

Donnelly Appraisal Services
707 Franklin St
Rapid City, SD 57701
605-341-3187

INVOICE	11/05/2013	BF131102	
	DATE	FILE NUMBER	CASE NUMBER

Client: Black Hills Federal Credit Union
225 Main Street
Rapid City, SD
57701
Attention: Ms. Lizbeth Genito

Item	Total
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APPRAISAL FEE FOR SERVICES RENDERED \$ 450.00

Sales Tax 27.00

Borrower: Nathaniel R. & Jennifer A. Spencer
24 Nevada Dr
Rapid City, SD 57701-7116
Robbinsdale Terrace #2 Subdivision Block 3, Lot 16

Total: \$ 477.00

Thank you

Donnelly Appraisal Services
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November 5, 2013

Black Hills Federal Credit Union
225 Main Street
Rapid City, SD
57701

Property - 24 Nevada Dr
Rapid City, SD 57701-7116
Borrower - Nathaniel R. & Jennifer A. Spencer
File No. - BF131102
Case No. -

Dear Ms. Genito:

In accordance with your request, I have prepared an appraisal of the real property located at 24 Nevada Dr, Rapid City, SD.

The purpose of the appraisal is to provide an opinion of the market value of the property described in the body of this report.

Enclosed, please find the Summary Report which describes certain data gathered during our investigation of the property. The methods of approach and reasoning in the valuation of the various physical and economic factors of the subject property are contained in this report.

An inspection of the property and a study of pertinent factors, including valuation trends and an analysis of neighborhood data, led the appraiser to the conclusion that the market value, as of 10/31/2013 is :


\$155,000

The opinion of value expressed in this report is contingent upon the Limiting Conditions attached to this report.

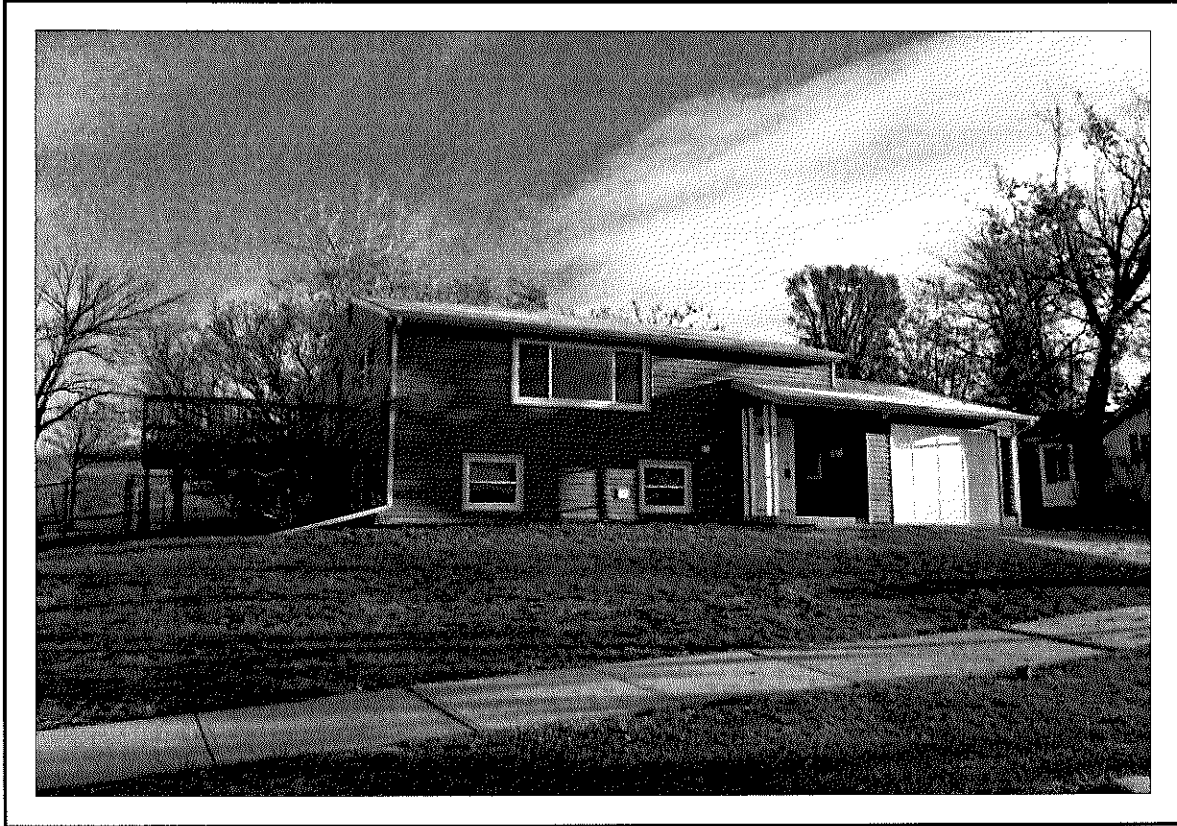
It has been a pleasure to assist you. If I may be of further service to you in the future, please let me know.

Respectfully submitted,

Donnelly Appraisal Services



Brian G. Donnelly
SD License #911SL-2014



SUMMARY APPRAISAL REPORT

OF THE REAL PROPERTY LOCATED AT

24 Nevada Dr
Rapid City, SD 57701-7116

for

Black Hills Federal Credit Union
225 Main Street
Rapid City, SD
57701

as of

10/31/2013

by

Brian G. Donnelly
707 Franklin St
Rapid City, SD 57701

Donnelly Appraisal Services

SUMMARY OF SALIENT FEATURES

File No. BF131102

SUBJECT INFORMATION	Subject Address	24 Nevada Dr	
	Legal Description	Robbinsdale Terrace #2 Subdivision Block 3, Lot 16	
	City	Rapid City	
	County	Pennington	
	State	SD	
	Zip Code	57701-7116	
	Census Tract	107	
	Map Reference	37 12 406 013 (Sidwell)	Flood Map No. 46103C0787H
SALES PRICE	Sale Price	\$ 154,900	
	Date of Sale	10/13/2013	
CLIENT	Borrower / Client	Nathaniel R. & Jennifer A. Spencer	
	Lender	Black Hills Federal Credit Union	
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	720	
	Price per Square Foot	\$ 215.14	
	Location	N;Res;Res	
	Age	53	
	Condition	C3	
	Total Rooms	3	
	Bedrooms	1	
	Baths	1.0	
APPRAISER	Appraiser	Brian G. Donnelly	
	Date of Appraised Value	10/31/2013	
VALUE	Final Estimate of Value	\$ 155,000	

Donnelly Appraisal Services

Uniform Residential Appraisal Report

File # BF131102

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 **24 Nevada Dr** City **Rapid City** State **SD** Zip Code **57701-7116**
 Borrower **Nathaniel R. & Jennifer A. Spencer** Owner of Public Record **605 Drywall Inc** County **Pennington**
 Legal Description **Robbinsdale Terrace #2 Subdivision Block 3, Lot 16**
 Assessor's Parcel # **30083** Tax Year **2012** R.E. Taxes \$ **1,775**
 Neighborhood Name **Robbinsdale/Southeast Rapid City** Map Reference **37 12 406 013 (Sidwell)** Census Tract **107**
 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)
 Lender/Client **Black Hills Federal Credit Union** Address **225 Main Street, Rapid City, SD 57701**
 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 the appraisal? Yes No
 Report data source(s) used, offering price(s), and date(s). **DOM 22;MLS#115363 \$154,900. Listing Date 9/29/2013**

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. **Arms length sale; Subject is currently under contract for \$154,900. No creative financing or special concessions detected. ***See Additional Comments*****
 Contract Price \$ **154,900** Date of Contract **10/13/2013** Is the property seller the owner of public record? Yes No Data Source(s) **PCOE**
 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: **\$3500.; Seller to provide buyer with \$3,500. towards buyer's pre-paid fees and closing costs**

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

Neighborhood Characteristics				One-Unit Housing Trends				One-Unit Housing		Percent Land Use %		
Location	<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	PRICE	AGE	One-Unit	95 %	
Built-Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%	Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply	\$(000)	(yrs)	2-4 Unit	2 %	
Growth	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Slow	Marketing Time	<input checked="" type="checkbox"/> Under 3 mths	<input type="checkbox"/> 3-6 mths	<input type="checkbox"/> Over 6 mths	50	Low	1	Multi-Family	2 %
Neighborhood Boundaries	*** See Additional Comments ***							800	High	70	Commercial	1 %
								155	Pred.	50	Other	0 %

Neighborhood Description **Proximity/access to employment, park and recreational areas, entertainment, supporting commercial, retail, and educational facilities is rated as average. Commuting time generally falls in the 10-15 minute range.**
 *** See Additional Comments ***
 Market Conditions (including support for the above conclusions) **Prevailing & projected market conditions are generally favorable. Property values appear to stable to slightly increasing as a result of sustained demand. Resale inventory remains balanced as a result of stability and limited transition. *** See Additional Comments *****

Dimensions **Rely on Survey** Area **13939 sf** Shape **Irregular** View **N;Res;Res**
 Specific Zoning Classification **Low Density Residential** Zoning Description **Single Family Residential Dwellings**
 Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)
 Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe
 *** See Additional Comments ***

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements--Type	Public	Private
Electricity	<input checked="" type="checkbox"/>		Water	<input checked="" type="checkbox"/>	Street	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input checked="" type="checkbox"/>		Sanitary Sewer	<input checked="" type="checkbox"/>	Alley	<input type="checkbox"/>	<input type="checkbox"/>
FEMA Special Flood Hazard Area	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	FEMA Flood Zone	<input checked="" type="checkbox"/>	FEMA Map No.	46103C0787H	
			FEMA Map Date	06/03/2013			

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
It was assumed that the site is not encumbered by any adverse/atypical easements, encroachments, setback violations, deed restrictions, or other unfavorable conditions. Survey and title policy required for final determination.
 *** See Additional Comments ***

