

# RESIDENTIAL APPRAISAL REPORT



## EXTERIOR ONLY APPRAISAL REPORT

Property Location:	324 Rosedale Avenue Metes and Bounds Morristown, TN 37813
Borrower:	Kenneth Solomon
Client:	HomeTrust Bank 320 Ridgefield Ct. Asheville, NC 28806
Effective Date:	04/06/2016
Prepared By:	Creighton R. Cross, MAI



Braun & Associates, Inc.  
317 Ebenezer Rd SW  
Knoxville, TN 37923

## Subject Photos

Borrower/Client	Kenneth Solomon						
Property Address	324 Rosedale Ave						
City	Morristown	County	Hamblen	State	TN	Zip Code	37813
Lender	HomeTrust Bank						



### Subject Front A

324 Rosedale Ave  
Sales Price  
Gross Living Area 1,152  
Total Rooms 6  
Total Bedrooms 3  
Total Bathrooms 1.0  
Location N;Res;  
View N;Res;  
Site 12,950 sf  
Quality Q5  
Age 97



### Subject Front B



### Subject Street

# Plat Map

Borrower/Client	Kenneth Solomon						
Property Address	324 Rosedale Ave						
City	Morristown	County	Hamblen	State	TN	Zip Code	37813
Lender	HomeTrust Bank						



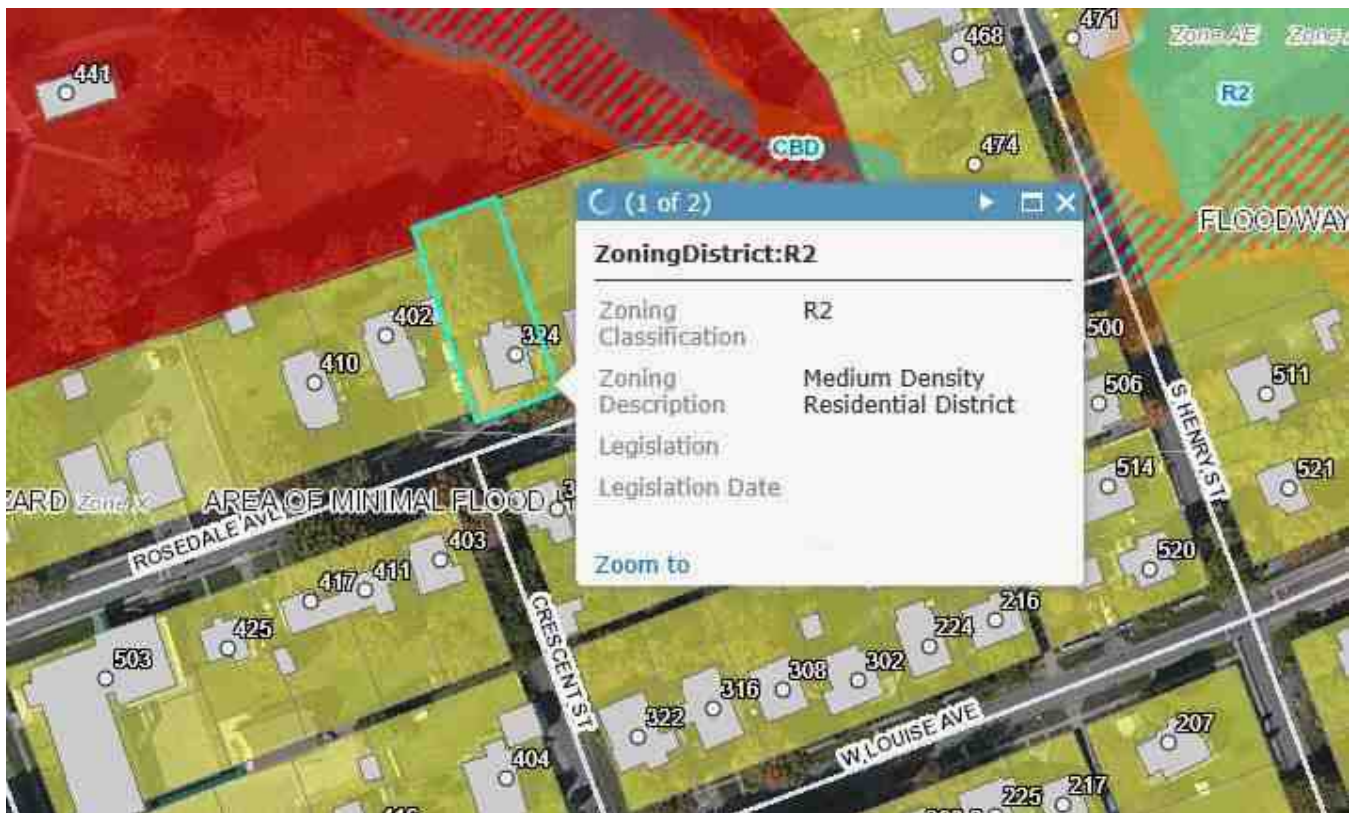
# Aerial Map

Borrower/Client	Kenneth Solomon						
Property Address	324 Rosedale Ave						
City	Morristown	County	Hamblen	State	TN	Zip Code	37813
Lender	HomeTrust Bank						



# Zoning Map

Borrower/Client	Kenneth Solomon				
Property Address	324 Rosedale Ave				
City	Morristown	County	Hamblen	State	TN Zip Code 37813
Lender	HomeTrust Bank				



Exterior-Only Inspection Residential Appraisal Report

160331011 File # 160280

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.

