

INVOICE



File Number: **160271** Billing Date:

Client I.D. Number:

Client: **HomeTrust Bank**

Attention: **Ron Gooding**

Customer(s): **Kenneth Solomon**

Property Location: **906 N. Fairmont Avenue
Morristown, Tennessee**

Type Service: **Appraisal**

Fee: **\$225.00**

Shipping: **\$0.00**

Total Fee: **\$225.00**

Previously Paid: **\$0.00**

Balance Due: \$225.00

Tax I.D. # **62-1448956**

Please Return this Copy with Remittance.

Braun & Associates, Inc.

PO Box 30395, Knoxville, TN 37930

865-392-4117- order@braunappraisal.com

RESIDENTIAL APPRAISAL REPORT



EXTERIOR ONLY APPRAISAL REPORT

Property Location:	906 N Fairmont Ave Lot 1 Leach Hobart Lots Morristown, TN 37814
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	Kenneth Solomon				
Property Address	906 N Fairmont Ave				
City	Morristown	County	Hamblen	State	TN Zip Code 37814
Lender/Client	HomeTrust Bank				



Subject Front

906 N Fairmont Ave
 Sales Price
 Gross Living Area 742
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1.0
 Location N;Res;
 View N;Res;
 Site 7912 sf
 Quality Q5
 Age 68



Subject Front #2



Subject Street

Plat Map

Borrower	Kenneth Solomon						
Property Address	906 N Fairmont Ave						
City	Morristown	County	Hamblen	State	TN	Zip Code	37814
Lender/Client	HomeTrust Bank						



Aerial Map

Borrower	Kenneth Solomon						
Property Address	906 N Fairmont Ave						
City	Morristown	County	Hamblen	State	TN	Zip Code	37814
Lender/Client	HomeTrust Bank						



Exterior-Only Inspection Residential Appraisal Report

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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	906 N Fairmont Ave	City	Morristown	State	TN	Zip Code	37814
	Borrower	Kenneth Solomon	Owner of Public Record	Kenneth Solomon	County	Hamblen		
	Legal Description	Lot 1 Leach Hobart Lots						
	Assessor's Parcel #	033K E 018.01	Tax Year	2015	R.E. Taxes \$	647		
	Neighborhood Name	Leach Hobart Lots	Map Reference	033K	Census Tract	1004		
	Occupant	<input type="checkbox"/> Owner <input checked="" type="checkbox"/> Tenant <input type="checkbox"/> Vacant	Special Assessments \$	0	<input type="checkbox"/> PUD HOA \$	0	<input type="checkbox"/> per year <input type="checkbox"/> per month	
	Property Rights Appraised	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)						
	Assignment Type	<input type="checkbox"/> Purchase Transaction <input checked="" type="checkbox"/> Refinance Transaction <input type="checkbox"/> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							

CONTRACT	Report data source(s) used, offering price(s), and date(s). Public Records							
	I <input type="checkbox"/> did <input type="checkbox"/> 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?		<input type="checkbox"/> Yes <input type="checkbox"/> No	Data Source(s)		

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	<input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural		Property Values	<input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	70 %			
Built-Up	<input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%		Demand/Supply	<input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	10 %			
Growth	<input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow		Marketing Time	<input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	22	Low	1	Multi-Family	10 %		
Neighborhood Boundaries	See attached addenda.				210	High	106	Commercial	5 %		
					88	Pred.	50	Other	5 %		

Neighborhood Description: The neighborhood is the area around downtown Morristown.

Market Conditions (including support for the above conclusions): The market conditions in the subject's neighborhood are very stable. There is activity, but little new construction.

