

Memorandum of Understanding

This Memorandum of Understanding (MOU) describes a coordinated effort between the State of Colorado ("State") and the Colorado Coalition of Appraisers ("CCA," collectively the "Parties") to study the potential impact of energy efficiency on the value of residential buildings. Furthermore, the parties understand that Colorado's appraiser community plays an important role in appropriately valuing all relevant characteristics of real property including energy efficient improvements, and in providing objective and unbiased information that should enhance home buying decisions to market participants including home buyers, sellers, builders, contractors, real estate brokers, lenders, and underwriters.

Although energy improvements may have a significant impact on home comfort and the total cost of home ownership, a lack of recognition of that potential value may prevent buyers and sellers from making decisions regarding cost-effective upgrades. Without relevant valuation data, the stakeholders in a real estate transaction are less able to consider energy use as a criterion to distinguish between properties, diminishing the recognition of possible benefits of energy-saving improvements.

The State and the CCA understand that they will work together to include energy efficiency as a standard part of the appraisal process through the use of forms that report energy characteristics of 1-4 family homes, and educating Colorado's residential appraisers to ensure their wide use. In addition, the parties will jointly educate stakeholders about studies that may demonstrate the market value of residential energy efficiency, which will ensure that the information contained in these forms can be accurately translated into potential benefits of home value.

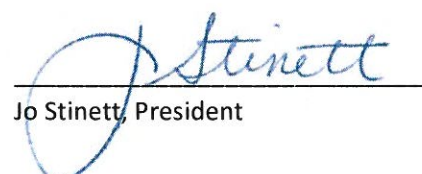
The State and the CCA acknowledge that appraisers are statutorily required to promote a high level of public trust in appraisal practice and that it is essential that appraisers perform their services in a manner which is independent and not misleading. Accordingly, the State agrees that it will inform the CCA Board of Directors of any public statements or writings that make reference to the role of Colorado appraisers and/or the CCA pursuant to this MOU, so that the CCA will be able to assure its member organizations that the public perception of Colorado appraisers remains consistent with the appraisers' obligations under state law. Both the State and CCA (and its member organizations) reserve the right to review and approve any statements or communications that imply endorsement by the other party.

This MOU references the understanding and collaboration between the State and the CCA, but does not create any legal relationship, rights, duties, or obligations binding or enforceable at law or in equity. Each Party understands that the other shall endeavor in good faith to achieve the goal of increased awareness regarding residential energy efficiency through the activities contemplated herein. This MOU shall continue to demonstrate the parties' joint understanding until terminated by either Party at any time. This MOU shall take effect upon the last signature date of the Parties, and shall remain in effect for a period of three (3) years, with the understanding that it may be extended if the Parties agree. This MOU may be modified at any time while it is in effect, per mutual written agreement of the Parties.

State of Colorado

Colorado Coalition of Appraisers


John W. Hickenlooper, Governor


Jo Stinett, President