SUBJECT

Property Address 324 Rosedale Ave City Morristown State TN Zip Code 37813
Borrower Kenneth Solomon Owner of Public Record Kenneth Solomon County Hamblen
Legal Description Metes and Bounds
Assessor's Parcel # 034P A 025.00 Tax Year 2015 R.E. Taxes \$ 408
Neighborhood Name Morristown East Map Reference 034 Census Tract 1003.00
Occupant [ ] Owner [x] Tenant [ ] Vacant Special Assessments \$ 0 [ ] PUD HOA \$ 0 [ ] per year [ ] per month
Property Rights Appraised [x] Fee Simple [ ] Leasehold [ ] Other (describe)
Assignment Type [ ] Purchase Transaction [x] Refinance Transaction [ ] Other (describe)
Lender/Client HomeTrust Bank Address 320 Ridgefield Ct., Asheville, NC 28806
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 this appraisal? [ ] Yes [x] No
Report data source(s) used, offering price(s), and date(s). Public Tax Records

CONTRACT

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.
Contract Price \$ Date of Contract Is the property seller the owner of public record? [ ] Yes [ ] No Data Source(s)
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.

NEIGHBORHOOD

Note: Race and the racial composition of the neighborhood are not appraisal factors.
Neighborhood Characteristics One-Unit Housing Trends One-Unit Housing Present Land Use %
Location [ ] Urban [x] Suburban [ ] Rural Property Values [ ] Increasing [x] Stable [ ] Declining PRICE AGE One-Unit 75 %
Built-Up [ ] Over 75% [x] 25-75% [ ] Under 25% Demand/Supply [ ] Shortage [x] In Balance [ ] Over Supply \$ (000) (yrs) 2-4 Unit 5 %
Growth [ ] Rapid [x] Stable [ ] Slow Marketing Time [ ] Under 3 mths [x] 3-6 mths [ ] Over 6 mths 15 Low 20 Multi-Family 5 %
Neighborhood Boundaries The subject is bound to the north by East Andrew Johnson Highway, to the 95 High 120 Commercial 12 %
east by S. Davy Crockett Parkway, to the south by Hwy 160, and to the west by Sulphur Springs Road. 50 Pred. 40 Other 3 %
Neighborhood Description See attached addenda.
Market Conditions (including support for the above conclusions) See attached addenda.

SITE

Dimensions 174.5x174/irr Area 12,950 sf Shape Irregular View N;Res;
Specific Zoning Classification R-2 Zoning Description Medium Density Residential District
Zoning Compliance [x] Legal [ ] Legal Nonconforming (Grandfathered Use) [ ] No Zoning [ ] Illegal (describe)
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? [x] Yes [ ] No If No, describe
Utilities Public Other (describe) Public Other (describe) Off-site Improvements - Type Public Private
Electricity [x] [ ] Water [x] [ ] Street Public [x] [ ]
Gas [x] [ ] Sanitary Sewer [x] [ ] Alley None [ ] [ ]
FEMA Special Flood Hazard Area [ ] Yes [x] No FEMA Flood Zone X FEMA Map # 47063C0133E FEMA Map Date 07/03/2006
Are the utilities and off-site improvements typical for the market area? [x] Yes [ ] No If No, describe
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? [ ] Yes [x] No If Yes, describe
See attached addenda.

IMPROVEMENTS

Source(s) Used for Physical Characteristics of Property [ ] Appraisal Files [ ] MLS [x] Assessment and Tax Records [ ] Prior Inspection [ ] Property Owner
[x] Other (describe) Exterior Inspection; Google Imagery Data Source for Gross Living Area Hamblen County Tax Assessor
General Description General Description Heating/Cooling Amenities Car Storage
Units [x] One [ ] One with Accessory Unit [ ] Concrete Slab [x] Crawl Space [x] FWA [ ] HWBB [ ] Fireplace(s) # 0 [ ] None
# of Stories 1 [ ] Full Basement [ ] Finished [ ] Radiant [ ] Woodstove(s) # 0 [x] Driveway # of Cars 1
Type [x] Det. [ ] Att. [ ] S-Det./End Unit [ ] Partial Basement [ ] Finished [ ] Other [ ] Patio/Deck None Driveway Surface Asphalt
[x] Existing [ ] Proposed [ ] Under Const. Exterior Walls Vinyl Siding Fuel Electric [x] Porch Covered [ ] Garage # of Cars 0
Design (Style) DT1; Trad/Avg Roof Surface Comp Shingle [x] Central Air Conditioning [ ] Pool None [ ] Carport # of Cars 0
Year Built 1919 Gutters & Downspouts None [ ] Individual [ ] Fence None [ ] Attached [ ] Detached
Effective Age (Yrs) 40 Window Type Almmn Frame [ ] Other [ ] Other None [ ] Built-in
Appliances [ ] Refrigerator [ ] Range/Oven [ ] Dishwasher [ ] Disposal [ ] Microwave [ ] Washer/Dryer [ ] Other (describe)
Finished area above grade contains: 6 Rooms 3 Bedrooms 1.0 Bath(s) 1,152 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.) None
Describe the condition of the property and data source(s) (including apparent needed repairs, deterioration, renovations, remodeling, etc.). C4;The subject property appeared to be in fair condition from the exterior visual inspection. The appraiser was unable to determine specific items of deferred maintenance; however, the subject property did appear to be need of typical general upkeep.
Are there any apparent physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? [ ] Yes [x] No
If Yes, describe.
There were no apparent physical deficiencies or adverse conditions noted from the exterior inspection; however, the visual inventory was made from the distance of the street and there is a high probability that if such deficiencies did exist, they would not be apparent from the distance at which the the visual inspection occurred.
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [x] Yes [ ] No If No, describe.