Dimensions	90.5 x 87.43	Area	7912 sf	Shape	Rectangular	View	N;Res;
Specific Zoning Classification	R2	Zoning Description	Medium Density Residential				
Zoning Compliance	<input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)						
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe							

SITE	Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
	Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water	<input checked="" type="checkbox"/> <input type="checkbox"/>	Street	N Fairmont Ave	<input checked="" type="checkbox"/> <input type="checkbox"/>
	Gas	<input type="checkbox"/>	<input checked="" type="checkbox"/> Private	Sanitary Sewer	<input checked="" type="checkbox"/> <input type="checkbox"/>	Alley	Asphalt	<input checked="" type="checkbox"/> <input type="checkbox"/>
	FEMA Special Flood Hazard Area	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	FEMA Flood Zone	X	FEMA Map #	47063C0133E	FEMA Map Date	07/03/2006

Source(s) Used for Physical Characteristics of Property	<input type="checkbox"/> Appraisal Files <input type="checkbox"/> MLS <input checked="" type="checkbox"/> Assessment and Tax Records <input type="checkbox"/> Prior Inspection <input type="checkbox"/> Property Owner
<input checked="" type="checkbox"/> Other (describe)	Previous appraisal files/Client

General Description	General Description	Heating/Cooling	Amenities	Car Storage
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input checked="" type="checkbox"/> Crawl Space	<input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB	<input type="checkbox"/> Fireplace(s) # 0	<input type="checkbox"/> None
# of Stories 1	<input type="checkbox"/> Full Basement <input type="checkbox"/> Finished	<input type="checkbox"/> Radiant	<input type="checkbox"/> Woodstove(s) # 0	<input checked="" type="checkbox"/> Driveway # of Cars 2
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	<input checked="" type="checkbox"/> Partial Basement <input type="checkbox"/> Finished	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Patio/Deck 98	Driveway Surface Unknown
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Exterior Walls Vinyl Siding	Fuel Electric	<input checked="" type="checkbox"/> Porch 42	<input type="checkbox"/> Garage # of Cars 0
Design (Style) Ranch	Roof Surface Shingle	<input checked="" type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Pool none	<input type="checkbox"/> Carport # of Cars 0
Year Built 1948	Gutters & Downspouts 0	<input type="checkbox"/> Individual	<input type="checkbox"/> Fence none	<input type="checkbox"/> Attached <input type="checkbox"/> Detached
Effective Age (Yrs) 45	Window Type Casement	<input type="checkbox"/> Other	<input type="checkbox"/> Other none	<input type="checkbox"/> Built-in
Appliances <input type="checkbox"/> Refrigerator <input type="checkbox"/> Range/Oven <input type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)				

Finished area above grade contains:	5 Rooms	2 Bedrooms	1.0 Bath(s)	742 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.)	n/a			

Describe the condition of the property and data source(s) (including apparent needed repairs, deterioration, renovations, remodeling, etc.): C4;Roof damage repaired with mismatched shingles. The siding and roof of the subject do not appear to have been replaced in a significant amount of time. The property does not appear to be in very good condition.

Are there any apparent physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
If Yes, describe.							
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe.							

Exterior-Only Inspection Residential Appraisal Report

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There are 17 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 40,000 to \$ 79,900

There are 23 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 24,200 to \$ 80,000

FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address	906 N Fairmont Ave Morristown, TN 37814	800 Montvue Ave Morristown, TN 37813			1635 Oak St Morristown, TN 37813			621 York St Morristown, TN 37813		
Proximity to Subject		1.68 miles E			2.16 miles E			1.45 miles E		
Sale Price	\$	\$ 25,000			\$ 40,500			\$ 44,000		
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 31.93 sq.ft.			\$ 40.95 sq.ft.			\$ 56.92 sq.ft.		
Data Source(s)		MLS 564239;DOM 80			MLS 564194;DOM 57			MLS 56972;DOM 157		
Verification Source(s)		MLS, Public Records			MLS, Public Records			MLS, Public Records		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing Concessions		ArmLth Conv;0		ArmLth Conv;0		ArmLth Conv;0		ArmLth Conv;0		
Date of Sale/Time		s11/15;c10/15			s11/15;c10/15			Active		
Location	N;Res;	N;Res;			N;Res;			N;Res;		
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Site	7912 sf	7835 sf			10490 sf			3513 sf		
View	N;Res;	N;Res;			N;Res;			N;Res;		
Design (Style)	DT1;Ranch	DT1;Ranch			DT1;Ranch			DT1;Ranch		
Quality of Construction	Q5	Q5			Q5			Q5		
Actual Age	68	71			61			71		
Condition	C4	C4			C4			C3		
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths		
Room Count	5 2 1.0	5 2 1.0			5 2 1.0			4 2 1.0		
Gross Living Area	742 sq.ft.	783 sq.ft.			989 sq.ft.			773 sq.ft.		
Basement & Finished Rooms Below Grade	530sf530sfwo	0sf			0sf			500sf0sfwo		
Functional Utility	Typical	Typical			Typical			Typical		
Heating/Cooling	Central	Window Unit			Central			Central		
Energy Efficient Items	Unknown	Unknown			Unknown			Unknown		
Garage/Carport	2dw	2dw			1cp			2dw		
Porch/Patio/Deck	100	50			150			0		
Net Adjustment (Total)		☒ + ☐ - \$ 4,600			☐ + ☒ - \$ -7,600			☐ + ☒ - \$ -3,600		
Adjusted Sale Price of Comparables		Net Adj. 18.4% Gross Adj. 29.6% \$ 29,600			Net Adj. 18.8% Gross Adj. 33.6% \$ 32,900			Net Adj. 8.2% Gross Adj. 15.0% \$ 40,400		