General Description		Foundation		Exterior Description		Interior	
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	Concrete/Avg.	Floors	Carpet, Wd, Vinyl/Gd
# of Stories	1.00	<input checked="" type="checkbox"/> Full Basement	<input type="checkbox"/> Partial Basement	Exterior Walls	Vinyl/Good	Walls	Drywall/V.Gd.
Type	<input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det/End Unit	Basement Area	720 sq. ft.	Roof Surface	Asphalt/Average	Trim/Finish	Painted/Avg.
	<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish	100 %	Gutters & Downspouts	Metal/Avg.	Bath Floor	Vinyl/V.Gd.
Design (Style)	Split-Foyer	<input type="checkbox"/> Outside Entry/Exit	<input type="checkbox"/> Sump Pump	Window Type	DblHung/Good	Bath Wainscot	Tile, Fbrgls/V.Gd.
Year Built	1960	Evidence of <input type="checkbox"/> Infestation		Storm Sash/Insulated	Vinyl/Good	Car Storage	<input type="checkbox"/> None
Effective Age (Yrs)	4	<input type="checkbox"/> Dampness	<input type="checkbox"/> Settlement	Screens	Metal/Good	<input checked="" type="checkbox"/> Driveway	# of Cars 1
Afflic	<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 N.Gas	<input type="checkbox"/> Fireplace(s)# 0	<input checked="" type="checkbox"/> Fence C-Link	<input checked="" type="checkbox"/> Garage	# of Cars 1
<input type="checkbox"/> Floor	<input checked="" type="checkbox"/> Scuttle	Cooling	<input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck +Patio	<input type="checkbox"/> Porch None	<input type="checkbox"/> Carport	# of Cars 0
<input type="checkbox"/> Finished	<input type="checkbox"/> Heated	<input type="checkbox"/> Individual	<input type="checkbox"/> Other None	<input type="checkbox"/> Pool None	<input checked="" type="checkbox"/> Other Shed/Shop	<input checked="" type="checkbox"/> Att.	<input type="checkbox"/> Del. <input type="checkbox"/> Built-in
Appliances	<input type="checkbox"/> Refrigerator <input type="checkbox"/> Range/Oven	<input type="checkbox"/> Dishwasher	<input type="checkbox"/> Disposal	<input type="checkbox"/> Microwave	<input type="checkbox"/> Washer/Dryer	Other (describe) None	

Finished area **above** grade contains: **3 Rooms 1 Bedrooms 1.0 Bath(s) 720 Square Feet of Gross Living Area Above Grade**
 Additional features (special energy efficient items, etc.) **Standard insulation, built-ins and typical amenities package.**

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). **C3;Kitchen-remodeled-less than one year ago;Bathrooms-remodeled-less than one year ago;Subject is in good to very good physical condition. The quality of construction is average and the design is split-foyer (bi-level). See Additional Comments...**

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes No If Yes, describe
It should be noted that the level of inspection completed by the appraiser is not equal to that of a home-inspector and that this appraisal does not warrant or guarantee that the subject property is free from electrical, mechanical, plumbing or structural defects. In addition this appraisal does not guarantee that the subject is free from infestation.
 Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? Yes No If No, describe
The subjects overall compatibility to the neighborhood is rated as average.

Uniform Residential Appraisal Report

File # BF131102

There are 14 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 144,900 to \$ 169,900
 There are 63 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 140,000 to \$ 170,000

FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3	
24 Nevada Dr		3828 Elm Avenue	604 East Liberty Street	1 Texas Street	
Address	Rapid City, SD 57701-7116	Rapid City, SD 57701	Rapid City, SD 57701	Rapid City, SD 57701	
Proximity to Subject		0.94 miles SE	0.70 miles SE	0.59 miles S	
Sale Price	\$ 154,900	\$ 159,000	\$ 157,000	\$ 156,900	
Sale Price/Gross Liv. Area	\$ 215.14 sq. ft.	\$ 185.31 sq. ft.	\$ 183.20 sq. ft.	\$ 183.08 sq. ft.	
Data Source(s)		MLS#110636:DOM 64	MLS#111070:DOM 44	MLS#112979:DOM 9	
Verification Source(s)		Broker/PCOE	Broker/PCOE	Broker/PCOE	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adjustment	DESCRIPTION	+(-)\$ Adjustment
Sale or Financing		ArmLth		ArmLth	
Concessions		FHA:0		FHA:0	
Date of Sale/Time		s01/13;c02/13		s02/13;c03/13	
Location	N;Res;Res	N;Res;Res		N;Res;Res	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple	
Site	13939 sf	7841 sf		09148 sf	0
View	N;Res;Res	N;Res;Res		N;Res;Res	
Design (Style)	Split-Foyer	Split-Foyer		Split-Foyer	
Quality of Construction	Q4	Q4		Q4	
Actual Age	53	29		035	0
Condition	C3	C3		C3	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths	
Room Count	3 1 1.0	4 2 1.0	0	4 2 1.0	0
Gross Living Area	720 sq. ft.	858 sq. ft.	-2,760	857 sq. ft.	-2,740
Basement & Finished	720sf720sfin	828sf728sfin	-324	857sf688sfin	-411
Rooms Below Grade	1rr2br1.0ba0o	1rr2br1.0ba0o		1rr2br1.0ba0o	+160
Functional Utility	Average	Average		Average	
Heating/Cooling	NG/FA/CA	Elec/FA/CA	0	NG/FA/CA	
Energy Efficient Items	Std. Insulation	Std. Insulation		Std. Insulation	
Garage/Carport	1 Car Att.	2 Car Att.	-3,000	1 Car Att.	
Porch/Patio/Deck	Patio/Deck	None/Deck	+1,000	None/Deck	+1,000
Misc.	Shed/Fence/Shop	Shed/Fence	+1,000	FP/Fence	+500
Net Adjustment (Total)			\$ -4,084		\$ -1,491
Adjusted Sale Price		Net Adj. 2.57 %		Net Adj. 0.95 %	
of Comparables		Gross Adj. 5.08 %	\$ 154,900	Gross Adj. 3.06 %	\$ 155,500
				Gross Adj. 3.25 %	\$ 154,800

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

My research 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) County records & MLS data.
 My research did did not reveal any prior sales or transfers of the comparable sales for the prior year to the date of sale of the comparable sale.
 Data Source(s) MLS data
 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	02/13/2013	Research did not reveal	Research did not reveal	Research did not reveal
Price of Prior Sale/Transfer	50,100	prior sales	prior sales	prior sales
Data Source(s)	Per PCOE & MLS	Per MLS Data	Per MLS Data	Per MLS Data
Effective Date of Data Source(s)	10/31/2013	10/31/2013	10/31/2013	10/31/2013

Analysis of prior sale or transfer history of the subject property and comparable sales No recent (i.e. within 12 months) resale data detected concerning the comparables. Subject was purchased on 2/13/2013 as an estate sale for \$50,100. Listing price was \$35,000. and DOM was 7. MLS#111683 described the subject as having "significant damage and mold". Subject has been gutted and remodeled before current sale.

Summary of Sales Comparison Approach The comparable sales used in this report are from the subject's immediate neighborhood and are considered to be the most reliable value range indicators at this time. Adjustments for physical variances were based on either paired data sets or cost to add/subtract & are tempered by the appraisers judgment.
 *** See Additional Comments ***

Indicated Value by Sales Comparison Approach \$ 155,000

Indicated Value by: Sales Comparison Approach \$ 155,000 Cost Approach (if developed) \$ 155,700 Income Approach (if developed) \$ N/A
 The Sales Comparison (Market) Approach is considered to be the most reliable indicator of value. This approach directly measures how participants react to the subjects and is strongly reflective of current market conditions.
 *** See Additional Comments ***
 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. See attached exhibits, certifications, assumptions, and limiting conditions. *** See Additional Comments ***
 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 \$ 155,000 as of 10/31/2013, which is the date of inspection and the effective date of this appraisal.

ADDITIONAL COMPARABLES

Borrower **Nathaniel R. & Jennifer A. Spencer**
 Property Address **24 Nevada Dr**
 City **Rapid City** County **Pennington** State **SD** Zip Code **57701-7116**
 Lender/Cient **Black Hills Federal Credit Union**

FEATURE	SUBJECT	COMPARABLE SALE NO. 4			COMPARABLE SALE NO. 5			COMPARABLE SALE NO. 6		
24 Nevada Dr		202 East Texas Street								
Address	Rapid City, SD 57701-7116	Rapid City, SD 57701								
Proximity to Subject		0.58 miles S								
Sale Price	\$ 154,900	\$ 154,000								
Sale Price/Gross Liv. Area	\$ 215.14 sq. ft.	\$ 153.85 sq. ft.								
Data Source(s)		MLS#109888;DOM 20								
Verification Source(s)		Broker/PCOE								
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adjustment	DESCRIPTION	+(-)\$ Adjustment	DESCRIPTION	+(-)\$ Adjustment			
Sale or Financing		ArmLth								
Concessions		Conv;0								
Date of Sale/Time		s09/12;c11/12								
Location	N;Res;Res	N;Res;Res								
Leasehold/Fee Simple	Fee Simple	Fee Simple								
Site	13939 sf	10890 sf	0							
View	N;Res;Res	N;Res;Res								
Design (Style)	Split-Foyer	Ranch	0							
Quality of Construction	Q4	Q4								
Actual Age	53	37	0							
Condition	C3	C3	+10,000							
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths				
Room Count	3 1 1.0	5 3 1.0	0							
Gross Living Area	720 sq. ft.	1,001 sq. ft.	-5,620							
Basement & Finished	720sf720sfin	966sf966sfin	-738							
Rooms Below Grade	1rr2br1.0ba0o	1rr1br1.0ba0o	-1,230							
Functional Utility	Average	Average								
Heating/Cooling	NG/FA/CA	NG/FA/CA								
Energy Efficient Items	Std. Insulation	Std. Insulation								
Garage/Carport	1 Car Att.	1 Car Att.								
Porch/Patio/Deck	Patio/Deck	Patio/Deck								
Misc.	Shed/Fence/Shop	Shed/Fence/SS	0							
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 2,412	<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$			
Adjusted Sale Price of Comparables		Net Adj. 1.57 %		Net Adj. %		Net Adj. %				
		Gross Adj. 11.42 %	\$ 156,400	Gross Adj. %	\$	Gross Adj. %	\$			

ITEM	SUBJECT	COMPARABLE SALE #4	COMPARABLE SALE #5	COMPARABLE SALE #6
Date of Prior Sale/Transfer	02/13/2013	Research did not reveal		
Price of Prior Sale/Transfer	50,100	prior sales		
Data Source(s)	Per PCOE & MLS	Per MLS Data		
Effective Date of Data Source(s)	10/31/2013	10/31/2013		
Comment on Sales Comparison	See comments; Sales Comparables page #2.			