# Exterior-Only Inspection Residential Appraisal Report

160331011  
File # 160280

There are 21 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 20,000 to \$ 60,000		There are 24 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 25,000 to \$ 64,900			
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3	
Address	324 Rosedale Ave Morristown, TN 37813	621 York St Morristown, TN 37813	622 S Henry St Morristown, TN 37813	914 E Main St Morristown, TN 37814	
Proximity to Subject		0.37 miles E	0.16 miles SE	0.82 miles NE	
Sale Price	\$	\$ 44,000	\$ 55,000	\$ 42,000	
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 48.89 sq.ft.	\$ 50.00 sq.ft.	\$ 34.65 sq.ft.	
Data Source(s)		PARAGON #560972;DOM 157	PARAGON #552628;DOM 650	PARAGON #564002;DOM 190	
Verification Source(s)		Public Tax Records	Public Tax Records	Public Tax Records	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing Concessions		ArmLth Cash;0		ArmLth Cash;0	
Date of Sale/Time		s08/15;c05/15		s06/15;c03/15	
Location	N;Res;	N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple	
Site	12,950 sf	3,513 sf	+2,450	13,247 sf	0
View	N;Res;	N;Res;		N;Res;	
Design (Style)	DT1;Traditional	DT1;Traditional		DT1;Traditional	
Quality of Construction	Q5	Q5		Q5	
Actual Age	97	71	0	96	0
Condition	C4	C3	0	C4	0
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths	
Room Count	6 3 1.0	5 2 1.0	+1,500	6 3 1.0	+1,500
Gross Living Area	1,152 sq.ft.	900 sq.ft.	+5,040	1,100 sq.ft.	+1,040
Basement & Finished Rooms Below Grade	0sf	500sf0sfwo	-4,000	0sf	
Functional Utility	Average	Average		Average	
Heating/Cooling	Cent/Cent	Cent/Cent		Cent/Cent	
Energy Efficient Items	None	None		None	
Garage/Carport	1dw	1dw		1gd	-4,000
Porch/Patio/Deck	Porch	Stoop/Patio	0	Porch	
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 4,990		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -2,960	
Adjusted Sale Price of Comparables		Net Adj. 11.3 % Gross Adj. 29.5 % \$ 48,990		Net Adj. 5.4 % Gross Adj. 9.2 % \$ 52,040	

SALES COMPARISON APPROACH

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

My research  did  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) Public Tax Records

My research  did  did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) Public Tax Records

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				
Price of Prior Sale/Transfer				
Data Source(s)	Tax Records	Tax Records	Tax Records	Tax Records
Effective Date of Data Source(s)	04/21/2016	04/21/2016	04/21/2016	04/21/2016

Analysis of prior sale or transfer history of the subject property and comparable sales The subject property did not sell or transfer ownership within the three years prior to the effective date of this appraisal. Comparables 1-3 did not sale or transfer within the 12 prior to last sale.

**Summary of Sales Comparison Approach** The quantity and quality of the data found in this approach is reasonable. The local MLS, public records and appraiser's knowledge of this market were all considered in this process. The five sales were chosen as the most comparable to the subject property were considered and relied upon. Other sales were also considered; however, they were not chosen to represent the most comparable sales available within the subject's market. All are five comparable sales are located in the subject's market area of Morrilltown, TN. A thorough search was made in the last year in this market area for the best comparables available. No closer or more meaningful sales found. Sales that sold over six months ago are still reliable as the market is currently indicating a stable market for this type property. Therefore, the market indicates that no time adjustment was necessary due to the closing dates of these six comparables sales. The site size of comparable's 1, 4, and 5 were significantly smaller than that of the subject property. The difference in the sites would be recognized by the market and therefore, the necessary adjustment was made. The subject was constructed in 1919. The difference in the age of the subject as compared to Comparables 1, 3, 4, and 5 are significant enough to be recognized by market participants, therefore the necessary age adjustments were made. Gross living area adjustments are based on the differences of above grade square footage. Adjustments applied are made on a dollar-amount per square foot basis. These adjustments generally range from \$10.00 to \$100 per square foot based on quality, range of value, and the location. Generally, the typical buyer does not differentiate between homes that are within

Indicated Value by Sales Comparison Approach \$ 49,000

**Indicated Value by: Sales Comparison Approach \$ 49,000 Cost Approach (if developed) \$ 49,117 Income Approach (if developed) \$**

The sales comparison approach is considered to be the most reliable indicator of value due to the difficulty in estimating depreciation of the subject age due to its age and the inability to perform a full inspection; therefore, full weight is given to the sales comparison approach in this appraisal report.

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:

Based on a visual inspection of the exterior areas of the subject property from at least the street, 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 \$ 49,000 , as of 04/06/2016 , which is the date of inspection and the effective date of this appraisal.

RECONCILIATION

# Exterior-Only Inspection Residential Appraisal Report

160331011  
File # 160280

ADDITIONAL COMMENTS

" The Intended User of this appraisal report is the Lender/client. The Intended Use is to evaluate the property that is the subject of this appraisal for a 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 additional Intended Users are identified by the appraiser.

I have no current or prospective interest in the subject property or the parties involved; and no services were performed by the appraiser within the 3 year period immediately preceding acceptance of this assignment, as an appraiser or in any capacity.

This appraisal has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP); with the appraisal requirements of Title XI of the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (12 U.S.C. 3331 et seq.), and any implementing regulation

AIR (Appraiser Independence Requirement): No, employee, director, officer or agent of the lender, or any other third party acting as a joint venture partner, independent contractor, appraisal management company, or partner on behalf of the lender has influenced or attempted to influence the development, reporting, result or review of this assignment through coercion, extortion, collusion, compensation, instruction, inducement, intimidation, bribery or in any other manner. I have not been contacted by anyone other than the intended user (lender/client as identified on the first page of the report), borrower, or designated contact to make an appointment to enter the property. I agree to immediately report any unauthorized contacts.

