Property Address 216 SW 131st St

City Burien

County

King

State WA

Zip Code

98146

Lender/Client Prime Pacific Bank

Address 2502 196th St SW, Lynnwood WA 98036



GENERAL STAR NATIONAL INSURANCE COMPANY
Financial Centre
P.O. Box 10360
Stamford, Connecticut 06904-2360

REAL ESTATE APPRAISERS ERRORS & OMISSIONS INSURANCE POLICY

DECLARATIONS PAGE

This is a claims made and reported policy. Please read this policy and all endorsements and attachments carefully.

Policy Number: NJA796876G

Renewal of Number: NJA796876F

1. NAMED INSURED: Cynthia A Nagle
STREET ADDRESS: 1206 S 11th St
12a
Tacoma, WA 98405

2. POLICY PERIOD: Inception Date: 08/09/2010 Expiration Date: 08/09/2011
Effective 12:01 a.m. Standard Time at the address of the Named Insured.

3. LIMIT OF LIABILITY:
Each Claim: \$ 1,000,000
Aggregate: \$ 1,000,000
Claim Expenses have a separate Limit of Liability:
Each Claim: \$ 1,000,000
Aggregate: \$ 1,000,000

4. DEDUCTIBLE: Each Claim: \$500.00 Aggregate: \$1,000.00

5. RETROACTIVE DATE: 08/09/2001

If a date is indicated, this policy will not provide coverage for any Claim arising out of any act, error, omission or personal injury which occurred before such date.

6. ANNUAL PREMIUM: \$ 598.00

7. ENDORSEMENTS:
This policy is made and accepted subject to the printed policy form together with the following form(s) or endorsement(s).
GSN-07-AP-122(07/2007) GSN-07-AP-849WA (01/2008)
GSN-07-AP-375 (10/2007) GSN-07-AP-201 (06/2007)

8. MANAGING AGENT
Herbert H. Landy Insurance Agency, Inc.
75 Second Avenue, Suite 410
Needham, Massachusetts 02494-2876

Authorized Representative

GSN-07-AP-720 (06/2007)
Producer Code: 00026230
Date: 06/16/2010

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Class Code: 73128
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