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) Tax Records, MLS

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 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					08/03/2015					
Price of Prior Sale/Transfer					\$49,000					
Data Source(s)	Public Records	Public Records			Trustee's Deed			Public Records		
Effective Date of Data Source(s)	04/20/2016	04/14/2016			04/14/2016			04/14/2016		

Analysis of prior sale or transfer history of the subject property and comparable sales Of the subject and comparables, only Comparables #2 & #4 have sold within the past 3 years.

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.

Indicated Value by Sales Comparison Approach \$ 40,000 Cost Approach (if developed) \$ 42,372 Income Approach (if developed) \$

Due to the age of the subject and the inability to perform a full inspection, the depreciation on the subject is more difficult to estimate. Therefore, the sales approach is given more weight in this analysis.

RECONCILIATION

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 \$ 40,000 , as of 04/06/2016 , which is the date of inspection and the effective date of this appraisal.

Exterior-Only Inspection Residential Appraisal Report

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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
Source of cost data	Marshall and Swift Cost Manual		DWELLING 742 Sq.Ft. @ \$ 76.67 = \$ 56,889
Quality rating from cost service	Fair	Effective date of cost data	Basement 530 Sq.Ft. @ \$ 20.00 = \$ 10,600
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 = \$ 67,489
			Less Physical Functional External
			Depreciation 50,617 = \$(50,617)
			Depreciated Cost of Improvements = \$ 16,872
			"As-is" Value of Site Improvements = \$ 5,000
Estimated Remaining Economic Life (HUD and VA only) 15 Years			INDICATED VALUE BY COST APPROACH = \$ 42,372

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)? <input type="checkbox"/> Yes <input type="checkbox"/> No Unit type(s) <input type="checkbox"/> Detached <input type="checkbox"/> 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? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, date of conversion			
Does the project contain any multi-dwelling units? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s)			
Are the units, common elements, and recreation facilities complete? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe the status of completion.			
Are the common elements leased to or by the Homeowners' Association? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe the rental terms and options.			
Describe common elements and recreational facilities.			

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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.

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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.