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) The site value is based upon the tax appraisal value, as there were not sufficient sales in the subject's area to otherwise determine an accurate value. The tax value is consistent with this appraiser's opinion of land value in the area.

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE ..... = \$ 13,400
Source of cost data <b>Marshall and Swift Cost Manual</b>	DWELLING 1,152 Sq.Ft. @ \$ 80.00 ..... = \$ 92,160
Quality rating from cost service <b>Fair</b> Effective date of cost data <b>March 2016</b>	0 Sq.Ft. @ \$ ..... = \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	..... = \$
The cost approach is not as reliable due to the limited knowledge of the condition and sizes of this property. Also, the subject is located in a mature neighborhood with limited sales data. This approach is only used to support the sales comparison approach and provided at the request of the client.	Garage/Carport Sq.Ft. @ \$ ..... = \$
	Total Estimate of Cost-New ..... = \$ 92,160
	Less Physical Functional External
	Depreciation 61,443 ..... = \$( 61,443)
	Depreciated Cost of Improvements ..... = \$ 30,717
	"As-is" Value of Site Improvements ..... = \$ 5,000
Estimated Remaining Economic Life (HUD and VA only) <b>20 Years</b>	<b>INDICATED VALUE BY COST APPROACH</b> ..... = \$ 49,117

INCOME

### INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ **X** Gross Rent Multiplier = \$ Indicated Value by Income Approach  
 Summary of Income Approach (including support for market rent and GRM)

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

Total number of phases Total number of units Total number of units sold

Total number of units rented Total number of units for sale Data source(s)

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.



# Exterior-Only Inspection Residential Appraisal Report

160331011  
File # 160280

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 visual inspection of the exterior areas of the subject property from at least the street, (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.

The appraiser must be able to obtain adequate information about the physical characteristics (including, but not limited to, condition, room count, gross living area, etc.) of the subject property from the exterior-only inspection and reliable public and/or private sources to perform this appraisal. The appraiser should use the same type of data sources that he or she uses for comparable sales such as, but not limited to, multiple listing services, tax and assessment records, prior inspections, appraisal files, information provided by the property owner, etc.

**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 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.
3. 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.
4. 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.
5. 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.

# Exterior-Only Inspection Residential Appraisal Report

160331011  
File # 160280

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 visual inspection of the exterior areas of the subject property from at least the street. 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.

# Exterior-Only Inspection Residential Appraisal Report

160331011  
File # 160280

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.

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 Creighton R. Cross, MAI  
Signature   
Name Creighton R. Cross, MAI  
Company Name Braun & Associates, Inc.  
Company Address 317 Ebenezer Rd SW  
Knoxville, TN 37923  
Telephone Number (865) 392-4117 x33  
Email Address ccross@braunappraisal.com  
Date of Signature and Report 04/26/2016  
Effective Date of Appraisal 04/06/2016  
State Certification # CG-3670  
or State License # \_\_\_\_\_  
or Other (describe) \_\_\_\_\_ State # \_\_\_\_\_  
State TN  
Expiration Date of Certification or License 05/31/2016

ADDRESS OF PROPERTY APPRAISED  
324 Rosedale Ave  
Morristown, TN 37813  
APPRAISED VALUE OF SUBJECT PROPERTY \$ 49,000

LENDER/CLIENT  
Name No AMC  
Company Name HomeTrust Bank  
Company Address 320 Ridgefield Ct., Asheville, NC 28806  
Email Address rick.gray@hometrustbanking.com

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 exterior of subject property  
 Did inspect exterior of subject property from street  
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 \_\_\_\_\_



## Comparable Photos 1-3

Borrower/Client	Kenneth Solomon				
Property Address	324 Rosedale Ave				
City	Morristown	County	Hamblen	State	TN
				Zip Code	37813
Lender	HomeTrust Bank				



### Comparable 1

621 York St  
 Prox. to Subject 0.37 miles E  
 Sale Price 44,000  
 Gross Living Area 900  
 Total Rooms 5  
 Total Bedrooms 2  
 Total Bathrooms 1.0  
 Location N;Res;  
 View N;Res;  
 Site 3,513 sf  
 Quality Q5  
 Age 71



### Comparable 2

622 S Henry St  
 Prox. to Subject 0.16 miles SE  
 Sale Price 55,000  
 Gross Living Area 1,100  
 Total Rooms 6  
 Total Bedrooms 3  
 Total Bathrooms 1.0  
 Location N;Res;  
 View N;Res;  
 Site 13,247 sf  
 Quality Q5  
 Age 96



### Comparable 3

914 E Main St  
 Prox. to Subject 0.82 miles NE  
 Sale Price 42,000  
 Gross Living Area 1,212  
 Total Rooms 5  
 Total Bedrooms 2  
 Total Bathrooms 1.0  
 Location N;Res;  
 View N;Res;  
 Site 11,705 sf  
 Quality Q5  
 Age 116

## Comparable Photos 4-6

Borrower/Client	Kenneth Solomon				
Property Address	324 Rosedale Ave				
City	Morristown	County	Hamblen	State	TN
				Zip Code	37813
Lender	HomeTrust Bank				



### Comparable 4

432 Montrose Ave  
 Prox. to Subject 0.51 miles E  
 Sale Price 49,900  
 Gross Living Area 876  
 Total Rooms 5  
 Total Bedrooms 2  
 Total Bathrooms 1.0  
 Location N;Res;  
 View N;Res;  
 Site 7,405 sf  
 Quality Q5  
 Age 76



