

TERMS OF USE

APPRAISAL USE LICENSE AGREEMENT UPDATED 06/08/2024

Please review the following terms of use and conditions carefully. It is important that you read this document before using or relying upon the appraiser's opinion of value contained in the appraisal report. This agreement is a legally binding contract between the appraiser's Client and the appraiser(s) signing the report regarding the access to and use of information contained therein.

You agree that the price paid by you or a third party for the appraisal report is a license fee granting you only the rights set forth in this License Agreement. By retaining physical or electronic delivery of this appraisal report, you agree to the terms and conditions as outlined in this contract. The client is the only known or intended beneficiary of the appraisal unless otherwise noted.

The additional limiting conditions contained in this report may render this opinion of value unsuitable for some secondary mortgage market participants and authorized recipients of this report should confirm same before forwarding it to others with the appraiser's permission. However, no significant modifications, additions or deletions have been made to pre-printed definitions, assumptions and limiting conditions noted on the attached report form.

By using, printing, downloading, viewing or communicating this opinion of value to others, you are consenting to be bound by this agreement, to bind all subsequent users to this agreement and that no party's legal recourse will exceed the amount of the appraisal fee paid. This License Agreement conveys no ownership rights or any other interest in the appraiser's opinion of value, contained in the written appraisal report, to you or any other party. All rights are reserved by the appraiser.

You must agree to all the terms of this license and all the conditions noted in the appraisal or you agree to destroy the physical documents, delete the electronic report file you received and refrain from forwarding them to third parties. Selling the opinion of value contained in the appraisal to anyone is prohibited.

The opinion of value remains the appraiser's intellectual property and the end user is merely granted a limited license to use and rely upon this information under strict conditions of authorization outlined in this license agreement. All readers must agree that no liability beyond a refund of the license fee paid is accepted by the appraiser and any language to the contrary on any document is rejected by all readers of this report.

A real estate appraisal is an opinion of value as of a specific date. The end user of this opinion of value is required to accept the conditions noted in this agreement in order to gain authorized use of this intellectual property – the appraiser's opinion of value. It is understood and agreed that the appraiser has been retained to provide an opinion of value regarding real property and that all work related to preparing this opinion is complete once the appraisal report is physically or electronically delivered to the client. Since all work will have been completed prior to delivery of the opinion, it is understood and agreed that appraisal fees are non-refundable.

It is understood and agreed that failure to pay for an appraisal constitutes theft of services either by the property owner or any agent of the property owner requesting appraisal services. In the event of non-payment, it is understood and agreed that the appraiser has the option to file an affidavit claiming lien against the real property in order to create a cloud on the title. Such a claim will include charges for the appraisal fee and any legal or collection fees. The total claim may be several times the original unpaid appraisal fee. Typically, this firm will file a one thousand dollar affidavit claiming lien when a typical appraisal, with a five hundred dollar fee, has been performed.

After the appraiser is invited to a property, if someone files a complaint against the appraiser, it should be understood that such an act constitutes a breach of contract. The unauthorized release of the confidential report is also a criminal offense. This firm may file a civil action for breach of contract and may prefer criminal charges for the unauthorized release of confidential information. If anyone files a complaint against the appraiser, the appraiser must stop what they are doing and respond to the complaint within 21 days. Furthermore, it typically takes up to fifty hours of the appraiser's work time to fully respond to a formal complaint to the state appraisal board. As such, the appraiser is hereby granted permission by all readers of this report to record an affidavit claiming lien, at the rate of one hundred dollars per hour, against the appraisal property for all work related to the complaint response. The amount of the lien could be five thousand dollars or more and will constitute a demand for payment. If the complaint is not dismissed and a hearing is required at the State Office of Administrative Hearings, legal fees and court costs could be \$100,000 or more depending on the need for an appeal. These additional fees will be a component of the affidavit claiming lien. The property owner may initiate legal proceedings against a third party complainer for filing a complaint and creating a cloud on the title to the property. In any event, the appraiser must be paid for any appraisal related expenses incurred after appraising a property.