Uniform Residential Appraisal Report

File# BF131102

Problem Identification: In an appraisal assignments, identification of the problem to be solved requires the appraiser to identify the following assignment elements: client and any other intended users; intended use of the appraisers opinions and conclusions; type and definition of value; effective date of the appraisers opinion and conclusions; subject to the assignment and its relevant characteristics; and assignment conditions. The elements listed above have been addressed throughout the content of this appraisal report.

Clarification of Intended Use and Intended User:

The Intended User of this report is the lender/client. The Intended Use is to evaluate the property that is the subject of this appraisal for mortgage finance transaction, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and definition of Market Value. No other intended Users are identified by the appraiser.

USPAP Standard 2-3

The statement of fact contained in this report are true and correct.

The reported analysis, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analysis, opinions and conclusions.

I have no present or prospective interest in the property that is the subject of this report or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon the development of reporting predetermined results.

My compensation for completing this assignment is not contingent upon the development of 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 analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

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

No personal property has been included in this report.

ADDITIONAL COMMENTS

COST APPROACH

COST APPROACH TO VALUE (not required by Fannie Mae)

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

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)

As the subjects neighborhood is fully developed the "opinion of site value" has been derived through the extraction of land values from comparable sales in the subjects neighborhood. This value has been reconciled with the lot cost of similar quality new construction from area developments.

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE.....			= \$ 35,000
Source of cost data Marshall & Swift Residential Cost Handbook	Dwelling	720 Sq. Ft. @ \$ 98.20		= \$ 70,704
Quality rating from cost service Avg Effective date of cost data 11/2013	BSMT	720 Sq. Ft. @ \$ 44.19		= \$ 31,817
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	Deck, GDO, Sink			2,140
Cost Source: Marshall & Swift Valuation manual	Garage/Carport	312 Sq. Ft. @ \$ 32.11		= \$ 10,018
average quality site built split-foyer (bi-level) style construction including misc. items. The data is reconciled by in-file local contractor final cost data.	Total Estimate of Cost-New			= \$ 114,679
Physical-Incurable depreciation based on standard age/life concepts.	Less	Physical	Functional	External
*** See Additional Comments ***	Depreciation	7,683	0	0
	Depreciated Cost of Improvements.....			= \$ (7,683)
	'As-is' Value of Site Improvements.....			= \$ 106,996
				= \$ 13,687
				= \$ N/A
Estimated Remaining Economic Life (HUD and VA only) 56 Years	Indicated Value By Cost Approach.....			= \$ 155,683

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ N/A X Gross Rent Multiplier N/A = \$ N/A Indicated Value by Income Approach

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

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

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

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

Legal name of project N/A

Total number of phases N/A Total number of units N/A Total number of units sold N/A

Total number of units rented N/A Total number of units for sale N/A Data Source(s) N/A

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(s)

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

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

Describe common elements and recreational facilities N/A

Uniform Residential Appraisal Report

File# BF131102

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 this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

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.

Uniform Residential Appraisal Report

File# BF131102

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 Brian G. Donnelly
Company Name Donnelly Appraisal Services
Company Address 707 Franklin St
Rapid City, SD 57701
Telephone Number 605-341-3187
Email Address briand@rushmore.com
Date of Signature and Report 11/05/2013
Effective Date of Appraisal 10/31/2013
State Certification # _____
or State License # 911SL-2014
or Other _____ State # _____
State SD
Expiration Date of Certification or License 09/30/2014

ADDRESS OF PROPERTY APPRAISED
24 Nevada Dr
Rapid City, SD 57701-7116
APPRAISED VALUE OF SUBJECT PROPERTY \$ 155,000
LENDER/CLIENT
Name No AMC
Company Name Black Hills Federal Credit Union
Company Address 225 Main Street
Rapid City, SD 57701
Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

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

SUBJECT PROPERTY

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

COMPARABLE SALES

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

ADDITIONAL COMMENTS

Borrower or Owner	Nathaniel R. & Jennifer A. Spencer		
Property Address	24 Nevada Dr		
City	Rapid City	County	Pennington
		State	SD
		Zip Code	57701-7116
Lender or Client	Black Hills Federal Credit Union		

SCOPE OF APPRAISAL

The subject property, 24 Nevada Street, Rapid City, S.D., was inspected (interior and exterior) on October 31, 2013. Subject was vacant at the time of inspection.

Photos of the front, rear, street and interior of the subject, and front views of the comparables were completed on this date. Exterior measurements of the dwelling, deck, patio, shop, and garage were completed as part of the inspection process.

The appraiser's knowledge of the subject's neighborhood and research of public records indicate that the subject's neighborhood is primarily single family residential and that no significant land use changes will be occurring in the near future.

Analysis of local and regional economic trends indicate that the current and future marketability of single family residential property in the subject's neighborhood is favorable.

Highest and Best Use Analysis (#1) Legally permissible, (#2) Physically possible, (#3) Economically feasible, (#4) Maximally productive, indicates Highest and Best Use as single family residential.

The Sales Comparison (Market) Approach and Cost Approach were applied during the development of this report. The Income Approach was considered, but not developed, due to a lack of reliable rental data in this neighborhood and buyers and sellers are not typically considering this approach in making decisions to purchase or sell single family properties.

The appraiser obtained data pertaining to the subject property, comparable properties and local/regional economic trends from the following sources: on-site inspection, Pennington County Director of Equalization Office, Pennington County Treasurer's Office, Rapid City Planning Department, Rapid City Chamber of Commerce, Rapid City Journal, Rapid Map, FEMA flood maps, Black Hills Board of Realtors, MLS and/or local real estate brokers/agents. Reproduction cost of improvements were developed using Marshall & Swift Residential Cost Handbook. Information utilized in the development of the appraisal report include, but may not be limited to, the above listed sources.

At the client's request, the appraisal has been reported in compliance with the UAD convention established by Fannie Mae and Freddie Mac.

Some of the UAD requirements for the comparables, including condition and quality ratings and basement size/finish, imply a degree of precision that may not have been possible in the appraiser's normal course of business. The appraiser's scope of work verifying the comparables consisted of: exterior inspection; viewed interior pictures (when available).

Therefore, the UAD convention estimates displayed for comparables in this appraisal are formed by the appraiser using the best information available and should be considered an "estimate" unless otherwise noted in the report.

I have performed no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the 3 year period immediately preceding acceptance of this assignment.

ADDITIONAL COMMENTS

Page 2

Borrower or Owner	Nathaniel R. & Jennifer A. Spencer		
Property Address	24 Nevada Dr		
City	Rapid City	County	Pennington
		State	SD
		Zip Code	57701-7116
Lender or Client	Black Hills Federal Credit Union		

ANALYSIS OF SALE CONTRACT

Seller paid closing costs are typical for the local market. The final asking and listing price are consistent in value, a result that can be expected assuming both parties are well informed and typically motivated. The current contract is supported by the Sales Comparison Approach, and the Cost Approach, which is a secondary check on value.

NEIGHBORHOOD BOUNDARIES

Subject's immediate neighborhood is bounded by Cambell Street to the east, Mt. Rushmore Road to the west, Fairmont Boulevard to the south, and St. Cloud Street to the north.

NEIGHBORHOOD DESCRIPTION

Existing homes consist of a mix of ranch style, 1.5 story, split-foyer/bi-level, and split-level site built homes, townhomes, and multi-family units. Scale, texture and maintenance is relatively consistent. Maintenance tends to vary. Area includes residential, supporting commercial, retail and educational facilities. No unfavorable external influences noted. Rapid City School Districts. Site sizes generally run from .15 to 1 acre.

MARKET CONDITIONS

Effective marketing/exposure times periods typically fall in the 1 to 3 month range. Median DOM for the subject's location and price range is 47 days. Typical market financing terms and conditions prevail. Further market research finds most all indicators are currently stable.

HIGHEST AND BEST USE

Highest and Best Use is an analysis that concludes a site's maximum productivity on a specific date. As vacant the site's size, dimensions, shape, soil composition, view, current zoning and deed restrictions prove a physically possible development of residential single family. Current demand for existing housing and new construction evident the economic demand for single-family improvement. **Conclusion:** as vacant the site's Highest and Best Use would be to develop with a single-family residence.

The current single family dwelling meets with local zoning and deed restrictions for legally permissible use. **Conclusion:** as reported the subject property as currently improved is in it's highest and best use.

ADVERSE SITE CONDITIONS AND/OR EXTERNAL FACTORS

No adverse environmental conditions such as toxic waste or hazardous materials were observed at the time of inspection. It should be noted that the appraiser is not a certified environmental inspector.

PROPERTY CONDITION

Interior has been completely gutted and remodeled. The subject's main floor consists of a living room, kitchen, dining area, 1 bedroom, and one bathroom. Basement is 100% finished and has a family room, 2 bedrooms, laundry/utility, and one bathroom. Recent updates include: studs, drywall, texturing, insulation, kitchen, both baths, basement re-finished, all flooring (except living room), light fixtures, furnace w/central air, all windows, vinyl siding, water heater, plumbing, and electrical. Subject features include: flat panel oak cabinetry; laminate countertops; breakfast bar; painted interior doors and trim; ceramic tile shower stall; steel entry doors; asphalt shingles; utility sink; vessel sink; double hung and sliding vinyl windows; vaulted ceiling; recessed lighting; metal soffits; wood storage shed; and chain link fencing. There are currently no appliances. One car attached garage is finished and heated. Shop building has a rough concrete floor with metal siding, and is not finished or heated. Floor coverings consist of carpeting in the basement and bedrooms; solid oak in the living room; and

ADDITIONAL COMMENTS
Page 3

Borrower or Owner	Nathaniel R. & Jennifer A. Spencer			
Property Address	24 Nevada Dr			
City	Rapid City	County	Pemington	State SD
				Zip Code 57701-7116
Lender or Client	Black Hills Federal Credit Union			

vinyl in the kitchen, dining, laundry, and baths. No functional or external obsolescence noted. No deferred maintenance items observed. The effective age of the improvements is estimated at +/-4 years. Pennington County Equalization and MLS#115363 both show the subject's GLA as 1008 sq. ft., which is not correct.

