

INVOICE

FROM:
 Craig Flanders
 Associates
 000 Lane
 Anywhere, TX. 77388

Telephone Number: 555-555-2300 Fax Number: 1-800-555-1912

INVOICE NUMBER
14TRA
DATE
12/13/2010

TO:
 Castle Mortgage
 000 Gabby Hayes Ave
 Anywhere, TX 77777

Telephone Number: 555-555-5210 Fax Number: 555-555-5278
 Alternate Number: E-Mail:

REFERENCE
Internal Order #:
Lender Case #:
Client File #:
Main File # on form: 14TRA
Other File # on form: 62-62-6-1129TRA
Federal Tax ID: 76-06040TRA
Employer ID:

Borrowers Name: Roy Rogers

DESCRIPTION

Lender: Castle Mort./Dept of Veterans Affairs Client: Castle Mort./Dept of Veterans Affairs
 Purchaser/Borrower: Roy Rogers
 Property Address: 28427 Buttercup Cove Ln
 City: Spring State: TX Zip: 77386-3917
 County: Montgomery
 Legal Description: Lot 1, Block 1 , Section 1,

FEES	AMOUNT
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VA Appraisal Payment is due upon receipt. We will report any non payment to the VA For every 30 day period payment is late there will be a \$25.00 late fee. 1804 Order was received on 12/13/2010 Appraisal is due no later than 12/18/2010 Appraisal was delivered on 12/18/2010	400.00
SUBTOTAL	400.00

PAYMENTS	AMOUNT
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Check #:	Date:	Description:	
Check #:	Date:	Description:	
Check #:	Date:	Description:	
SUBTOTAL			
TOTAL DUE			\$ 400.00

APPRAISAL OF REAL PROPERTY

LOCATED AT:

28427 Buttercup Cove Ln
Lot 1, Block 1, Section 1
Discovery at Spring Trails
Spring, Tx 77386-3917

FOR:

Castle Mort./Dept of Veterans Affairs
000 Gabby Hayes Ave,
Anywhere, TX 77777

AS OF:

December 14, 2010

BY:

Craig Flanders

Uniform Residential Appraisal Report

Case No. 62-62-6-1129TRA
File # 14TRA

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.

Property Address 28427 Buttercup Cove Ln City Spring State TX Zip Code 77386-3917
 Borrower Roy Rogers Owner of Public Record Gene Autry Homes County Montgomery
 Legal Description Lot 1, Block 1, Section 1 Discovery at Spring Trails
 Assessor's Parcel # 3285-00-00100 Tax Year 2010 R.E. Taxes \$ 1,503
 Neighborhood Name Spring 77386/Spring Trails Map Reference 293Q Census Tract 6920.00
 Occupant Owner Tenant Vacant Special Assessments \$ 0 PUD HOA \$ 850 per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe)
 Assignment Type Purchase Transaction Refinance Transaction Other (describe)
 Lender/Client Castle Mort./Dept of Veterans Affairs Address 000 Gabby Hayes Ave. Anywhere, TX 77777
 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 No
 Report data source(s) used, offering price(s), and date(s). DOM 11. Houston MLS-Tempo 33994560. The subject property is pending sale and listed for \$421,880.
 The subject was listed on 11/12/10.
 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. Arms Length Sale. Typical Earnest Money Contract
 Contract Price \$371,000 Date of Contract 11/23/10 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. 0
 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 90%
Built-Up <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input checked="" type="checkbox"/> Over Supply	\$ (000) (yrs)	2-4 Unit %
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	75 Low New	Multi-Family %
Neighborhood Boundaries See Attached Neighborhood Addenda.		1M+ High 65	Commercial 10%
		200 Pred. 5-25	Other %
Neighborhood Description See Attached Neighborhood Addenda.			
Market Conditions (including support for the above conclusions) See Attached Neighborhood Comments			

Dimensions Tax Office-No Survey/Builderquoted 70x120 Area 8,400 sf Shape Basically Rectangular View IN;Res
 Specific Zoning Classification No Zoning/Deed Restricted Zoning Description N/A
 Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)
 Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe

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"/>	Street Concrete	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer	<input checked="" type="checkbox"/>	Alley None	<input type="checkbox"/>	<input type="checkbox"/>

FEMA Special Flood Hazard Area Yes No FEMA Flood Zone X FEMA Map # 48339C0685F FEMA Map Date 12/19/1996
 Are the utilities and off-site improvements typical for the market area? Yes No If No, describe
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe
 See attached addenda.