Client agrees that aspects of the licensed materials, including the specific design and structure of individual components constitute trade secrets of the appraiser and are copyrighted. Any copyright in and associated with all material, including without limitation all informational text, photographs, illustrations, artwork, graphics, documents, electronic data files or other materials whether publicly posted or privately transmitted, as well as all derivative works, is held by the appraiser as the original creator of the material and is protected by copyright, trademark and other intellectual property laws.

The opinion of value is understood to be a „snapshot“ of the property value as of a particular effective date of appraisal. The opinion of value contains no guarantee of present or future value and is provided for informational purposes only. It is understood

and agreed that the opinion of value will be one of many items of information considered by the client in order to make a real estate and/or lending decision.

It is understood and agreed that all end users of this opinion of value rely on and utilize this intellectual property at their own risk and peril and only as part of the single specific situation contemplated as of the date of appraisal. It must be understood that even borrowers with excellent credit may default on a property loan and that this opinion of value contains no assurances of prospective value at time of foreclosure, no assurances as to property appreciation and no assurances as to future value, physical condition or marketability.

Use of this appraisal report and the opinion of value contained therein constitutes an agreement by all parties to hold the appraiser blameless for all subsequent events related to the reader's reliance on the opinion of value. It is also understood and agreed that in the event of errors or omissions on the part of the appraiser, the limit of the client's recourse is a refund of the appraisal fee paid to the appraiser.

It is further understood and agreed that any use of this opinion of value on the part of any reader of the report requires all such report readers to agree to waive the right to file suit, an E&O claim or file a complaint against the appraiser and that a full refund of the appraisal fee will be the only compensation to the client and the maximum recourse agreed upon as part of this intellectual property license agreement and a refund will only be made in the event of errors or omissions.

Even though appraisal requests are accepted subject to our terms of use noted in the license agreement acknowledgement, the client may provide the appraiser written notice by certified mail, return receipt, within 10 business days of the date the appraisal report was signed, that terms of this agreement are rejected. Otherwise, it is agreed that the appraiser may conclude that all provisions of this APPRAISAL USE AGREEMENT have been agreed to by the Client and all other readers of the report. If proper notice is received

within 10 business days by the appraiser, the license will be terminated, the appraisal will be rescinded and a full refund will be made if requested. In such cases, both parties agree to destroy all evidence of the null and void report. In exchange for this ten-day refund policy, client agrees to waive the right to file a claim against the appraiser's errors and omissions insurance policy or file a complaint against the appraiser with the state appraisal board or take any legal action. Of course, the appraiser understands that the appraisal board has the right to investigate all complaints regardless of these license terms. It is also likely that the appraisal board will dismiss all bad faith complaints so the expense of litigation can be avoided by all parties.

The end user and all readers of this opinion of value will indemnify and hold harmless the appraiser from any and all claims, actions, and judgments, including all costs of defense and attorney's fees incurred in defending against same, arising from and related to the end user's use of this appraiser's opinion of value pertaining to the subject real estate appraisal property.

It is also specifically understood and agreed that any discovery of organic growths, septic system problems or any other unapparent condition or latent defect that might adversely affect the opinion of value as of the effective date of appraisal renders the appraisal voidable at the option of the appraiser and the opinion of value is subject to substantial reduction in dollar amount. It is also understood and agreed that use of this opinion of value includes the end user's agreement to hold the appraiser blameless for any unapparent condition on the property. It is further agreed that an appraisal is an economic opinion of value rather than a physical inspection report for the property. If the end user has any concerns as to the physical condition of a property, they agree to obtain a property inspection and report inspection results to the appraiser so that the value can be revised if needed.

It is further understood and agreed that use of this opinion of value by any end user or reader contains no right to sell or transfer the appraisal - especially to unintended users

for unintended uses or purposes. Use of this opinion of value by the Client or any other reader of the report also includes the agreement that this intellectual property shall be protected as a literary work under the Berne Convention (1971).

It is further agreed that use of the opinion of value includes the agreement that compilations of data or other material, whether in machine readable or other form, which by reason of the selection or arrangement of their contents constitute intellectual creations and shall be protected as such. It is agreed that facts not subject to copyright protection have been refined and are thus protected.