SALES COMPARISON APPROACH

The comparables used in this report adequately bracket the subject's indicated value and results in both positive and negative overall net adjustments. Gross, net, and line item adjustments are all within accepted standards. Appraiser was unable to bridge the subject's low main floor GLA (2 year search). The adjusted values range from a low of \$154,800. to a high of \$156,400. As most similar, Comparables #1 through #3 has received 100% of the weight in developing the subjects indicated value. The appraiser has rounded the subjects indicated value to the nearest \$1,000.00. The current market views ranch style and split-foyer (bi-level) construction as similar, with no significant difference in value noted.

Comparables #1 through #4 are from the subject's immediate neighborhood. All comparables are similar to the subject in view, site size, quality of construction, age & effective age, gross living area, bed/bath counts, functional utility, and overall market appeal. Comp #4 has not had the extent of updating as the subject, and received a condition adjustment. Post buyer reaction support a range of adjustment for physical condition of from \$4.00 per GLA sq. ft. to \$15.00 per GLA sq. ft. depending upon the respective differences between the subject and comparables. In the case of Comp #4 the updates best support a superior condition adjustment near the middle of the range. Condition adjustment has been applied at \$10.00 per square foot. There were no one bedroom comparables available (2 year search).

Comparable sales over 6 months old are often utilized for appraisals in our market area. In order to establish good comparable sales data it is necessary to utilize sales up to 1 years old. As property values have been stable, no time adjustments are necessary.

RECONCILIATION

This approach directly measures how participants react to the subject and is strongly reflective of current market conditions. The Cost Approach is generally one of the better indicators of value for new, recently constructed or unique properties. As the subject was originally constructed in 1960 it suffers from some physical incurable depreciation. The application of this approach is weakened by the number of assumptions made necessary to estimate this depreciation. Therefore this approach serves mostly as an independent check on value.

The Income Approach was considered, but not developed, due to a lack of reliable rental data in the market area and buyers and sellers are not typically considering this approach when making decisions to purchase or sell single family properties.

The reconciliation of the three approaches dictates that the appraiser place the heaviest reliance on the Sales Comparison Approach and support a "final opinion of value" of \$155,000.00.

The Cost Approach provides support.

CONDITIONS OF APPRAISAL

ADDITIONAL COMMENTS
Page 4

Borrower or Owner Nathaniel R. & Jennifer A. Spencer

Property Address 24 Nevada Dr

City Rapid City

County Pennington

State SD

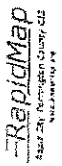
Zip Code 57701-7116

Lender or Client Black Hills Federal Credit Union

The subject property was appraised " as is" in this report.

COMMENTS ON COST APPROACH

Site improvements include: standard landscaping, concrete flatwork, shop, shed, fencing, sewer, water and electrical hookups.



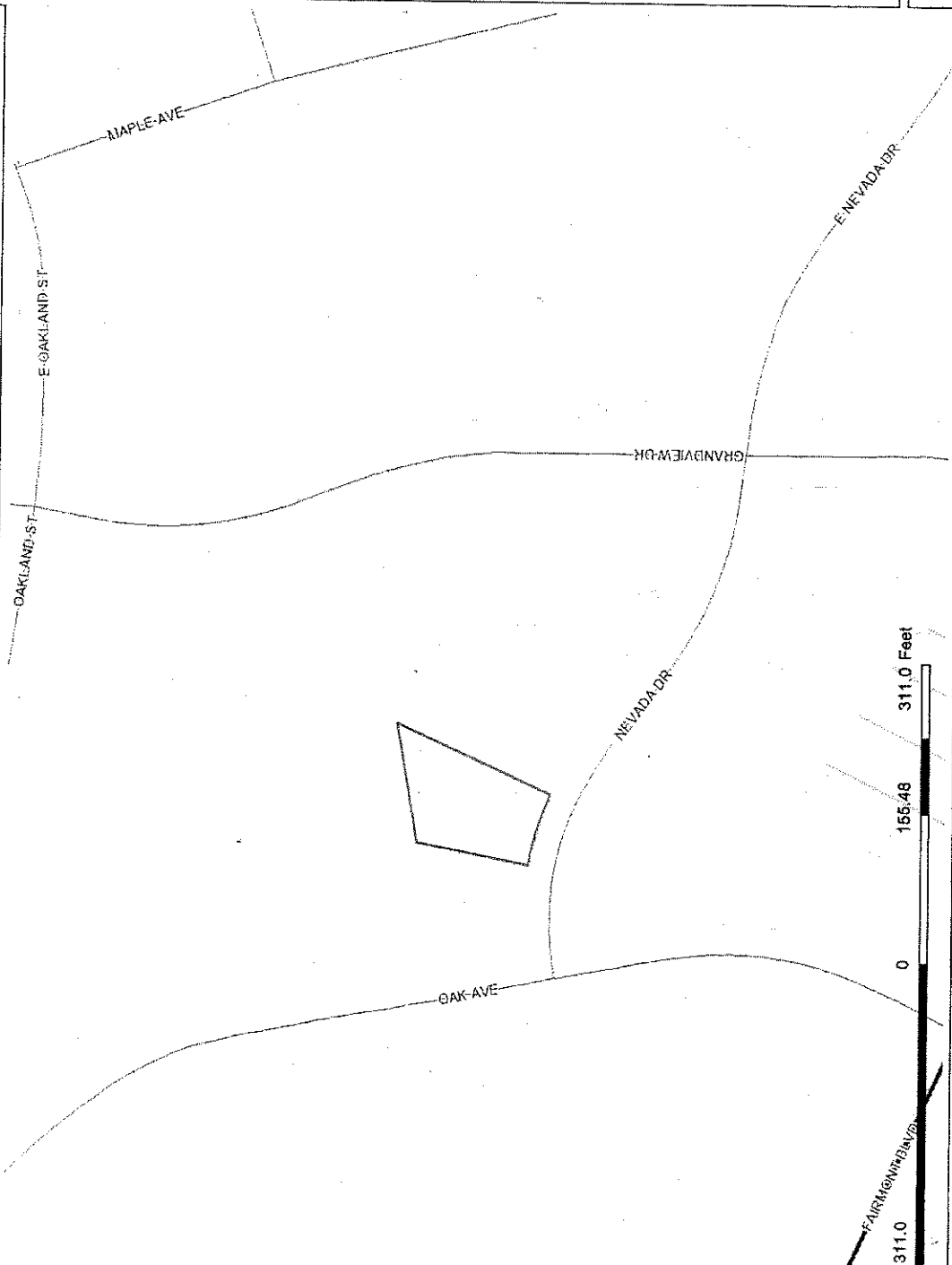
Rapid City-Pennington County GIS

Legend

- Roads
- Interstate
- US Highway
- SD Highway
- County Highway
- Main Road
- Water Arterial
- Collector
- Paved Road
- Unimproved Road
- Unimproved Field
- Railroad
- Highway
- Airport Runway
- Not on Contour
- Lot Line
- Parcel Line
- Township/Section Lines
- County Line
- Rapid City Planned Developments
- Rapid City Planned Development Designations
- Rapid City Overlay Districts
- Rapid City Zoning
- Airport Zoning District
- Business Park District
- Chain Business District
- Downtown District
- General Residential District
- General Commercial District
- High Density Residential District
- Heavy Industrial District
- Industrial District
- Low Density Residential District
- Low Density Medium Density District
- Light Industrial District
- Medium Density Residential District
- Office District
- Office and Earth Sciences District
- Birmingham District
- Mobile Home Residential District
- Neighborhood Commercial District
- Office District
- Office Commercial District
- Park Forest District
- Public District
- Neighborhood Shopping Center District
- Community Shopping Center District

Scale: 1: 1,866

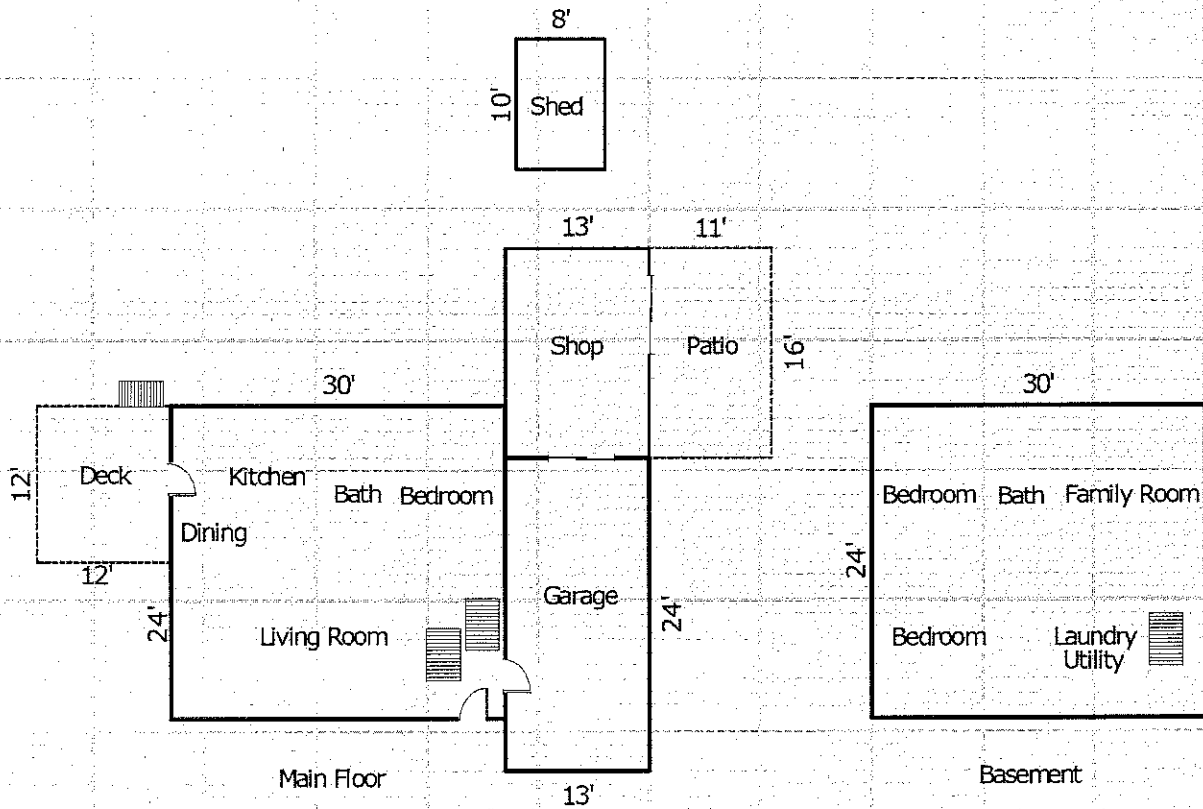
Map Notes:



DISCLAIMER: This map is provided "as is" without warranty of any representation to accuracy, timeliness, or completeness. The burden for determining accuracy, completeness, timeliness, and fitness for or the appropriateness for use rests solely on the user. Rapid City and Pennington County make no warranties, express or implied, as to the use of the map. There are no implied warranties or fitness for a particular purpose. The information presented on this map is for informational purposes only and does not constitute a legal survey of the land. There are no warranties on the information presented on this map. The user agrees to recognize and honor in perpetuity the copyright and other proprietary claims for the map(s) established or produced by the City of Rapid City or the vendors backing said data to the City of Rapid City.