General Description	Foundation	Exterior Description	materials/condition	Interior	materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input checked="" type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	Conc/Wood/New	Floors	Cpt/Tile/New
# of Stories Two	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	Brick/Hardi/New	Walls	Drywall/New
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 0 sq. ft.	Roof Surface	Composition/New	Trim/Finish	Wood/New
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 0 %	Gutters & Downspouts	Yes/New	Bath Floor	Tile/New
Design (Style) Contemporary	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	Aluminium/New	Bath Wainscot	None
Year Built 2010	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated	N/A	Car Storage	<input type="checkbox"/> None
Effective Age (Yrs) New	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	Screens/New	<input checked="" type="checkbox"/> Driveway	# of Cars 3
Attic <input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> Woodstove(s) # 0	Driveway Surface	Concrete
<input checked="" type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel Gas	<input checked="" type="checkbox"/> Fireplace(s) # 1	<input checked="" type="checkbox"/> Fence/wood	<input checked="" type="checkbox"/> Garage	# of Cars 3
<input type="checkbox"/> Floor <input type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck Open	<input checked="" type="checkbox"/> Porch Open	<input type="checkbox"/> Carport	# of Cars 0
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool 0	<input checked="" type="checkbox"/> Other Balcony	<input checked="" type="checkbox"/> Att.	<input type="checkbox"/> Det. <input type="checkbox"/> Built-in

Appliances Refrigerator Range/Oven Dishwasher Disposal Microwave Washer/Dryer Other (describe)
 Finished area above grade contains: 11 Rooms 5 Bedrooms 3.1 Bath(s) 3,842 Square Feet of Gross Living Area Above Grade
 Additional features (special energy efficient items, etc.) See attached addenda.
 Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.).
 C1. See attached addenda.
 Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes No If Yes, describe
 Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? Yes No If No, describe

Uniform Residential Appraisal Report

Case No. 62-62-6-1129TRA
File # 14TRA

There are		comparable properties currently offered for sale in the subject neighborhood ranging in price from \$350,000		to \$400,000/77386			
There are		comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$350,000		to \$400,000/77386			
FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	28427 Buttercup Cove Ln Spring, Tx 77386-3917	28403 Rose Vervain Dr. Spring, Tx 77386		30719 Aldine Westfield Rd Spring, Tx 77386		27810 E Benders Landing Blvd Spring, Tx 77386	
Proximity to Subject		0.11 miles E		2.73 miles NW		1.51 miles E	
Sale Price	\$ 371,000	\$ 370,000		\$ 375,000		\$ 382,000	
Sale Price/Gross Liv. Area	\$ 97 sq. ft.	\$ 96 sq. ft.		\$ 89 sq. ft.		\$ 91 sq. ft.	
Data Source(s)		HUD-1/DOM 195		MLS/ DOM 71		MLS/ DOM 248	
Verification Source(s)		Gene Autry Homes		MLS#91222237		MLS#1966945	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sale or Financing Concessions		Armlth Cash;0	0	Armlth Conv;0	0	Armlth Conv;0	0
Date of Sale/Time		s10/10;cUnk	0	s03/10;cUnk	0	s08/10;cUnk	0
Location	N;Res	A; BsyRd	+7,100	N;Res		N;Res	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	8,400 Sq.Ft.	9,612 sf	0	43,460 sf	-7,100	43,695 sf	-7,100
View	N;Res	N;Res		N;Res		N;Res	
Design (Style)	Contemporary	Contemporary		Contemporary		Contemporary	
Quality of Construction	Q2	Q2		Q2		Q2	
Actual Age	0	0		3	+6,000	4	+8,000
Condition	C1	C1		C2	+5,000	C2	+5,000
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths	
Room Count	11 4 3.1	12 5 3.1		12 5 4.0	-2,500	12 5 3.1	
Gross Living Area	3,842 sq. ft.	3,842 sq. ft.	0	4,213 sq. ft.	-12,985	4,174 sq. ft.	-11,620
Basement & Finished Rooms Below Grade	0sf0sf 0rr;0br;0.0ba;0o	0sf0sf 0rr;0br;0.0ba;0o		0sf0sf 0rr;0br;0.0ba;0o		0sf0sf 0rr;0br;0.0ba;0o	
Functional Utility	Functional/Avg	Functional/Avg		Functional/Avg		Functional/Avg	
Heating/Cooling	Centrals	Centrals		Centrals		Centrals	
Energy Efficient Items	Standard	Standard		Standard		Standard	
Garage/Carport	3 Garage	3 Garage		3 Garage		3 Garage	
Porch/Patio/Deck	Porch/Patio	Porch/Patio		Porch/Patio		Porch/Patio	
Fence	Fence	Fence		Fence		Fence	
Fireplace	One	One		One/Pool/Spa	-10,000	One	
List to Sale Ratio	88%	97%		91%		100%	
Net Adjustment (Total)		<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -14,485	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -5,720
Adjusted Sale Price of Comparables		Net Adj. % Gross Adj. %	\$ 370,000	Net Adj. 3.9% Gross Adj. 9.7%	\$ 360,515	Net Adj. 1.5% Gross Adj. 8.3%	\$ 376,280
I <input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain According to the MLS, latest tax and deed records provided, no transfers have occurred within the past 3 years. However, please note that Texas is a non disclosure state. Any recent transactions may not have been recorded.							
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> 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) MLS, Tax							
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> 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) MLS, Tax							
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	None Noted	None Noted		None Noted		None Noted	
Price of Prior Sale/Transfer	None Noted	None Noted		None Noted		None Noted	
Data Source(s)	MLS/Tax	MLS/Tax		MLS/Tax		MLS/Tax	
Effective Date of Data Source(s)	Current Date	Current Date		Current Date		Current Date	
Analysis of prior sale or transfer history of the subject property and comparable sales N/A							
Summary of Sales Comparison Approach							
See Attached Sales Comparison Addenda.							
Indicated Value by Sales Comparison Approach \$ 371,000							
Indicated Value by: Sales Comparison Approach \$371,000 Cost Approach (if developed) \$ N/A Income Approach (if developed) \$ N/A							
Greatest weight was placed on the Sales Comparison Approach and this best reflects the actions of buyers and sellers in the marketplace. The cost approach is not required by the VA/Client. The income approach was not utilized as single family residences are not typically purchased for their income potential. There was a lack of sales that resulted in rental of property to effectively establish an accurate GRM.							
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> 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 complete visual inspection of the interior and exterior areas of the subject property, 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 \$ 371,000, as of December 14, 2010, which is the date of inspection and the effective date of this appraisal.							

