

VALUATION BY MULTI-LINEAR REGRESSION

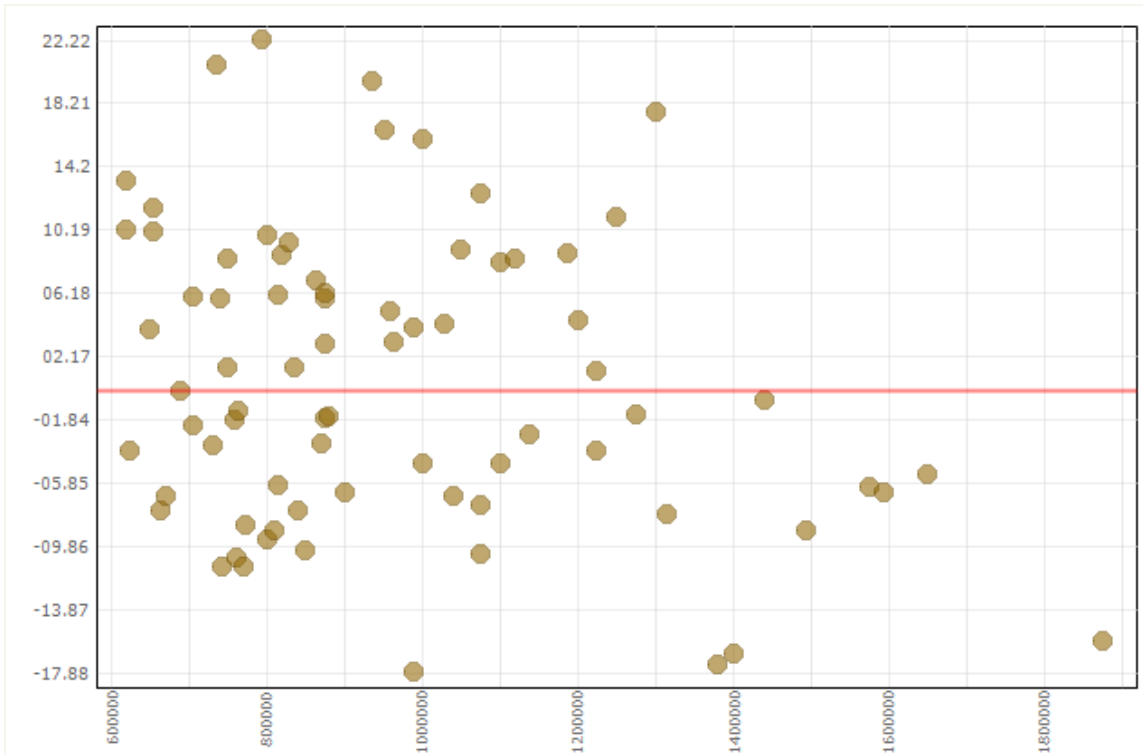
The Direct Comparison Method was performed by multi-linear regression. In this approach the valuation process has been controlled by the valuator (human expert who is experienced in the valuation of real property in the subject's market area) from start to finish. The sales used in the analysis were chosen by the valuator and are listed below along with the values that the model has predicted for them.

Value by Multi-linear Regression:	<u>\$995,746</u>
Correlation Coefficient (R ²):	<u>87.2%</u>
Market Model Predictability (MMP):	<u>86.1%</u>
Over-all Confidence Rating:	<u>Good</u>

Total Indicated Value by the Direct Comparison Approach: \$995,746

Final Opinion of Value (Rounded) \$996,000

Qualification of the Market Model



Explanation of the Confidence Rating

The confidence rating is based on several factors that are considered individually below. The closer to 100% the better the confidence rating is.

Excellent	Good	Acceptable	Rating
		X	1) Number of Observations
		X	2) Quality & Accuracy of Data Sample
	X		3) Model's Prediction Accuracy (MMP & COD)

X			4) Subject Property's Fit to the Data Sample
	X		5) Reasonability of Model's Outputs for Characteristics
	X		6) Weight Applied by Model
	X		7) Adjusted R-Squared
		X	8) P-Factors
	X		9) Trend Analysis of Individual Components
	X		The Over-all Confidence Rating

EXCELLENT (95% to 100%): This rating means you would expect this model to predict a range from \$971,100 to \$1,020,900 for the subject property.

GOOD (90% to 94.9%): This rating means you would expect this model to predict a range from \$921,300 to \$1,070,700 for the subject property.

ACCEPTABLE (85% to 89.9%): This rating means you would expect this model to predict a range from \$871,500 to \$1,120,500 for the subject property.

Calculation of the MMP Rating for this Value Opinion

The average of the absolute errors (predicted sales price less the actual sales price for each sale) is 7.8%. This is the coefficient of disbursement and indicates an accuracy of 92.2%.