SKETCH ADDENDUM

Borrower or Owner **Nathaniel R. & Jennifer A. Spencer**
 Property Address **24 Nevada Dr**
 City **Rapid City** County **Pennington** State **SD** Zip Code **57701-7116**
 Client **Black Hills Federal Credit Union**

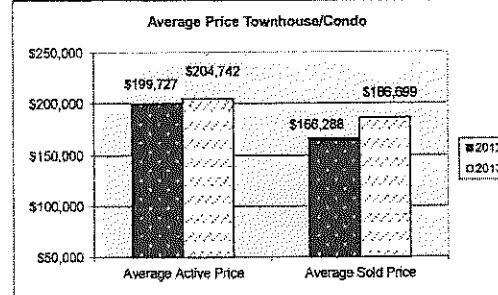
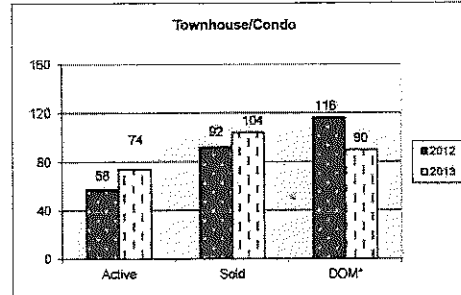
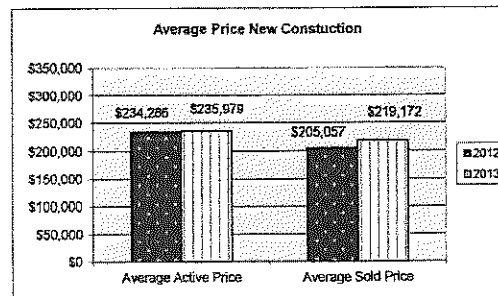
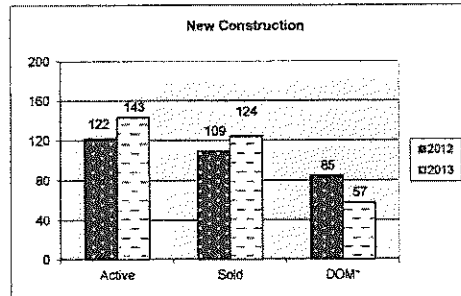
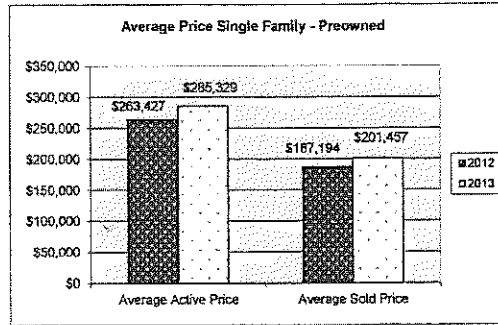
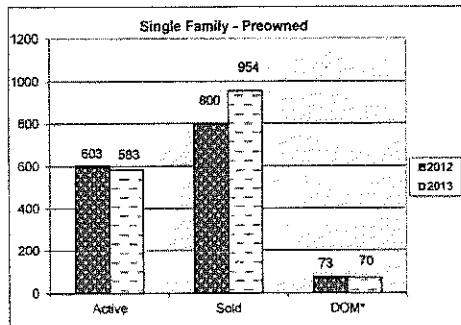
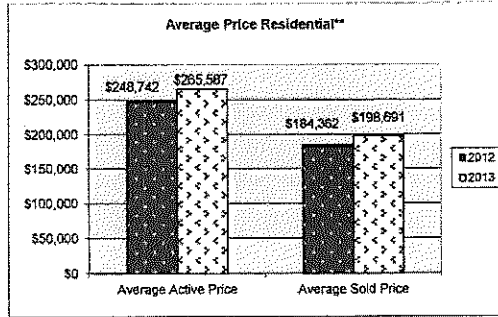
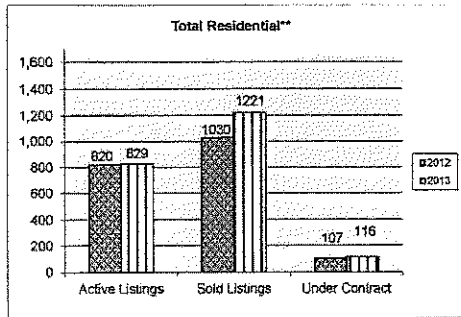


Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	720.0	720.0
BSMT	Basement	720.0	720.0
GAR	Garage	312.0	312.0
P/P	Patio	176.0	
	Wood Deck	144.0	320.0
OTH	Storage	208.0	
	Storage	80.0	288.0

LIVING AREA BREAKDOWN		
Breakdown	Subtotals	
First Floor	720.0	
24.0 x 30.0		

Net LIVABLE Area (rounded) 720 1 Item (rounded) 720



*DOM is for sold listings only
 **Includes Single Family, New Construction, Manufactured Home, Townhouse/Condo, Recreational Property

Areas used: Box Elder, City Center, Elk Creek, Nemo Road, North, Northeast, Northwest, Piedmont Valley, Pine Grove, Rapid City, Rapid Valley, Rimrock, Sheridan Lake Road, Southeast, Southwest, West Blvd

Date Range for Active stats: as of 9/1/12 and as of 9/15/13
 Date Range for Sold stats: 1/01/12 to 9/01/12 and 1/01/13 to 9/01/13

This representation is based in whole or in part on data supplied by the Black Hills Association of REALTORS® or its Multiple Listing Service for the periods as shown. Neither the Association nor its MLS guarantee or is in any way responsible for its accuracy. Data maintained by the Association or its MLS may not reflect all real estate activity in the market.

PHOTOGRAPH ADDENDUM

Borrower or Owner **Nathaniel R. & Jennifer A. Spencer**

Property Address **24 Nevada Dr**

City **Rapid City**

County **Pennington**

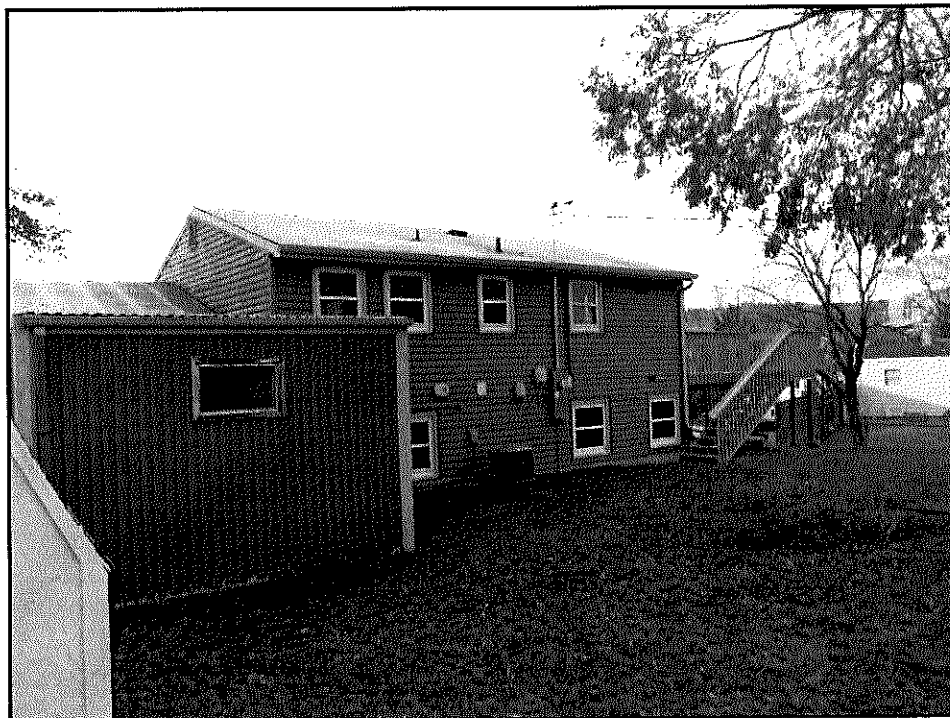
State **SD**

Zip Code **57701-7116**

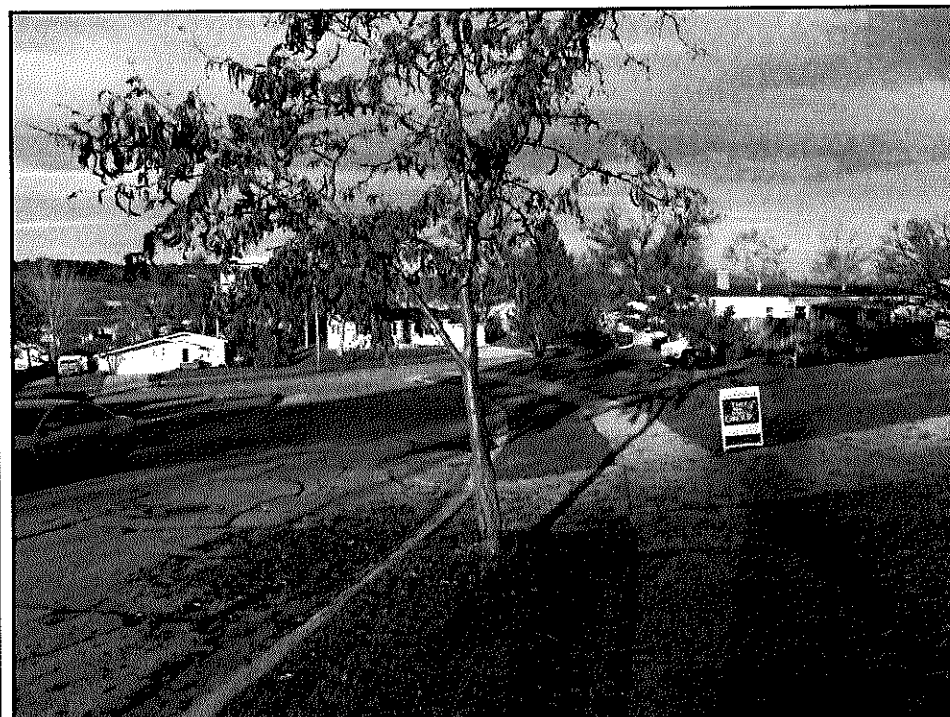
Client **Black Hills Federal Credit Union**



**FRONT VIEW OF
SUBJECT PROPERTY**



**REAR VIEW OF
SUBJECT PROPERTY**



**STREET SCENE OF
SUBJECT PROPERTY**

Market Conditions Addendum to the Appraisal Report File No. **BF131102**

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 **24 Nevada Dr** City **Rapid City** State **SD** ZIP Code **57701**

Borrower **Nathaniel R. & Jennifer A. Spencer**

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.