Uniform Residential Appraisal Report

Case No. 62-62-6-1129TRA
File # 14TRA

This appraisal report is considered to be a "Summary Appraisal Report" according to USPAP guidelines.

Purpose: The purpose of this appraisal is to supply the client (and ONLY the STATED client), a current estimate of market value as defined in this appraisal report. Use of this report by anyone other than the stated client, for any other purpose is prohibited.

Scope of Work: In addition to those provided on page 4 of this report. The scope is to inspect the subject property and neighborhood. Collect, analyze, confirm and report pertinent data into a final value estimate for the subject property. Information, estimates and opinions furnished to the appraiser and contained in this appraisal report were obtained from sources considered to be reliable and believed to be true and correct. (Sources include: Houston MLS-Tempo, HUD-1's provided Real Estate Agents, Builders, Lenders, Appraisers, Title Companies, Borrowers and Sellers).

Intended Use/Intended User: The intended user of this appraisal report is the Veterans Administration and approved VA Lender. 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 the appraisal report form, and Definition of Market Value. No additional Intended Users are identified by the appraiser.

History of Subject Property: See Page 1 (subject section) and Page 2 (Sale Comparison Section) for all comments.

Personal Property: No personal property was included in the value estimate.

Source of Definition of Market Value: The appraisal was reported on a standard Fannie Mae/Freddie Mac Form and utilized the standard "definition of market value" Provided by Fannie Mae and Freddie Mac. The definition is attached to this report.

Limitations to the Inspection Process/Condition of the Improvements: An appraisal is NOT a complete physical detailed property inspection report. For this detailed report, we recommend an expert in that particular field of study. It should be clearly understood that the property condition information in this report should be used as a general guide for property valuation. The appraiser does not have the knowledge or expertise to determine if any of the following possible conditions exist or do not exist: For possible structural defects (to include foundations, roofs, siding and quality and quantity of materials used) we recommend a structural engineer. For infestation damage we recommend a state licensed pest control expert. Hazardous Materials, Toxic Waste or Mold, Urea-Formaldehyde Foam, Lead Based Paint or Asbestos we recommend a certified environmental specialist. For mechanical, electrical, plumbing, air conditioning and heating deficiency, we suggest a state licensed professional in these fields. For flood plain status we recommend a surveyor or flood certificate. If any interested party is concerned about the existence, condition or adequacy of any particular item, I (we) strongly urge that the client retain an expert in the particular field of study.

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) Cost approach is not required on VA assignments.