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File # 160271

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

Telephone Number (865) 392-4117 x33

Email Address ccross@braunappraisal.com

Date of Signature and Report 04/21/2016

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

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 _____

ADDRESS OF PROPERTY APPRAISED

906 N Fairmont Ave
Morristown, TN 37814

APPRAISED VALUE OF SUBJECT PROPERTY \$ 40,000

SUBJECT PROPERTY

Did not inspect exterior of subject property

Did inspect exterior of subject property from street

Date of Inspection _____

LENDER/CLIENT

Name No AMC

Company Name HomeTrust Bank

Company Address 320 Ridgefield Ct., Asheville, NC 28806

Email Address rick.gray@hometrustedbanking.com

COMPARABLE SALES

Did not inspect exterior of comparable sales from street

Did inspect exterior of comparable sales from street

Date of Inspection _____

Exterior-Only Inspection Residential Appraisal Report

160331008
File # 160271

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6			
Address	906 N Fairmont Ave Morristown, TN 37814	432 Montrose Ave Morristown, TN 37813			539 Mars St Morristown, TN 37814			2123 Wilson Ave Morristown, TN 37814			
Proximity to Subject		1.59 miles E			0.46 miles E			2.08 miles NE			
Sale Price	\$	\$ 49,900			\$ 54,000			\$ 56,000			
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 56.96 sq.ft.			\$ 69.23 sq.ft.			\$ 71.79 sq.ft.			
Data Source(s)		MLS 562925;DOM 83			MLS 563789;DOM 174			MLS 566469;DOM 50			
Verification Source(s)		MLS, Public Records			MLS, Public Records			MLS, Public Records			
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment		
Sales or Financing Concessions		ArmLth VA;0			ArmLth Cash;0			NonArm Conv;0	0		
Date of Sale/Time		s09/15;c07/15			s01/16;c01/16			s06/15;c04/15			
Location	N;Res;	N;Res;			N;Res;			N;Res;			
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple			
Site	7912 sf	7405 sf			22822 sf			7910 sf			
View	N;Res;	N;Res;			N;Res;			N;Res;			
Design (Style)	DT1;Ranch	DT1;Ranch			DT1;Ranch			DT1;Ranch			
Quality of Construction	Q5	Q5			Q5			Q5			
Actual Age	68	76		+1,500	71		+1,000	61		-1,000	
Condition	C4	C3		-4,000	C3		-4,000	C4			
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths			Total Bdrms. Baths			Total Bdrms. Baths			
Room Count	5 2 1.0	5 2 1.0			5 2 1.0			6 2 1.0			
Gross Living Area	742 sq.ft.	876 sq.ft.			-4,700	780 sq.ft.			-1,300	780 sq.ft.	
Basement & Finished Rooms Below Grade	530sf530sfwo Orr1br1.0ba0o	0sf			+1,500	0sf			+1,500	0sf	
Functional Utility	Typical	Typical				Typical				Typical	
Heating/Cooling	Central	Central				Central				Central	
Energy Efficient Items	Unknown	Unknown				Unknown				Unknown	
Garage/Carport	2dw	1gd		-1,500	2dw			2dw			
Porch/Patio/Deck	100	0		0	50		0	160		0	
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -		\$ -5,700	<input type="checkbox"/> + <input checked="" type="checkbox"/> -		\$ -1,300	<input type="checkbox"/> + <input checked="" type="checkbox"/> -		\$ -3,500	
Adjusted Sale Price of Comparables		Net Adj. 11.4%			Net Adj. 2.4%			Net Adj. 6.3%			
		Gross Adj. 29.5 %		\$ 44,200	Gross Adj. 17.2 %		\$ 52,700	Gross Adj. 17.0 %		\$ 52,500	
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 # 4		COMPARABLE SALE # 5		COMPARABLE SALE # 6				
Date of Prior Sale/Transfer			10/01/2014				06/03/2015				
Price of Prior Sale/Transfer			\$45,500				\$0				
Data Source(s)	Public Records		Public Records		Public Records		Public Records				
Effective Date of Data Source(s)	04/20/2016		04/20/2016		04/20/2016		04/20/2016				
Analysis of prior sale or transfer history of the subject property and comparable sales											
Comparable #6 transacted the day before it's sale was recorded by an											
Affidavit of Heirship instrument.											
Analysis/Comments											
An adjustment was made to Comparables 3 & 4 to reflect upgrades made to these comparables, raising their condition level to C3. This adjustment is roughly 10% of the sales price on average.											
Each comparable received an adjustment based in Gross Living Area.											
Comparable 1 received an adjustment based on the lack of central heat and air.											
Comparables 1, 2, 4, 5 and 6 were adjusted for lacking a basement.											
Comparables 2 & 4 received an adjustment for their garage and/or carport.											