### Comparable 5

403 Rosedale Ave  
 Prox. to Subject 0.05 miles S  
 Sale Price 53,250  
 Gross Living Area 1,054  
 Total Rooms 6  
 Total Bedrooms 3  
 Total Bathrooms 1.0  
 Location N;Res;  
 View N;Res;  
 Site 8,265 sf  
 Quality Q5  
 Age 70

Prox. to Subject  
 Sale Price  
 Gross Living Area  
 Total Rooms  
 Total Bedrooms  
 Total Bathrooms  
 Location  
 View  
 Site  
 Quality  
 Age

Borrower/Client	Kenneth Solomon		
Property Address	324 Rosedale Ave		
City	Morristown	County	Hamblen
		State	TN
		Zip Code	37813
Lender	HomeTrust Bank		

## ASSIGNMENT DESCRIPTION

Do not separate from the rest of the report!  
Any segregation of this multi-page report may jeopardize the user.

### Introduction

1. The client is the "lender/Client" named on the front page of the form report. This client is considered a sophisticated and knowledgeable user of the appraisal and report. Further they are considered to be experts in the field of mortgage lending.
2. The intended user is the herein stated client. Regardless of who pays for this appraisal the intended user is the client only! The scope of work in this appraisal is customized for the intended user. This appraisal and report may be inappropriate for other users and may put them in jeopardy. Therefore, regardless of the means of possession of this report, this appraisal may not be used or relied on by anyone other than the herein stated intended user. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability to any third party.
3. The intended use is for mortgage underwriting. This appraisal and report may be inappropriate for other uses and jeopardize the user. This appraisal may not be used or relied on for any use except the stated use without the express written consent of the appraiser. The appraiser, appraiser's firm, and related parties assume no obligation, liability, or accountability for any other use without such written consent.
4. Primary Appraiser Generated Information (PAGI) is the information which the appraiser provides to the intended user that the user will isolate and consider. The appraiser has diagnosed the intended user's problem and will discuss the scope of work for the following PAGI later in this document: Main Value Opinion.
5. The purpose of this appraisal is to form an opinion of Market Value.
6. No personal property, trade fixtures, or intangible items that are not real property are included in the appraisal.
7. Privacy statement: In compliance with the Gram-Leach-Bliley Act, the appraiser will not provide any nonpublic personal information to any person or entity where that information will be used for solicitation purposes. This information may be shared among parties to process and service the consumer's transaction.
8. This is a Summary Appraisal Report, which is intended to comply with the reporting requirements set forth under Standard Rule 2-2 (b) of USPAP for a real property appraisal report. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's work file. The information contained in the report is specific to the needs of the client and for the intended use stated in this report.

### Scope of Work

9. The subject property was identified to the appraiser by the client providing the property address. A tax card and plat were pulled for that address via a third party provider. At the client's request no one was interviewed for additional information.
10. This appraisal is intended to be in compliance with FIRREA.
11. The following approaches to value have been considered in the scope of work decision for the main "Value Opinion":
12. The Cost Approach was performed.
13. The Direct Comparison Approach was performed.
14. The Income Approach was not performed. The Income Approach is not applicable, because there is insufficient credible market data to form a reliable indication of value. Also, the client has requested fee simple interest for this property. The income or historical rent for the subject, if applicable is not known and therefore, not considered. The use of this approach could indicate an unrealistic value conclusion.
15. Additional information concerning the scope of work is conveyed throughout the report.
16. Please be aware that the term "Inspection" may be used on some standard appraisal forms which the appraiser cannot modify. The term inspection found anywhere in this report is to mean a "Personal Visual Inventory" of the subject's or comparable property's components. This is opposed to a "Home Inspection", which investigates the appropriateness and soundness of various components of the improvements.
17. The American Disability Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey or analysis of the property or comparables to determine whether or not they are in conformity with one or more of the requirements of the act.

**Copy USL, NH narrative, Comments**

File No. 160280

Borrower/Client	Kenneth Solomon		
Property Address	324 Rosedale Ave		
City	Morristown	County	Hamblen
		State	TN
		Zip Code	37813
Lender	HomeTrust Bank		

18. At least one of the signees on the Certification are competent in all aspects of this assignment.
19. A Level "A" market analysis was performed which is general and descriptive in nature. Historic data and selected comparables are analyzed to gauge the economic climate of the subject's market.

#### Extent of Research of the Subject Property

20. The Census Tract information for the subject property was obtained from a third party provider based on the property address via my appraisal software. The flood zone information for the subject property was obtained from a third party provider based on the property address via my appraisal software. The location of the subject property was found by a computer mapping system based on the address of the property that was provided to the appraiser. The subject property's County Tax Assessor's information, via a third party source, was researched for past sales and physical characteristic information. The current warranty deed for the subject property has been read in an effort to identify any easements or other issues that might negatively affect the marketability of the subject property. The subject property's zoning was obtained from a zoning map and the accompanying zoning descriptions. This information was provided by the zoning authority.
21. The subject property data that was obtained from second-hand sources was validated by appraiser personally driving by each of the comparables. A drive-by exterior only was ordered by the subject property.
22. I, Creighton Ryan Cross, did personally make a visual inventory of the subject property from the curbside in conjunction with this appraisal. I did not walk over or in any of the property components.
23. The client, who is an expert in mortgage lending, ordered an appraisal where the subject property is not accessed by the appraiser (the appraiser does not go on the property). Therefore, the appraiser has not measured the property.
24. Unless a professional home inspection, structural engineer study, or similar report was provided to the appraiser; the subject property information was obtained by a method of data gathering known as a "Personal Visual Inventory". This consists of the appraiser compiling notes of what components are there and how many of them there are. This personal visual inventory may be made on-site or from the curb, but not from photos or a video presentation. The extent of the subject property accessed was stated above; and did not include accessing any part of the property that could not be walked through in an upright manner, or that required the use of special equipment such as a ladder. None of the property components were dissected or inspected by the appraiser.
25. The appraiser has not performed a "Home Inspection" which is a process utilized to rate the appropriateness and usability of the various components of the structure. This process involves inspecting and testing. Should you have concerns about these issues please seek a qualified professional to investigate these issues for you. The information obtained from a home inspection may affect the value of the subject property, so the appraisal should be made after the home inspection rather than visa versa.
26. Neither police records nor past issues of newspapers have been researched concerning the subject property's past use for anything that might effect the safety or health of present and future occupants. This includes but is not limited to the by-products of methamphetamine production, infectious disease, or environmental hazards.
27. If available in the normal course of business the appraiser has evaluated any previous sales within the past 3 years prior to the effective date of the appraisal, and current contract, listing, or option of the subject property for its applicability in forming an opinion of current market value and/or marketability.