MARKET RESEARCH & ANALYSIS

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
				Increasing	Stable	Declining
Total # of Comparable Sales (Settled)	24	20	19	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Absorption Rate (Total Sales/Months)	4.00	6.67	6.33	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Total # of Comparable Active Listings	14	14	14	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Months of Housing Supply (Total Listings/Ab.Rate)	3.50	2.10	2.21	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Median Sale & List Price, DOM, Sale/List %	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Median Comparable Sale Price	157,900	158,500	159,900	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Median Comparable Sales Days on Market	46	12	55	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Median Comparable List Price	159,900	159,900	160,900	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Median Comparable Listings Days on Market	98	79	45	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Median Sale Price as % of List Price	99.00	99.00	99.00	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Seller-(developer, builder, etc.) paid financial assistance prevalent?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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.). **The reader is advised that neither the existence nor the amount of seller paid closing cost is reported in the local MLS system. Many/most Brokers refuse to provide the information to appraisers. Based on an analysis of real estate contracts in the appraiser's workfiles, the selling price could reflect a 0 to 3 percent closing cost for this price range.**

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).

Cite data sources for above information. **MLS data does not offer a readily available search to obtain the number of foreclosed or distressed listing data. The data source is the appraiser's workfiles within the Rapid City market area and the number of REO sales are not determined to be predominant or a factor in the market at the present time. Inventory analysis, median sale & list price, DOM & sale/list percentages obtained from Black Hills Assoc. MLS.**

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. **The subjects immediate market area is considered to be the southeast Rapid City area. The appraiser's search parameters included detached housing from this neighborhood which fell within a perspective buyers price range of \$140,000. to \$170,000. with similar quality, appeal, and bed/bath counts.**

CONDO/CO-OP PROJECTS


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

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

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. **The subject is not a unit in a condominium or cooperative project, therefore the condo/co-op projects section of the report is not applicable.**

APPRAISER

Signature 	Signature
Appraiser Name Brian G. Donnelly	Appraiser Name
Company Name Donnelly Appraisal Services	Company Name
Company Address 707 Franklin St, Rapid City, SD 57701	Company Address
State License/Certification # 911SL-2014 State SD	State License/Certification # State
Email Address briand@rushmore.com	Email Address

PHOTOGRAPH ADDENDUM

Borrower or Owner **Nathaniel R. & Jennifer A. Spencer**

Property Address **24 Nevada Dr**

City **Rapid City**

County **Pennington**

State **SD**

Zip Code **57701-7116**

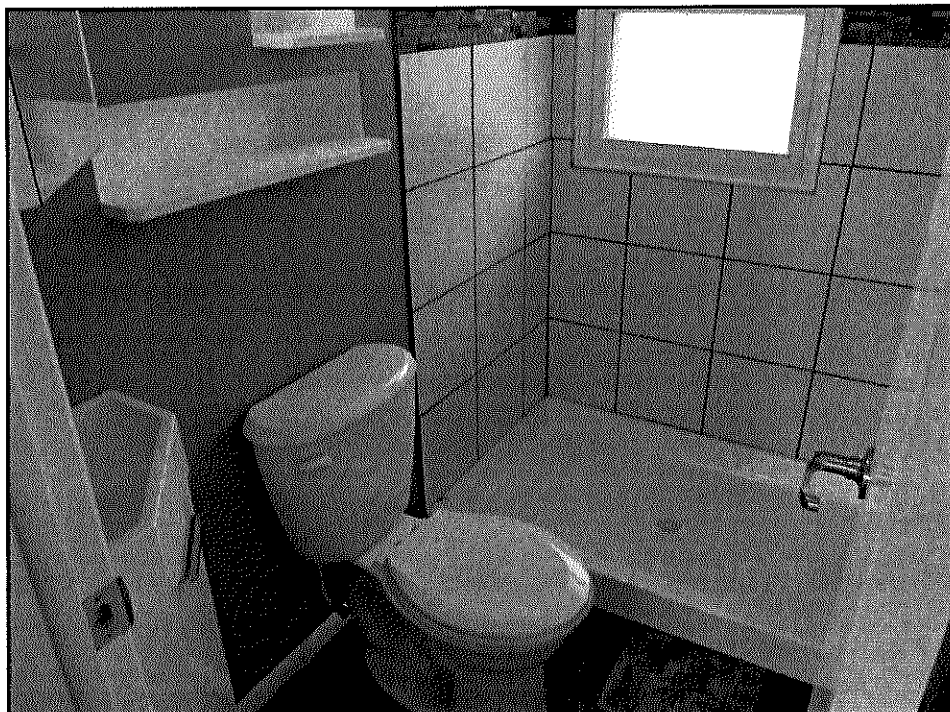
Client **Black Hills Federal Credit Union**



Kitchen



Living Room



Bath

PHOTOGRAPH ADDENDUM

Borrower or Owner **Nathaniel R. & Jennifer A. Spencer**

Property Address **24 Nevada Dr**

City **Rapid City**

County **Pennington**

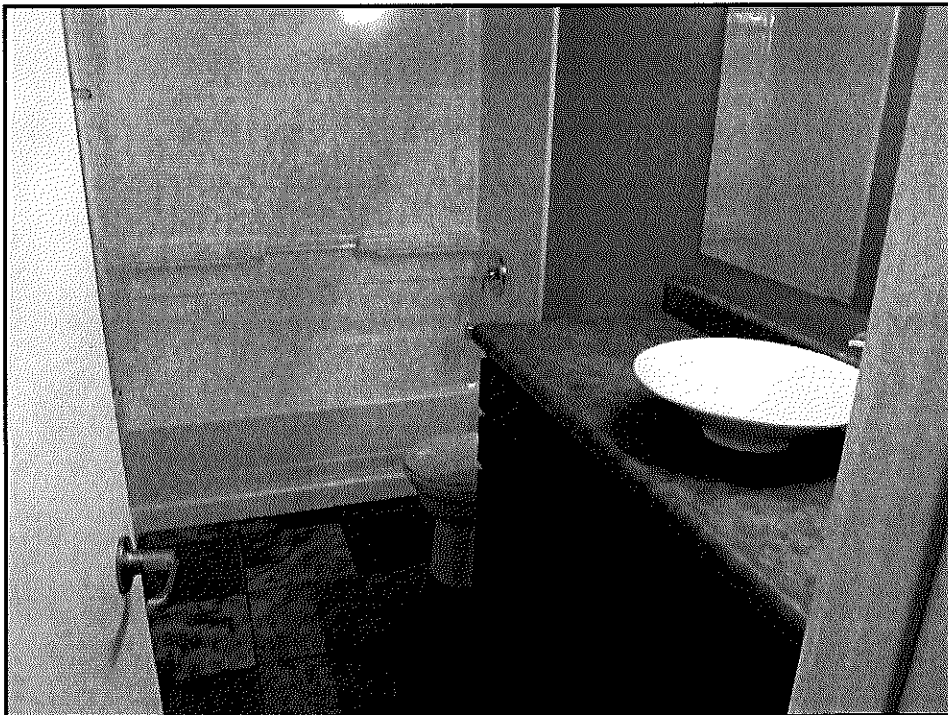
State **SD**

Zip Code **57701-7116**

Client **Black Hills Federal Credit Union**



Bedroom



Bath



Family Room

PHOTOGRAPH ADDENDUM

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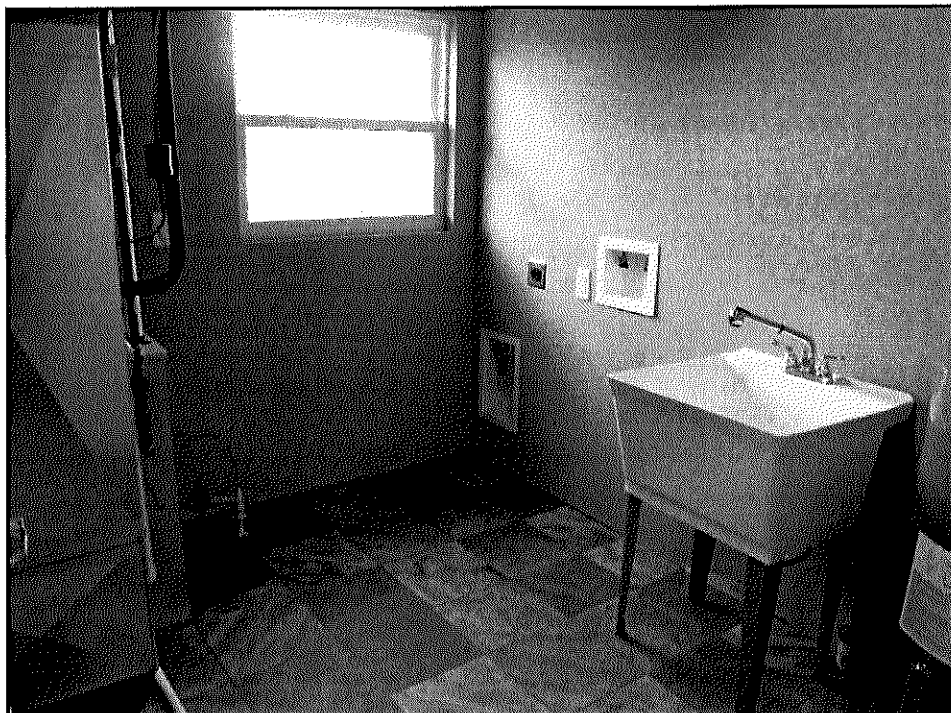
Client **Black Hills Federal Credit Union**