SALES COMPARISON APPROACH

SALE HISTORY

ANALYSIS / COMMENTS

Copy USL, NH narrative, Comments

File No. 160271

Borrower	Kenneth Solomon						
Property Address	906 N Fairmont Ave						
City	Morristown	County	Hamblen	State	TN	Zip Code	37814
Lender/Client	HomeTrust Bank						

ASSIGNMENT DESCRIPTION

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

Introduction

1. The client is the "lender/Client" named on the front page of the form and is considered a sophisticated and knowledgeable user of the appraisal. The lender and borrower 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 the appraisal, the intended user is the client only! The scope of work in this appraisal is for the intended user. This appraisal and report may be inappropriate for other users and put them in jeopardy. Therefore, regardless of the means of possession, this appraisal may not be used or relied on by anyone other than the herein stated client. The appraiser, appraisal firm, and related parties assume no obligation of liability or accountability to any third party.
3. The intended use is for mortgage underwriting. This appraisal and report are inappropriate for other uses and jeopardize the user. This appraisal and report should not be 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 liability or accountability for any other use without such written consent.
4. Primary Appraiser Generated Information (PAGI) is the information that 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 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 included in the appraisal.
7. Privacy statement: In compliance with the Gram-Leach-Bliley Act, this appraisal will not provide any nonpublic personal information to any person or entity who is not intended to be used for solicitation purposes. This information may be shared and used to help and service the consumer's transaction.
8. This is a Summary Appraisal Report, which is intended to comply with the requirements set forth under Standard Rule 2-2 (b) of USPAP for a summary appraisal report. Supporting documentation concerning the data, reasoning, and analysis is in the appraiser's work file. The information contained in the report is intended for 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 provided address. A tax card and plat were pulled for that address via a third party. At the client's request no one was interviewed for additional information.

Copy USL, NH narrative, Comments

File No. 160271

Borrower	Kenneth Solomon						
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This is opposed to a "Home Inspection", which investigates the appraiser's soundness of various components of the improvements.

17. The American Disability Act (ADA) became effective January 26, 1990. The appraiser did not make a specific compliance survey or analysis of the property or determine whether or not they are in conformity with one or more of the requirements of the act.
18. At least one of the signees on the Certification are competent in all areas of the assignment.
19. A Level "A" market analysis was performed which is general and descriptive. Historic data and selected comparables are analyzed to gauge the value 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 location of 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 by a computer mapping system based on the address of the property was obtained from the appraiser. The subject property's County Tax Assessor's information source, was researched for past sales and physical characteristic information. A warranty deed for the subject property has been read in an effort to identify any 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 appraiser's descriptions. This information was provided by the zoning authority.
21. The subject property data that was obtained from second-hand sources was obtained by the appraiser personally driving by each of the comparables. A drive-by inspection was made 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 inspect any components.
23. The client, who is an expert in mortgage lending, ordered an appraisal of the subject property. The 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 other report was provided to the appraiser; the subject property information was obtained from the appraiser's gathering known as a "Personal Visual Inventory". This consists of the appraiser's notes of what components are there and how many of them there are. A visual inventory may be made on-site or from the curb, but not from photos. The extent of the subject property accessed was stated above; and any part of the property that could not be walked through in an upright position required the use of special equipment such as a ladder. None of the components were dissected or inspected by the appraiser.

Copy USL, NH narrative, Comments

File No. 160271

Borrower	Kenneth Solomon						
Property Address	906 N Fairmont Ave						
City	Morristown	County	Hamblen	State	TN	Zip Code	37814
Lender/Client	HomeTrust Bank						

Hypothetical Conditions / Extraordinary Assumption

28. There are no hypothetical conditions utilized in the forming the opinion the primary appraiser generated information.
29. This appraisal is based on the extraordinary assumption that the interest same as described in this report and that the size of the subject property client ordered a curbside inspection. The appraiser has gathered information subject property by limited visual, public records, and assumes that there are no other competing properties. Use of this report indicates that the use of a professional valuator or the appraisal firm responsible for any damages associated with the gathering method. The use of this assumption might have affected the