Any use of this appraiser's written opinion of value for any purpose includes your acknowledgement that you have read this agreement, understand it, and agree to be bound by its terms and conditions. You further agree that it is the complete and exclusive statement of the agreement between you and the appraiser which supersedes any proposed or prior agreement, oral or written, any other communications between you and the appraiser relating to your use of the appraiser's written opinion of value.

It is agreed that this contract minimizes, to the fee paid to the appraiser, all client/third party recourse for lost revenue, profit or data or for special, indirect, consequential, incidental or punitive damages however caused and regardless of the theory of liability arising out of the use of or inability to use this opinion of value even if the appraiser has been advised of the possibility of such damages.

Per this license, it is understood and agreed that the maximum recourse for the Client and/or third parties, whether in contract, tort (including negligence), or otherwise, is the amount of the appraisal fee paid to the appraiser. The foregoing limitations shall apply under all circumstances.

This license is effective until terminated. Client may terminate the license to use the appraiser's opinion of value by destroying all physical and/or electronic copies of the

appraisal report, including any related documentation. This license will terminate immediately without notice from the appraiser if Client or any reader elects to breach any provisions of this license contract. Upon termination, Client must destroy all copies of the appraiser's intellectual property.

If any portion of this agreement is found to be void or unenforceable, the remaining provisions of this License shall remain in full force and effect. This agreement shall be deemed to have been made in and shall be construed pursuant to, the laws of the state wherein the real property is located.

It is the appraiser's intent to limit & control distribution of this report and reduce liability to the license fee paid – and to discourage complaints. This contractual language may not be acceptable to some readers of the report. This appraisal is available with no license agreement limitations for an additional one thousand dollars payable in advance.

The appraiser's opinion of value excludes all warranties, either express or implied, including among others, implied warranties of merchantability and fitness for a particular purpose. The use of this appraisal report and opinion of value contained therein by anyone other than the stated intended user, or for any other use than the stated intended use, is prohibited.

Even though the appraisal form says that 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, it is specifically understood and agreed that such customary and reasonable reliance by others is still governed by the provisions of this appraisal use license agreement.

The borrower is only allowed to rely on the appraisal as an indication of property value as part of the borrower's record keeping related to their mortgage finance transaction. This is the only reliance authorized by this license. All other restrictions in this Appraisal Use License Agreement still apply.

Borrowers, lenders and others noted in certification 23 must understand and agree that even though they may rely on the appraisal, they still do so at their own risk & peril and that this contract limits appraiser liability to the appraisal fee paid.

It is understood and agreed by all parties reading this report that relying on this appraisal at their own risk and peril is still customary and reasonable given the reduced appraisal fee. It is further understood and agreed that holding the appraiser blameless for such reliance is the primary consideration exchanged for the reduced appraisal fee. It is understood and agreed that appraisal fees would be much higher if client/third party recourse was more than a simple refund of the license fee paid.

The URAR form states that „...modifications or deletions to the certifications are 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.“

It is understood and agreed that this appraisal use license agreement complies with these provisions and in no way changes any pre-printed certifications on the URAR form. It is also understood and agreed that this license agreement is different from an „additional certification“ or a „material alteration“ to the report form. It is further agreed and understood that the U.S. Constitution prohibits government agencies from impairing the obligation of contracts - such as this appraisal use license agreement.

The opinion of value is provided for informational purposes only and reliance upon such information is only authorized for a single event or mortgage finance transaction to be

closed within 60 days from the effective date of this appraisal if a borrower is involved. Such reliance is only authorized with all users agreeing to hold the appraiser harmless and blameless for all subsequent events related to or resulting from such reliance on the appraiser's opinion of value.

After 60 days, if the original contemplated mortgage finance transaction, or other event, is still in process for any reason, all parties agree that the appraiser must be contacted and given the opportunity to update the appraisal. It is agreed that an update fee equal to fifty percent of the original appraisal fee will apply. If the borrower, lender or any other party rejects any provision of this Appraisal Use License Agreement, after ten business days, then the license will terminate without further notice. In that event, the appraisal should be considered null and void and it is agreed that all fees paid to the appraiser will be forfeited. The lender client agrees to accept full liability for the quality of the loan. This agreement specifically prohibits the use of any appraisal information for non-appraisal purposes.