The disbursement pattern is also considered. The rating is penalized for predictions that lie outside of the average of the absolute errors. This lowers the rating to 86.1%.

Model's Output, Parameter Values and Statistics

Characteristic	Value Given	Average	P-Value
Intercept	(\$883,768)	1.0	
Est SF	\$951	1478.1	0.000
UnitElev	\$15,416	21.4	0.000
west	\$106,650	0.1	0.092
M-South	\$82,187	0.2	0.066
R-South	\$99,915	0.1	0.086
M-North	\$45,748	0.1	0.477
R-North	\$69,677	0.2	0.174
PropertyAge	(\$23,649)	2.8	0.110
MCA60_2	\$68,370	0.0	0.401
MCA60_3	\$159,747	0.1	0.048
MCA60_4	\$138,275	0.1	0.061
MCA60_5	\$121,836	0.1	0.095
MCA60_6	\$82,047	0.1	0.209
MCA60_7	\$142,115	0.1	0.041
MCA60_8	\$97,897	0.1	0.121
MCA60_9	\$187,757	0.1	0.011
MCA60_10	\$109,246	0.1	0.107
MCA60_11	\$140,412	0.1	0.043
MCA60_12	\$174,694	0.1	0.048

Model's Output Applied to Subject Property

Characteristic	Value Given	Subjects	Subject Value	Deviation ¹	Weight ²
Intercept	(\$883,768)	1.0	(\$883,768)		30.4%
Est SF	\$951	1478.0	\$1,406,286	0.001	48.4%
UnitELev	\$15,416	21.0	\$323,734	0.056	11.1%
west	\$106,650	0.0	\$0	0.577	0.0%
M-South	\$82,187	0.0	\$0	0.658	0.0%
R-South	\$99,915	0.0	\$0	0.568	0.0%
M-North	\$45,748	1.0	\$45,748	3.750	1.6%
R-North	\$69,677	0.0	\$0	0.615	0.0%
PropertyAge	(\$23,649)	3.0	(\$70,947)	0.168	2.4%
MCA60_2	\$68,370	0.0	\$0	0.521	0.0%
MCA60_3	\$159,747	0.0	\$0	0.528	0.0%
MCA60_4	\$138,275	0.0	\$0	0.536	0.0%
MCA60_5	\$121,836	0.0	\$0	0.543	0.0%
MCA60_6	\$82,047	0.0	\$0	0.568	0.0%
MCA60_7	\$142,115	0.0	\$0	0.560	0.0%
MCA60_8	\$97,897	0.0	\$0	0.560	0.0%
MCA60_9	\$187,757	0.0	\$0	0.543	0.0%
MCA60_10	\$109,246	0.0	\$0	0.543	0.0%
MCA60_11	\$140,412	0.0	\$0	0.560	0.0%
MCA60_12	\$174,694	1.0	\$174,694	7.500	6.0%

Total indicated value of the subject property based on ML Regression: \$995,746

¹ "Deviation" is a measure of the parameter's fit to the data used in the analysis. It is presented in the number of standard deviations it is from the average of the sample data. The smaller the number, the better the subject property's parameter was represented by the data used in the analysis.

² "Weight" is the amount of the final value that the property parameter represents as a percentage of the total value.

List of 75 Property Observations used to calculate ML Regression Model

Comparables	Actual Value	Prediction	ABS Diff.
700 West E Street # 1705	\$619,000	\$681,919	10.16%
700 West E St. # 1505	\$620,000	\$702,238	13.26%
700 West E Street # 1005	\$625,000	\$601,510	3.76%
700 West E Street # 1103	\$650,000	\$674,930	3.84%
1205 Pacific Hwy # 1305	\$654,900	\$730,704	11.57%
700 West E Street # 1702	\$655,000	\$720,789	10.04%
1205 Pacific # 1403	\$665,000	\$614,331	7.62%
1199 Pacific # 1204	\$669,900	\$625,016	6.70%
700 West E Street # 1502	\$690,000	\$689,957	0.01%
1205 Pacific Hwy # 1503	\$705,000	\$689,815	2.15%
1199 Pacific Hwy # 1404	\$705,000	\$746,825	5.93%
1199 Pacific Hwy # 1402	\$731,000	\$706,120	3.40%
700 West E St. # 2705	\$735,000	\$887,229	20.71%
700 West E Street # 1603	\$740,000	\$783,176	5.83%
1205 Pacific Hwy # 1303	\$742,000	\$658,983	11.19%
1199 Pacific Hwy # 2202	\$750,000	\$813,009	8.40%
1199 Pacific Hwy # 1204	\$750,000	\$761,114	1.48%
1205 Pacific Hwy # 1405	\$760,000	\$746,120	1.83%