Extent of the Analysis & Associated Research

30. The following analysis and associated research have been performed in the main opinion of value:
31. The cost approach was performed by adding the cost new of the improvements and 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 knowledge of the market, or a combination of both. The opinion of the value was formed by a comparison of the subject to other similar properties that have a recent marketing history.
32. An opinion of the site value was formed by the Direct Comparison Approach analysis considering the land size, date of sale and location were comparable properties were obtained from the local MLS and/or Tax records supplied by a third party provider. The physical property characteristics were not verified by any other source. However, the second hand data was analyzed for errors and inconsistencies. The records with errors and inconsistencies were not used. Records that showed a large discrepancy from the other records were not used.
33. A recognized cost manual was used to obtain the cost rate per unit. The estimate is based on location by region, and by a time factor.
34. An opinion of the external depreciation was formed by the appraiser's judgment that will negatively affect the marketability of the property that is not reflected in the market. This is a subjective judgment and assessing a dollar value loss is based on observation and experience than an objective analysis. The age life method was used for physical depreciation. In this method the effective age of the improvements is compared to the anticipated total life of the property to derive an estimate of the percentage of improvements that have physically deteriorated. The age life method was used for physical depreciation. In this method the effective age of the improvements is compared to the anticipated total life of the property to derive an estimate of the percentage of improvements that have physically deteriorated.
35. The Direct Sales Comparison was performed by an analysis in which the subject property was compared to similar properties that have a recent marketing history.
36. An opinion of the value was formed by the Direct Comparison Approach.

Copy USL, NH narrative, Comments

File No. 160271

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39. No current contract, listing, or option of the subject property were found of business, which included a search of MLS records.

Additional Information

40. The opinion of exposure time for the subject property immediately prior to date of value is from 4-8 Months.
41. There are no significant changing environmental, economic, government events in this market. No major events have occurred or are expected to occur that were analyzed in the "exposure time" analysis that indicate changes in the market. This reason the anticipated marketing time is the same as my opinion of exposure time of from 4-8 months.
42. The use of the subject property at the effective date of this appraisal is for a single dwelling.

Additional Appraiser's Certification

I CERTIFY THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF

43. I, Creighton Ryan Cross, did personally make a visual inventory of the subject property and the curbside in conjunction with this appraisal. I did not walk over or inspect the components.
44. I/we have no current or prospective interest in the subject property or any other interest in the subject property.
45. I/we have not performed any services regarding the subject property during the period immediately preceding acceptance of the assignment, as an appraiser or in any capacity.
46. Patrick Gallagher J.D., contributed in all aspects of this appraisal under the supervision of Creighton Cross. This includes all planning, data gathering, and analysis 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 the report was prepared, in conformity with the requirements of the Code of Professional Standards of Professional Appraisal Practice of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice. The use of 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 am currently completing the continuing education program of the Appraisal Institute.

Creighton Cross, MAI (TN Certified General Appraiser)

- Exterior-Only: Neighborhood - Boundaries

The neighborhood is bounded to the north and west by Walters Dr. to the east by

Comparable Photos 1-3

Borrower	Kenneth Solomon						
Property Address	906 N Fairmont Ave						
City	Morristown	County	Hamblen	State	TN	Zip Code	37814
Lender/Client	HomeTrust Bank						



Comparable 1

800 Montvue Ave
 Prox. to Subject 1.68 miles E
 Sale Price 25,000
 Gross Living Area 783
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1.0
 Location N;Res;
 View N;Res;
 Site 7835 sf
 Quality Q5
 Age 71



Comparable 2

1635 Oak St
 Prox. to Subject 2.16 miles E
 Sale Price 40,500
 Gross Living Area 989
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1.0
 Location N;Res;
 View N;Res;
 Site 10490 sf
 Quality Q5
 Age 61



Comparable 3

621 York St
 Prox. to Subject 1.45 miles E
 Sale Price 44,000
 Gross Living Area 773
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1.0
 Location N;Res;
 View N;Res;
 Site 3513 sf
 Quality Q5
 Age 71

Comparable Photos 4-6

Borrower	Kenneth Solomon						
Property Address	906 N Fairmont Ave						
City	Morristown	County	Hamblen	State	TN	Zip Code	37814
Lender/Client	HomeTrust Bank						



Comparable 4

432 Montrose Ave
 Prox. to Subject 1.59 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 7405 sf
 Quality Q5
 Age 76



Comparable 5

539 Mars St
 Prox. to Subject 0.46 miles E
 Sale Price 54,000
 Gross Living Area 780
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1.0
 Location N;Res;
 View N;Res;
 Site 22822 sf
 Quality Q5
 Age 71



Comparable 6

2123 Wilson Ave
 Prox. to Subject 2.08 miles NE
 Sale Price 56,000
 Gross Living Area 780
 Total Rooms 6
 Total Bedrooms 2
 Total Bathrooms 1.0
 Location N;Res;
 View N;Res;
 Site 7910 sf
 Quality Q5
 Age 61