#### Hypothetical Conditions / Extraordinary Assumptions

28. There are no hypothetical conditions utilized in the forming the opinions and conclusions of the primary appraiser generated information.
29. This appraisal is based on the extraordinary assumption that the interior of the property is the same as described in this report and that the size of the subject property is correct. The client ordered a curbside inspection. The appraiser has gathered information about the subject property by limited visual, public records, and assumes that the interior is typical to other competing properties. Use of this report indicates that the user will not hold the valuator or the appraisal firm responsible for any damages associated with this type of data gathering method. The use of this assumption might have affected the analysis results.



**Copy USL, NH narrative, Comments**

File No. 160280

Borrower/Client	Kenneth Solomon		
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City	Morristown	County	Hamblen
		State	TN
		Zip Code	37813
Lender	HomeTrust Bank		

**Extent of the Analysis & Associated Research**

30. The following analysis and associated research have been performed in conjunction with the main opinion of value:
31. The cost approach was performed by adding the cost new of the improvements less accrued depreciation to the site value. The opinion of the cost new of improvements was formed either by referencing a nationally recognized cost manual, the appraiser's first hand knowledge of the market, or a combination of both. The opinion of the site value was formed by a comparison of the subject to other similar properties that have a marketing history.
32. An opinion of the site value was formed by the Direct Comparison Approach. A qualitative analysis considering the land size, date of sale and location were considered. The comparable properties were obtained from the local MLS and/or Tax office. The tax data was supplied by a third party provider. The physical property characteristics, sales price, and date were not verified by any other source. However, the second hand data records were analyzed for errors and inconsistencies. The records with errors and inconsistencies were not used. Records that showed a large discrepancy from the other data was not used.
33. A recognized cost manual was used to obtain the cost rate per unit. This manual did adjust this estimate based on location by region, and by a time factor.
34. An opinion of the external depreciation was formed by the appraiser considering anything that will negatively affect the marketability of the property that is not on the subject property. This is a subjective judgment and assessing a dollar value loss is based more on judgment and experience than an objective analysis. The age life method was used to estimate the physical depreciation. In this method the effective age of the improvements is divided by the anticipated total life of the property to derive an estimate of the percentage that the improvements have physically deteriorated. The age life method was used to estimate the physical depreciation. In this method the effective age of the improvements is divided by the anticipated total life of the property to derive an estimate of the percentage that the improvements have physically deteriorated.
35. The Direct Sales Comparison was performed by an analysis in which the subject is compared to similar properties that have a recent marketing history.
36. An opinion of the value was formed by the Direct Comparison Approach. A quantitative line by line adjustment grid was utilized. Many of the property characteristics were considered including; the size of the improvements, land size, date of sale, view, topography and location.
37. The comparable properties were obtained from a thorough search of office files, the local MLS and/or Tax office. The tax data was supplied by a third party provider. The physical property characteristics were verified by a curbside visual inventory. An attempt was made to verify the sales prices and dates of sales by a telephone interview with one of the parties in the transaction or real estate sales agent. Some of the data that could not be verified was used in the analysis. The data records were analyzed for errors and inconsistencies. The records with errors and discrepancies were not used. Records that showed a large discrepancy from the other data was not used.

**Previous Market Activity of the Subject**

38. The subject property did not sell or transfer within the three years prior to the effective date of this appraisal. This information is considered in the valuation process. No other sales of this property were found in three years previous to the effective date of this appraisal.
39. No current contract, listing, or option of the subject property were found in the normal course of business, which included a search of MLS records.

**Additional Information**

40. The opinion of exposure time for the subject property immediately proceeding the effective date of vale is from 4-8 Months.
41. There are no significant changing environmental, economic, government, or social trends in this market. No major events have occurred or are expected to occur subsequent to the data analyzed in the "exposure time" analysis that indicate changes in the market conditions. For this reason the anticipated marketing time is the same as my opinion of the subject's exposure time of from 4-8 months.
42. The use of the subject property at the effective date of this appraisal was as a single-family dwelling.

**Additional Appraiser's Certification**

**Copy USL, NH narrative, Comments**

File No. 160280

Borrower/Client	Kenneth Solomon				
Property Address	324 Rosedale Ave				
City	Morristown	County	Hamblen	State	TN Zip Code 37813
Lender	HomeTrust Bank				

I CERTIFY THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF THAT:

43. I, Creighton Ryan Cross, did personally make a visual inventory of the subject property from the curbside in conjunction with this appraisal. I did not walk over or in any of the property components.
44. I/we have no current or prospective interest in the subject property or parties involved.
45. I/we have not performed any services regarding the subject property within the three year period immediately preceding acceptance of the assignment, as an appraiser or in any other capacity.
46. Anna Stone (TN Registered Trainee- 5139) contributed in all aspects of this appraisal under Creighton Ryan Cross's supervision. This includes all planning, data gathering, and analysis that were required to form our opinions and conclusions.
47. No fees were paid or received in the procurement of this assignment.
48. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. As of the date of this report, I Creighton Ryan Cross, have completed the continuing education program of the Appraisal Institute.