If the client declines to provide the appraiser with a purchase agreement signed by both parties, the client hereby authorizes the appraiser to proceed without it. Client agrees to inform appraiser if subject site size is smaller than required per zoning for intended use. Only the client is a person for whose benefit & guidance the appraiser intended to supply the appraisal report. Client agrees to pay additional fees for non-required optional extras.

Information reported in this appraisal about the condition of the property is based on a typical appraiser's visual observations and what was disclosed to the appraiser or what the appraiser suspected or became aware of. This appraiser's observation is understood and agreed to be different from a licensed home inspection. Client agrees to obtain a home inspection and to examine a seller's property disclosure. Client agrees to inform the appraiser regarding physical deficiencies or adverse conditions that might affect the livability, soundness or structural integrity of the property revealed by proper inspections.

Client understands and agrees that liability for unapparent conditions is beyond the scope of the appraisal process and this agreement. Client agrees to hold the appraiser harmless and blameless for any conditions that may be uncovered by others.

Acceptance of this report constitutes full agreement with all provisions of this appraisal use license agreement and with all contractual notices throughout the report. Also, it is specifically understood and agreed by the client that if the appraiser is required to appear in court or make any other required appearance as a result of making the appraisal, the client will pay the appraiser one thousand dollars per day, or any part of a day, with a two day minimum, paid in advance for such expert witness services.

It is a requirement of this Appraisal Use License Agreement that the original appraiser be notified by the client, or the client's assigns, whenever a review appraisal is performed. It is understood and agreed that the appraiser must be given the opportunity to prepare a rebuttal of any adverse or negative review of the original appraiser's work. It is also understood and agreed that any review appraisal will be performed by a licensed or certified real estate appraiser as required by state law.

It is possible that this appraiser may have appraised the subject property or rendered other services in the last three years. When known, prior to accepting an assignment and/or if discovered at any time during the assignment, this fact will be disclosed to the client and in the subsequent report certification. This includes any current or prospective interest in the subject property or parties involved; and any services regarding the subject property performed as an appraiser or in any other capacity.

However, for all appraisals performed by this appraiser, it is understood and agreed that performing a prior appraisal will not preclude a re-appraisal by this same appraiser currently or any time in the future. Client agrees that disclosure of a prior appraisal in a contemporary or prospective appraisal, for the same or different client, as required by USPAP, does not constitute a confidentiality issue. It is understood and agreed that the

appraiser's terms of use do not include an agreement on the part of the appraiser to refrain from disclosing such prior appraisals. This way, the appraiser will not have to decline future assignments.

Disclosing the fact that the appraiser has previously appraised the property is permitted except when the appraiser has a confidentiality agreement not to disclose having performed such an assignment. Since no such confidentiality agreements are authorized by this appraiser's terms of use, the appraiser will not decline subsequent assignments. If the appraiser did perform an appraisal in the past three years, only that fact will be disclosed - but not the results of the previous appraisal.

CONFIDENTIALITY NOTICE

The information contained in this electronic report is provided only for the intended user/client noted on the appraisal report and FIRREA/USPAP Addendum contained herein. This report is provided under intellectual property license and contains private, confidential & legally privileged information. If the intended user is a lender, a courtesy copy of this report may be provided to the borrower for their record keeping purposes only. The borrower agrees to refrain from disclosing the contents of this confidential report to the seller, builder, Realtor or any other party for any purpose whatsoever. If you are not the intended user or borrower, be advised that you have received this report in error. Any review, retransmission, dissemination, disclosure, copying, printing, distribution or action taken in reliance on it is prohibited and is unlawful. If you have received this in error, please contact the appraiser and delete the material from any computer.