Bedroom



Bedroom



Laundry Room

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Property Address **24 Nevada Dr**

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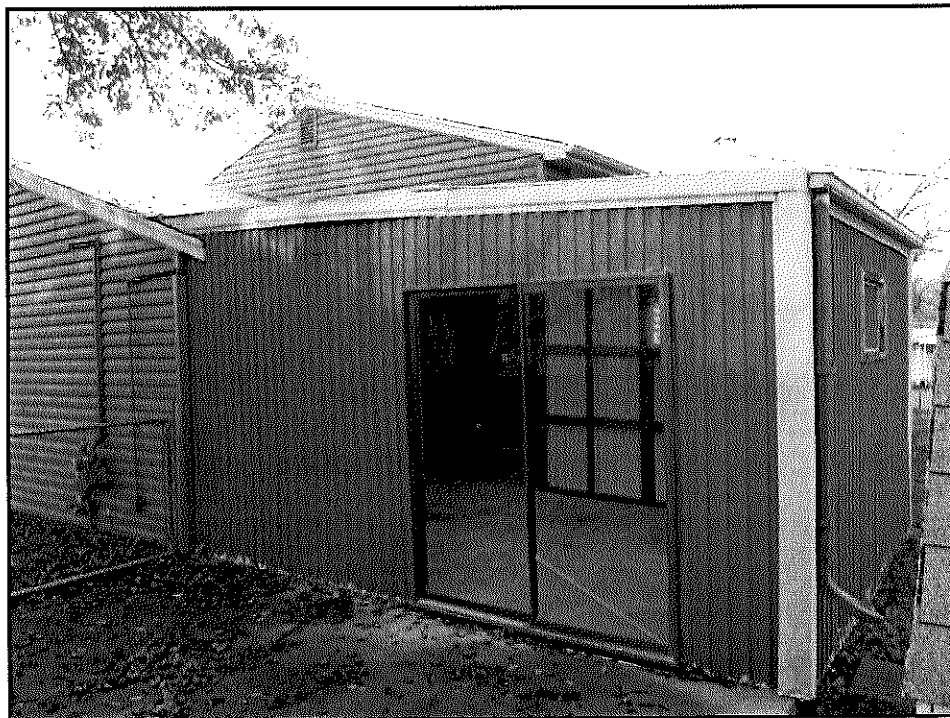
State **SD**

Zip Code **57701-7116**

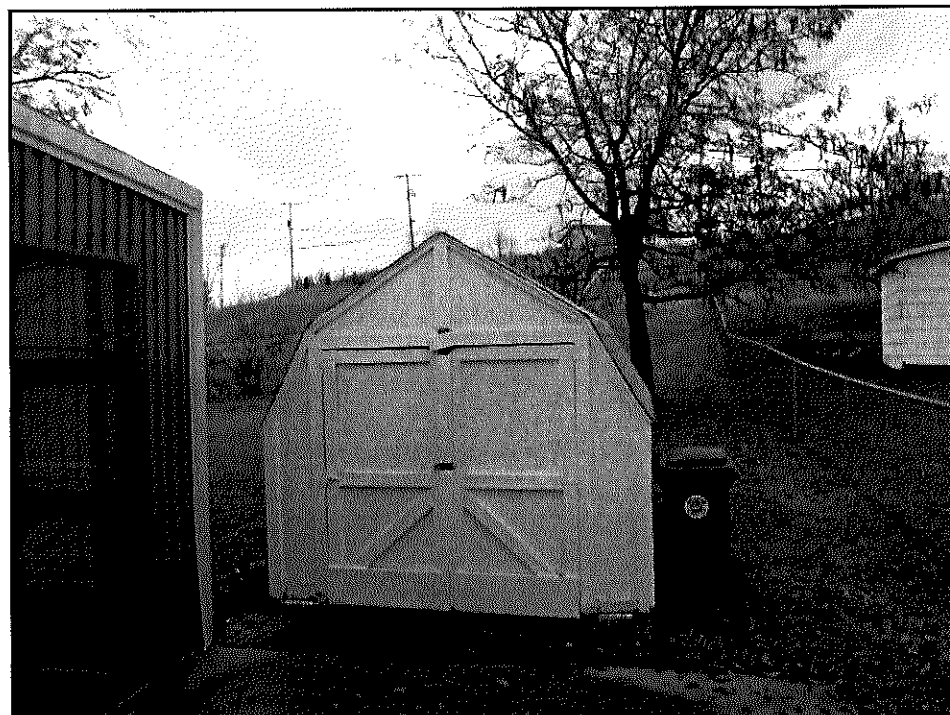
Client **Black Hills Federal Credit Union**



Shop



Shop



Shed

PHOTOGRAPH ADDENDUM

Borrower or Owner **Nathaniel R. & Jennifer A. Spencer**

Property Address **24 Nevada Dr**

City **Rapid City**

County **Pennington**

State **SD**

Zip Code **57701-7116**

Client **Black Hills Federal Credit Union**



Rear View



Front View

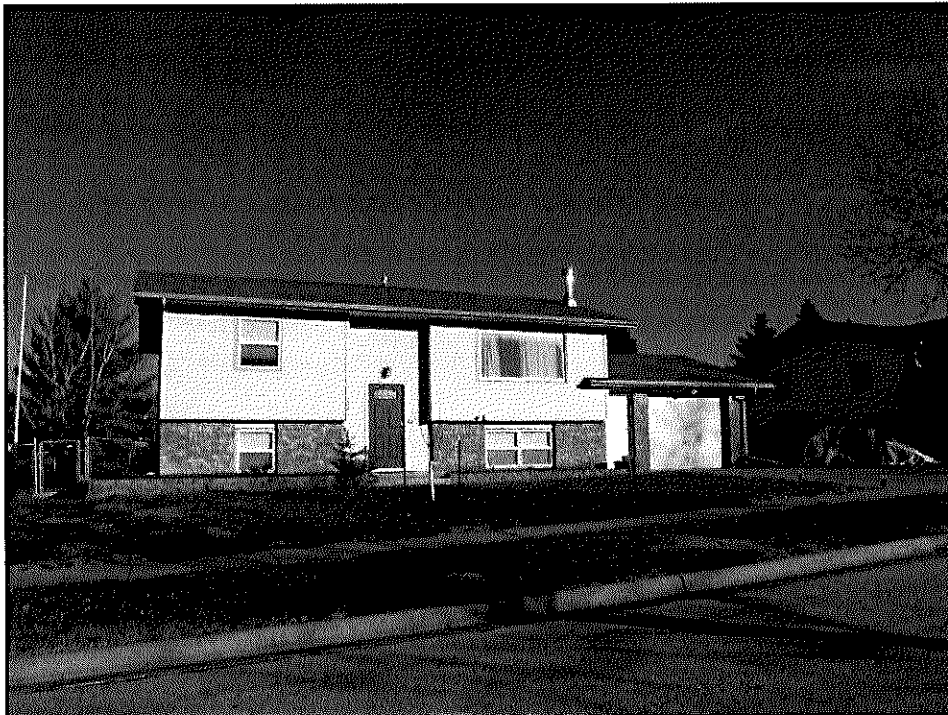


Back Yard

PHOTOGRAPH ADDENDUMBorrower or Owner **Nathaniel R. & Jennifer A. Spencer**Property Address **24 Nevada Dr**City **Rapid City**County **Pennington**State **SD**Zip Code **57701-7116**Client **Black Hills Federal Credit Union****COMPARABLE #1**3828 Elm Avenue
Rapid City, SD 57701

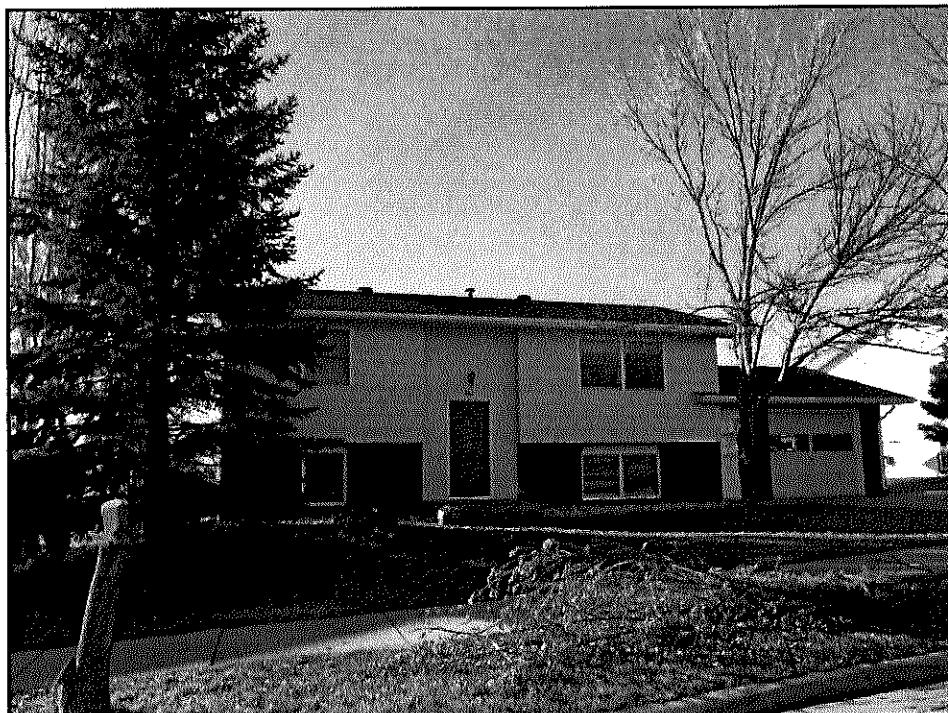
Price	\$159,000
Price/SF	185.31
Date	s01/13;c02/13
Age	29
Room Count	4-2-1.0
Living Area	858