1199 Pacific Hwy # 1102	\$762,000	\$681,344	10.58%
1199 Pacific Hwy # 1304	\$765,000	\$755,058	1.30%
1205 Pacific Hwy # 1005	\$770,000	\$684,456	11.11%
1205 Pacific # 2003	\$773,000	\$706,826	8.56%
700 West E Street # 2603	\$795,000	\$971,617	22.22%
700 West E Street # 1201	\$800,000	\$724,978	9.38%
1199 Pacific Hwy # 1604	\$800,000	\$879,163	9.90%
1205 PACIFIC HWY # 2103	\$810,000	\$738,092	8.88%
700 West E Street # 2403	\$815,000	\$864,649	6.09%
1199 Pacific Highway # 2502	\$815,000	\$766,091	6.00%
1199 Pacific Hwy # 2702	\$820,000	\$890,088	8.55%
1199 Pacific Hwy # 1101	\$830,000	\$907,620	9.35%
1199 Pacific # 1001	\$835,000	\$847,482	1.49%
1199 Pacific Hwy # 1704	\$840,000	\$776,633	7.54%
1199 Pacific Hwy # 1702	\$849,000	\$762,834	10.15%
1199 Pacific # 3304	\$865,000	\$925,101	6.95%
1205 Pacific Hwy # 2305	\$870,000	\$840,644	3.37%
700 West E Street # 1304	\$875,000	\$926,198	5.85%
1205 Pacific Hwy # 3403	\$875,000	\$929,452	6.22%
1205 Pacific Highway # 2603	\$875,000	\$859,390	1.78%
1199 Pacific Highway # 3004	\$875,000	\$900,725	2.94%
1205 PACIFIC HIGHWAY # 2505	\$880,000	\$866,092	1.58%
700 West E Street # 1301	\$900,000	\$841,900	6.46%
1205 Pacific Hwy # 1902	\$935,000	\$1,118,125	19.59%
1199 Pacific Hwy # 2205	\$953,000	\$1,110,962	16.58%
1205 Pacific Highway # 3105	\$960,000	\$1,008,190	5.02%
1199 Pacific Hwy # 1205	\$965,000	\$994,714	3.08%
1199 PACIFIC HWY # 2202	\$990,000	\$813,009	17.88%
1199 Pacific Hwy # 1301	\$990,000	\$1,029,828	4.02%
700 West E Street # 3703	\$1,000,000	\$1,159,270	15.93%
1199 Pacific Highway # 1701	\$1,002,000	\$955,394	4.65%
700 West E Street # 2601	\$1,030,000	\$1,073,473	4.22%
1199 Pacific Highway # 1801	\$1,040,000	\$970,809	6.65%
1205 Pacific Hwy # 2502	\$1,050,000	\$1,144,410	8.99%
700 West E Street # 1406	\$1,075,000	\$1,209,804	12.54%
700 West E Street # 1106	\$1,075,000	\$997,191	7.24%
1205 Pacific Hwy # 2406	\$1,075,000	\$963,243	10.40%
1205 Pacific Hwy # 1906	\$1,100,000	\$1,189,243	8.11%
1199 PACIFIC HWY # 1805	\$1,100,000	\$1,049,299	4.61%
1205 Pacific Hwy # 2506	\$1,120,000	\$1,213,871	8.38%
700 WEST E STREET # 1906	\$1,137,500	\$1,105,437	2.82%
1205 Pacific Hwy # 3006	\$1,188,000	\$1,290,950	8.67%
1205 Pacific # 1501	\$1,200,000	\$1,253,993	4.50%
1199 Pacific Hwy # 3305	\$1,225,000	\$1,240,748	1.29%
1199 Pacific Hwy # 2905	\$1,225,000	\$1,179,085	3.75%
1199 Pacific # 2506	\$1,250,000	\$1,387,008	10.96%
1199 Pacific Hwy # 3405	\$1,275,000	\$1,256,164	1.48%
1199 Pacific Hwy # 3902	\$1,300,000	\$1,529,107	17.62%
1199 PACIFIC HIGHWAY # 3205	\$1,315,000	\$1,211,656	7.86%
700 West E Street # 3905	\$1,380,000	\$1,140,171	17.38%
700 West E Street # 2306	\$1,400,000	\$1,167,100	16.64%
700 West E Street # 4103	\$1,440,000	\$1,432,162	0.54%

1205 Pacific Hwy # 2101	\$1,495,000	\$1,362,339	8.87%
1205 Pacific Hwy # 3703	\$1,575,000	\$1,479,122	6.09%
1199 Pacific Hwy # 2806	\$1,595,000	\$1,491,653	6.48%
700 West E Street # 4102	\$1,650,000	\$1,561,782	5.35%
1205 Pacific Hwy # 3902	\$1,875,000	\$1,576,777	15.91%