If you have received this report as a result of an unauthorized release of confidential information, you must not disclose, copy or take any action in reliance upon it as it may be a forgery and is certainly a bootleg, pirated and/or illegally copied report. As noted in the appraisal use agreement, the design, structure and components of this report constitute trade secrets of the appraiser and are strictly confidential and proprietary in

nature. Per paragraph 21 of the attached Appraiser's Certification, the appraiser must provide his or her WRITTEN consent before the report can be distributed by the intended user to anyone other than the borrower or the mortgagee etc. and it must be understood that the borrower is NOT the appraiser's client no matter who pays for the appraisal, or when, or how. Any request for a transfer, retype or readdressing of this report will be considered as a new appraisal assignment per USPAP.

Unauthorized release of this confidential information is a violation of federal laws and constitutes a security breach under the Computer Fraud and Abuse Act (CFAA 18 U.S.C. Sec. 1030) which has been amended to cover all computers used in interstate commerce. Since anyone authorized to receive this report will be made a licensee by agreement, unauthorized use by any licensee terminates the license and the appraiser will pursue a cause of action for misappropriation of confidential information. The non-disclosure period shall extend for a period of five (5) years from the effective date of the appraisal.

Since 1978, every appraisal report authored has copyright protection that endures for life plus seventy years. Since 1989, it is not necessary to put a copyright notice on appraisals. The intended user of an appraisal receives a limited use license only. The recipient at no time owns the appraisal report work product. The recipient only has a license to use the appraisal for the intended limited use. Since the appraiser doesn't benefit when the client forwards a report to others, this is prohibited.

LEGAL NOTICE TO CLIENTS

By law, a real estate appraisal must be an unbiased, impartial, neutral, independent, objective and professional opinion of market value. It is a violation of federal law for an appraiser to accept an appraisal assignment where employment to perform the appraisal or the compensation for the work is made contingent upon reaching a predetermined value or any other contingency.

The standard appraiser's certification in every appraisal includes the appraiser's certification and agreement that each report is performed in accordance with USPAP, that the comparables included in the report are locationally, physically and functionally the most similar to the subject property and that significant information was not knowingly withheld.

The appraiser must also certify and agree that the appraiser has no interest in the property being appraised and no interest or bias regarding the participants to the transaction.

Appraisers must also certify that employment and/or compensation for performing present or future appraisals was not conditioned on any agreement or understanding, written or otherwise, that the appraisal would report or support 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.

Please also be advised that it is a criminal violation of state law for a LENDER to pay or offer to pay appraisers where payment for an appraisal is made contingent on a minimum, maximum or pre-agreed estimate of value and where such contingent payment interferes with the appraiser's ability or obligation to provide an independent and impartial opinion of value.

HOME MEASURE SERVICE CONDITIONS

When a member of this organization has visited and observed a property in order to calculate the gross living area of the residence, the technician will use a tape measure accurate to a tenth of a foot to measure each exterior wall and interior components as needed. The resulting measurements and software calculations of square footage are contained within the residential floor plan provided.

The calculated livable square footage figure represents the air-conditioned gross living area within the residence, including exterior walls while excluding parking areas, porches, patios and unfinished areas. Note that minor variances in the calculation of square footage may exist among technicians due to varying methods of handling common features such as stairwells, second floors, garage areas, or additions, as well as varying methods in the rounding of measurements and/or squaring up the width front to back and length on both sides. The specific software used to prepare a floor plan may also impact the final gross living area.

The technician will make a good faith effort at utilizing his or her understanding of national home measuring standards to arrive at an approximation of square footage for the subject property. Note that our appraisal board does not allow the inclusion of garage conversions, enclosed patios, areas with low ceiling height or accessory living units in the gross living area.

This floor plan living area should not be construed as an opinion of value or representation of the adequacy or inadequacy of the subject property for any purpose. The amount of gross living area noted in the floor plan provided cannot be multiplied by any dollar price per square foot so as to estimate value since the home measure technician is not acting as an appraiser. Also, this firm's terms of use prohibit applying measured gross living area by any dollar amount for any purpose. The floor plan should be considered only as an approximation of the square footage of the residence. This report is intended for the exclusive and confidential use of the client. Home measure services are subject to our appraisal use license agreement TERMS OF USE as well. Appraisals and home measures are NOT for litigation purposes.