Value Indication \$154,900

**COMPARABLE #2**604 East Liberty Street
Rapid City, SD 57701

Price	\$157,000
Price/SF	183.20
Date	s02/13;c03/13
Age	35
Room Count	4-2-1.0
Living Area	857

Value Indication \$155,500

**COMPARABLE #3**1 Texas Street
Rapid City, SD 57701

Price	\$156,900
Price/SF	183.08
Date	s05/13;c06/13
Age	37
Room Count	4-2-1.0
Living Area	857

Value Indication \$154,800

PHOTOGRAPH ADDENDUMBorrower or Owner **Nathaniel R. & Jennifer A. Spencer**Property Address **24 Nevada Dr**City **Rapid City**County **Pennington**State **SD**Zip Code **57701-7116**Client **Black Hills Federal Credit Union****COMPARABLE #4**202 East Texas Street
Rapid City, SD 57701

Price	\$154,000
Price/SF	153.85
Date	s09/12;c11/12
Age	37
Room Count	5-3-1.0
Living Area	1,001

Value Indication \$156,400

COMPARABLE #5

Price	\$
Price/SF	
Date	
Age	
Room Count	--
Living Area	

Value Indication \$

COMPARABLE #6

Price	\$
Price/SF	
Date	
Age	
Room Count	--
Living Area	

Value Indication \$

LOCATION MAP

Borrower or Owner **Nathaniel R. & Jennifer A. Spencer**

Property Address **24 Nevada Dr**

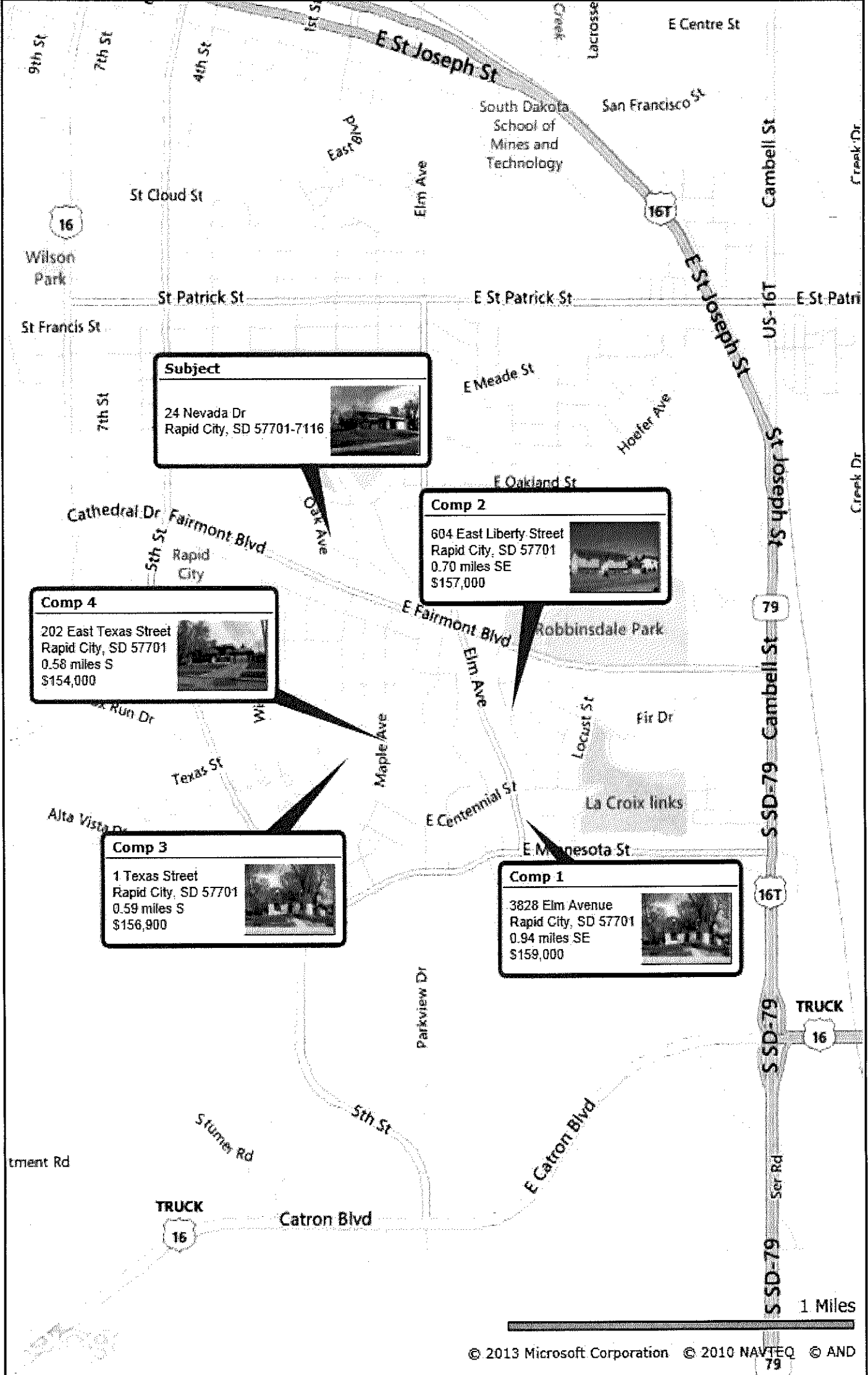
City **Rapid City**

County **Pennington**

State **SD**

Zip Code **57701-7116**

Client **Black Hills Federal Credit Union**











FLOOD MAP

Borrower or Owner **Nathaniel R. & Jennifer A. Spencer**
 Property Address **24 Nevada Dr**
 City **Rapid City** County **Pennington** State **SD** Zip Code **57701-7116**
 Client **Black Hills Federal Credit Union**



Flood Zones

- | | | | |
|---|---|---|--|
|  | Areas inundated by 500-year flooding |  | Floodway areas |
|  | Areas outside of the 100- and 500-year flood plains |  | Floodway areas with velocity hazard |
|  | Areas inundated by 100-year flooding |  | Areas of undetermined but possible flood hazards |
|  | Areas inundated by 100-year flooding with velocity hazard |  | Areas not mapped on any published FIRM |

Flood Zone Determination

Latitude: 44.058190
Longitude: -103.217154
Community Name:
 RAPID CITY, CITY OF
Community: 465420
SFHA (Flood Zone): No
Within 250 ft. of multiple flood zones: No
Zone: X
Panel: 0787H
FIPS Code: 46103
Map #: 46103C0787H
Panel Date: 06/03/2013
Census Tract: 107

This Report is for the sole benefit of the Customer that ordered and paid for the Report and is based on the property information provided by that Customer. That Customer's use of this Report is subject to the terms agreed to by that Customer when accessing this product. No third party is authorized to use or rely on this Report for any purpose. NEITHER FIRST AMERICAN FLOOD DATA SERVICES NOR THE SELLER OF THIS REPORT MAKES ANY REPRESENTATIONS OR WARRANTIES TO ANY PARTY CONCERNING THE CONTENT, ACCURACY OR COMPLETENESS OF THIS REPORT, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Neither FARES nor the seller of this Report shall have any liability to any third party for any use or misuse of this Report.

South Dakota Department of Labor and Regulation

NO: 911SL

This is to Certify that BRIAN G. DONNELLY of RAPID CITY, SD is duly licensed to appraise property in the State of South Dakota as a

STATE LICENSED APPRAISER

Mid-Level

from the date hereof until September 30, 2014 unless terminated by the Department

State-Licensed Appraiser classification applies to appraisal of any noncomplex nonresidential property or complex one-to four-family residential property with a transaction value of less than \$250,000 and any noncomplex one-to four-family residential property with a transaction value of less than \$1,000,000. The appraiser is bound by the Competency Rule of the Uniform Standards of Professional Appraisal Practice.

IN WITNESS WHEREOF,

this document was signed by the official in charge of licensing and certification on September 09, 2013

2014

Pamela J. Roberts

Secretary,
SOUTH DAKOTA
DEPARTMENT OF LABOR AND REGULATION

Real Estate Appraisers Professional Liability



Date Issued	Policy Number	Previous Policy Number
04/23/2013	LSI012073-003	LSI012073-002

LIBERTY SURPLUS INSURANCE CORPORATION

(A Stock Insurance Company, hereinafter the "Company")
 175 Berkeley Street
 Boston, MA 02117

THIS IS A CLAIMS MADE AND REPORTED POLICY. PLEASE READ IT CAREFULLY.

Item DECLARATIONS

1. Customer ID: 164630 Named Insured: DONNELLY APPRAISAL SERVICES Brian G. Donnelly 707 Franklin St. Rapid City, SD 57701	<p>This Insurance Contract is issued by a nonadmitted insurer which is not licensed by nor under the jurisdiction of the South Dakota Insurance Director.</p>
2. Policy Period: From: 07/01/2013 To: 07/01/2014 12:01 A.M. Standard Time at the address stated in Item 1.	
3. Deductible: \$1,000 Each Claim	
4. Retroactive Date: 07/01/2004	
5. Inception Date: 07/01/2011	
6. Limits of Liability: A. \$500,000 Each Claim B. \$500,000 Aggregate	<p>The Limit of Liability for Each Claim and in the Aggregate is reduced by Damages and Claims Expenses as defined in the Policy.</p>
7. Mail All Notices to Agent:	<p>LIA Administrators & Insurance Services 1600 Anacapa Street Santa Barbara, California 93101 (800) 334-0652; Fax: (805) 962-0652</p>
8. Annual Premium: \$732.00 + \$18.30 Surplus Lines Tax + \$2.20 Clearinghouse Fee	
9. Number of Appraisers: 1	
10. Forms attached at issue: LIA002S (10/11) LIA012 (08/11) LIA015 (03/10) LIA015 (03/10) #2 SC-9 (10/08)	

This Declarations Page together with the completed and signed Policy Application including all attachments and exhibits thereto, and the Real Estate Appraisers Professional Liability Insurance Policy shall constitute the contract between the Named Insured and the Company.

By 

Authorized Signature

LIA001S (04/10)