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

CE-001

Supplemental Addendum

File No. 160271

Borrower	Kenneth Solomon					
Property Address	906 N Fairmont Ave					
City	Morristown	County	Hamblen	State	TN	Zip Code 37814
Lender/Client	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 06667

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

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

Item

1. Customer ID: 105869 Named Insured: BRAUN & ASSOCIATES, INC. 317 Ebenezer Road Knoxville, TN 37923	This insurance contract is licensed to transport insured and is issued and delivered line coverage pursuant to insurance statutes.
2. Policy Period: From: 12/21/2015 To: 12/21/2016 12:01 A.M. Standard Time at the address stated in 1 above.	
3. Deductible: \$2,500 Each Claim	
4. Retroactive Date: 12/21/1900	
5. Inception Date: 12/21/2015	
6. Limits of Liability: A. \$1,000,000 Each Claim B. \$2,000,000 Aggregate	
7. Mail all notices, including notice of Claim, to: LIA Administrators & Insurance Services 1600 Arroyo Street Santa Barbara, California 93101 (800) 344-0657 Fax: (805) 967-0657	
8. Annual Premium: \$4,514.00 + \$220.70 Surplus Lines Tax	
9. Forms attached at issue: LIA0025 (12/14) ASPC0002 0715 LIA012 (12/14) LIA011 LIA021 (10/14) LIA025A (11/14) LIA025B (11/14) LIA137 (10/14)	

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

12/15/2015

By

Location Map

Borrower	Kenneth Solomon						
Property Address	906 N Fairmont Ave						
City	Morristown	County	Hamblen	State	TN	Zip Code	37814
Lender/Client	HomeTrust Bank						



Market Conditions Addendum to the Appraisal Report

The purpose of this addendum is to provide the lender/client with a clear and accurate understanding of the market trends and conditions prevalent in the subject neighborhood. This is a required addendum for all appraisal reports with an effective date on or after April 1, 2009.

Property Address **906 N Fairmont Ave** City **Morristown** State **TN** ZIP Code **37814**

Borrower **Kenneth Solomon**

Instructions: The appraiser must use the information required on this form as the basis for his/her conclusions, and must provide support for those conclusions, regarding housing trends and overall market conditions as reported in the Neighborhood section of the appraisal report form. The appraiser must fill in all the information to the extent it is available and reliable and must provide analysis as indicated below. If any required data is unavailable or is considered unreliable, the appraiser must provide an explanation. It is recognized that not all data sources will be able to provide data for the shaded areas below; if it is available, however, the appraiser must include the data in the analysis. If data sources provide the required information as an average instead of the median, the appraiser should report the available figure and identify it as an average. Sales and listings must be properties that compete with the subject property, determined by applying the criteria that would be used by a prospective buyer of the subject property. The appraiser must explain any anomalies in the data, such as seasonal markets, new construction, foreclosures, etc.

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	46	17	21	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	7.67	5.67	7.00	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	49	41	31	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	6.4	7.2	4.4	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Median Comparable Sale Price	112,800	144,000	129,900	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	45	67	79	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	164,900	139,900	137,900	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	164	157	123	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	97	97	98	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.). **This is common in some new construction, but overall, this is not a common trend in this market.**

Are foreclosure sales (REO sales) a factor in the market? Yes No If yes, explain (including the trends in listings and sales of foreclosed properties).

There are still a number of foreclosure properties in this market. Several developers in this area have been buying up properties to renovate, flip and rent long term. However, this is common in this market and does not negatively affect the marketplace.

Cite data sources for above information. **CRS, Knoxville MLS and Morristown/Lakeway MLS**

Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions.

Overall, this market is stable, with some factors declining such as the median comparable list price and the comparable days on market. This may indicate that financing is becoming more available in this area.

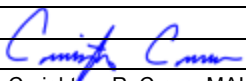
If the subject is a unit in a condominium or cooperative project, complete the following:

Project Name:

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

Are foreclosure sales (REO sales) a factor in the project? Yes No If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

Summarize the above trends and address the impact on the subject unit and project.

Signature 

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MARKET RESEARCH & ANALYSIS

CONDO/CO-OP PROJECTS

APPRAISER

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.