Creighton Cross, MAI (TN Certified General 3670, Exp 5/31/2016)

# Copy USL, NH narrative, Comments

File No. 160280

Borrower/Client	Kenneth Solomon						
Property Address	324 Rosedale Ave						
City	Morristown	County	Hamblen	State	TN	Zip Code	37813
Lender	HomeTrust Bank						

## Exterior-Only: Site - Adverse Conditions or External Factors

No easements were referenced in the deed; however, the appraiser was unable to view the plat mat. Therefore, it is extraordinarily assumed that any easements that do exist would not negatively affect the property value. Encroachments are subject to survey; however, none were noted at the time of visual inspection. No environmental conditions were noted, and it is assumed that there are no hidden or unapparent conditions to the property, soil, or subsoil, which would render them more or less valuable.

## • Exterior-Only: Neighborhood - Description

The subject's neighborhood consists of residential and commercial properties, with commercial use being mainly located in the central business district of the City of Morristown. Vacant tracts can be found sparsely interspersed throughout the neighborhood. The immediate neighborhood is comprised mostly of older homes with varying levels of renovations and updates. The values of the homes in the neighborhood vary depending on size, condition, quality, and several other factors. Access to shopping, employment, schools, medical care, and public services is good. There appears to be adequate road maintenance, as well as fire and police protection. Municipal utilities are available throughout the majority of the subject's neighborhood.

## • Exterior-Only: Neighborhood - Market Conditions

Marketing has been average in this area in past year and values appear to be stable in the current market condition. VA, FHA, and Conventional loans are available to buyers in the subject neighborhood. Homes in the general area do not normally require sellers to offer sales or financing concessions to the market. General marketing time is 3-6 months if priced properly. Marketing times can be longer for larger, more upper scale homes.

## • Exterior-Only: Site - Highest and Best not used

Considering the factors, legally permissible, physically possible, financially feasible, and maximally productive, the highest and best use of the subject is for residential use in accordance with the zoning and current improvements.

## • Exterior-Only: Sales Comparison Analysis - Summary of Sales Comparison Approach

The quantity and quality of the data found in this approach is reasonable. The local MLS, public records and appraiser's knowledge of this market were all considered in this process. The five sales were chosen as the most comparable to the subject property were considered and relied upon. Other sales were also considered; however, they were not chosen to represent the most comparable sales available within the subject's market. All are five comparable sales are located in the subject's market area of Morristown, TN. A thorough search was made in the last year in this market area for the best comparables available. No closer or more meaningful sales found. All five comparable sales are located less than a mile from the subject property. Sales that sold over six months ago are still reliable as the market is currently indicating a stable market for this type property. Therefore, the market indicates that no time adjustment was necessary due to the closing dates of these five comparables sales. The site size of comparable's 1, 4, and 5 were significantly smaller than that of the subject property. The difference in the sites would be recognized by the market and therefore, the necessary adjustment was made. The subject was constructed in 1919. The difference in the age of the subject as compared to Comparables 1, 3, 4, and 5 are significant enough to be recognized by market participants, therefore the necessary age adjustments were made. Gross living area adjustments are based on the differences of above grade square footage. Adjustments applied are made on a dollar-amount per square foot basis. These adjustments generally range from \$10.00 to \$100 per square foot based on quality, range of value, and the location. Generally, the typical buyer does not differentiate between homes that are within fifty square feet of each other. Tax records indicate that the subject property contains 788 square feet; however, the owner indicated that the subject has approximately 1,152 square feet of gross living area. If found to be false, this extraordinary assumption could alter the final opinion of value of this appraisal report. Adjustments for bedroom and bathroom count reflect the market reaction of importance of these features. The bedroom and bathroom differences may or may not be relevant in a particular development based on the demographics and familial status of the typical purchaser in a given neighborhood. The subject has three bedrooms. The necessary adjustments were applied to the differences in bedroom and bathroom count. Additional adjustments are made for heating and cooling types, garage sizes, decks, patios, porches, etc. if warranted. Adjustments made are based on the market reaction to these features in the subject's neighborhood. No closer or more meaningful sales were found in the subject's market/sub-market area that were comparable to the subject. **MLS Photos are used due to time constraints and these photos represent the comparables as they were when they sold. Photos taken after the sale of the comparables properties may show things that were not there originally and may cause confusion as to what has been done to the comparables since purchase.** Every effort was made in choosing the most similar properties that are competitive with the subject. Comparable sales are selected on the basis of nearest similarity to the subject property as to time of sale, proximity of location and similarity as to age, condition, gross living area, bedroom and bathroom count, basement, car storage and updated and upgraded features (or no updated features).

9064638

25443

# State of Tennessee

TENNESSEE REAL ESTATE APPRAISER COMMISSION

CERTIFIED GENERAL REAL ESTATE APPRAISER

CREIGHTON RYAN CROSS

*This is to certify that all requirements of the State of Tennessee  
have been met.*

ID NUMBER: 00003670

LIC STATUS: ACTIVE

EXPIRATION DATE: 05/31/2016



IN-1313

DEPARTMENT OF  
COMMERCE AND INSURANCE

**Supplemental Addendum**

File No. 160280

Borrower/Clien	Kenneth Solomon				
Property Address	324 Rosedale Ave				
City	Morristown	County	Hamblen	State	TN Zip Code 37813
Lender	HomeTrust Bank				



**LIA Administrators & Insurance Services**

**APPRAISAL AND VALUATION  
PROFESSIONAL LIABILITY INSURANCE POLICY**



**DECLARATIONS**

**ASPEN SPECIALTY INSURANCE COMPANY**  
(A stock insurance company herein called the "Company")  
175 Capitol Blvd, Suite 100  
Rock Hill, CT 06067

Date Issued	Policy Number	Previous Policy Number
12/15/2015	ASH005457-01	

**THIS IS A CLAIMS MADE AND REPORTED POLICY. COVERAGE IS LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND THEN REPORTED TO THE COMPANY IN WRITING NO LATER THAN SIXTY (60) DAYS AFTER EXPIRATION OR TERMINATION OF THIS POLICY, OR DURING THE EXTENDED REPORTING PERIOD, IF APPLICABLE, FOR A WRONGFUL ACT COMMITTED ON OR AFTER THE RETROACTIVE DATE AND BEFORE THE END OF THE POLICY PERIOD. PLEASE READ THE POLICY CAREFULLY.**

Item:

<p><b>1. Customer ID:</b> 105869 <b>Named Insured:</b> BRAUN &amp; ASSOCIATES, INC. 317 Ebenezer Road Knoxville, TN 37923</p>	<p>This insurance contract is with an insurer not licensed to transport insurance in this state and is issued and delivered as a surplus line coverage pursuant to the Tennessee insurance statutes.</p>
<p><b>2. Policy Period:</b> From: 12/21/2015 To: 12/21/2016 12:01 A.M. Standard Time at the address stated in 1 above.</p>	
<p><b>3. Deductible:</b> \$2,500 Each Claim</p>	
<p><b>4. Retroactive Date:</b> 12/31/1900</p>	
<p><b>5. Inception Date:</b> 12/21/2015</p>	
<p><b>6. Limits of Liability:</b>   <b>A.</b> \$1,000,000 Each Claim   <b>B.</b> \$2,000,000 Aggregate</p>	
<p><b>7. Mail all notices, including notice of Claim, to:</b> LIA Administrators &amp; Insurance Services 1600 Annapolis Street Santa Barbara, California 93101 (800) 344-0657; Fax: (805) 967-0657</p>	
<p><b>8. Annual Premium:</b>       <b>\$4,614.00</b>   +    <b>\$230.70 Surplus Lines Tax</b></p>	
<p><b>9. Forms attached at issue:</b> LIA0025 (12/14) ASPCO002 0715 LIA012 (12/14) LIA018 (10/14) LIA021 (10/14) LIA025A (11/14) LIA025B (11/14) LIA137 (10/14)</p>	

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

12/15/2015  
Date  
LIA-001S (12/14)

By:   
Authorized Signature  
Aspen Specialty Insurance Company

## UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

### Condition Ratings and Definitions

#### C1

The improvements have been recently constructed and have not been previously occupied. The entire structure and all components are new and the dwelling features no physical depreciation.

Note: Newly constructed improvements that feature recycled or previously used materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100 percent new foundation and the recycled materials and the recycled components have been rehabilitated/remanufactured into like-new condition. Improvements that have not been previously occupied are not considered "new" if they have any significant physical depreciation (that is, newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep).

#### C2

The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category are either almost new or have been recently completely renovated and are similar in condition to new construction.

Note: The improvements represent a relatively new property that is well maintained with no deferred maintenance and little or no physical depreciation, or an older property that has been recently completely renovated.

#### C3

The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

Note: The improvement is in its first-cycle of replacing short-lived building components (appliances, floor coverings, HVAC, etc.) and is being well maintained. Its estimated effective age is less than its actual age. It also may reflect a property in which the majority of short-lived building components have been replaced but not to the level of a complete renovation.

#### C4

The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

Note: The estimated effective age may be close to or equal to its actual age. It reflects a property in which some of the short-lived building components have been replaced, and some short-lived building components are at or near the end of their physical life expectancy; however, they still function adequately. Most minor repairs have been addressed on an ongoing basis resulting in an adequately maintained property.

#### C5

The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

Note: Some significant repairs are needed to the improvements due to the lack of adequate maintenance. It reflects a property in which many of its short-lived building components are at the end of or have exceeded their physical life expectancy but remain functional.

#### C6

The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

Note: Substantial repairs are needed to the improvements due to the lack of adequate maintenance or property damage. It reflects a property with conditions severe enough to affect the safety, soundness, or structural integrity of the improvements.

### Quality Ratings and Definitions

#### Q1

Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

#### Q2

Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residence constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

# UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

## Quality Ratings and Definitions (continued)

### Q3

Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

### Q4

Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

### Q5

Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

### Q6

Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure

## Definitions of Not Updated, Updated, and Remodeled

### Not Updated

Little or no updating or modernization. This description includes, but is not limited to, new homes. Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is 'Not Updated' may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical/functional deterioration.

### Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost. An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

### Remodeled

Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion. A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls, and/or the addition of) square footage). This would include a complete gutting and rebuild.

## Explanation of Bathroom Count

Three-quarter baths are counted as a full bath in all cases. Quarter baths (baths that feature only a toilet) are not included in the bathroom count. The number of full and half baths is reported by separating the two values using a period, where the full bath count is represented to the left of the period and the half bath count is represented to the right of the period.

### Example:

3.2 indicates three full baths and two half baths.





## Location Map

Borrower/Client	Kenneth Solomon			
Property Address	324 Rosedale Ave			
City	Morristown	County Hamblen	State TN	Zip Code 37813
Lender	HomeTrust Bank			