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$
Source of cost data	Dwelling Sq. Ft. @ \$ = \$
Quality rating from cost service Effective date of cost data	Sq. Ft. @ \$ = \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	 = \$
Cost Approach is not required by the VA/Client.	Garage/Carport Sq. Ft. @ \$ = \$
Remaining Economic Life: 60 Years.	Total Estimate of Cost-New	
Physical Life: 60 Years.	Less Physical	Functional External
1805 was received on 12/13/10.	Depreciation	= \$()
Comps from the builder were delayed and reconfirmed on 12/18	Depreciated Cost of Improvements.....	= \$
Appraisal delivered on 12/20/10.	"As-is" Value of Site Improvements.....	= \$
Estimated Remaining Economic Life (HUD and VA only) 60 Years	Indicated Value By Cost Approach	= \$

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ N/A X Gross Rent Multiplier N/A = \$N/A Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM) Single family homes are not typically sold for their income potential. There was not enough sales/rental data to establish an actual GRM. Therefore the income approach was not utilized.

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 an 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

Uniform Residential Appraisal ReportCase No. 62-62-6-1129TRA
File # 14TRA

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 complete visual inspection of the interior and exterior areas of the subject property, (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.

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 provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. 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.
4. 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.
5. 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.
6. 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.

Uniform Residential Appraisal Report**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 complete visual inspection of the interior and exterior areas of the subject property. 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.
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.

Uniform Residential 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.

APPRAISERSignature Craig FlandersName Craig FlandersCompany Name AssociatesCompany Address 000 Lane, Anywhere, TX. 77388Telephone Number 555-555-2300Email Address cflanders@training.sarDate of Signature and Report December 21, 2010Effective Date of Appraisal December 14, 2010State Certification # 1320TRA-R

or State License # _____

or Other (describe) _____ State # _____

State TXExpiration Date of Certification or License 4/30/2011**ADDRESS OF PROPERTY APPRAISED**28427 Buttercup Cove LnSpring, Tx 77386-3917APPRAISED VALUE OF SUBJECT PROPERTY \$ 371,000**LENDER/CLIENT**

Name _____

Company Name Castle Mort./Dept of Veterans AffairsCompany Address 000 Gabby Hayes Ave, Anywhere, TX 77777

Email Address _____

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 subject property Did inspect exterior of subject property from street

Date of Inspection _____

 Did inspect interior and exterior of subject property

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 _____

EXHIBITS

Exhibit 1: Requirements – Condition and Quality Ratings Usage

Appraisers must utilize the following standardized condition and quality ratings within the appraisal report.

Condition Ratings and Definitions

C1

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

**Note: Newly constructed improvements that feature recycled materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100% new foundation and the recycled materials and the recycled components have been rehabilitated/re-manufactured into like-new condition. Recently constructed improvements that have not been previously occupied are not considered “new” if they have any significant physical depreciation (i.e., 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 either are almost new or have been recently completely renovated and are similar in condition to new construction.

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.

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.

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.

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.

EXHIBITS

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 residences 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.

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.

EXHIBITS

Exhibit 2: Requirements – 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.

EXHIBITS

Exhibit 3: Requirements – Abbreviations Used in Data Standardization Text

Abbreviation	Full Name	Appropriate Fields
ac	Acres	Area, Site
AdjPrk	Adjacent	Location
AdjPwr	Adjacent to Power Lines	Location
A	Adverse	Location & View
ArmLth	Arms Length Sale	Sale or Financing Concessions
ba	Bathroom(s)	Basement & Finished Rooms Below Grade
br	Bedroom	Basement & Finished Rooms Below Grade
B	Beneficial	Location & View
Cash	Cash	Sale or Financing Concessions
CtySky	City View Skyline View	View
CtyStr	City Street View	View
Comm	Commercial Influence	Location
c	Contracted Date	Date of Sale/Time
Conv	Conventional	Sale or Financing Concessions
CrtOrd	Court Ordered Sale	Sale or Financing Concessions
DOM	Days On Market	Data Sources
e	Expiration Date	Date of Sale/Time
Estate	Estate Sale	Sale or Financing Concessions
FHA	Federal Housing Authority	Sale or Financing Concessions
Glfcse	Golf Course	Location
Glfvw	Golf Course View	View
Ind	Industrial	Location & View
in	Interior Only Stairs	Basement & Finished Rooms Below Grade
Lndfl	Landfill	Location
LtdSght	Limited Sight	View
Listing	Listing	Sale or Financing Concessions
Mtn	Mountain View	View
N	Neutral	Location & View
NonArm	Non-Arms Length Sale	Sale or Financing Concessions
BsyRd	Busy Road	Location
o	Other	Basement & Finished Rooms Below Grade
Prk	Park View	View
Pstrl	Pastoral View	View
PwrLn	Power Lines	View
PubTrn	Public Transportation	Location
rr	Recreational (Rec) Room	Basement & Finished Rooms Below Grade
Relo	Relocation Sale	Sale or Financing Concessions
REO	REO Sale	Sale or Financing Concessions
Res	Residential	Location & View
RH	USDA –Rural Housing	Sale or Financing Concessions
s	Settlement Date	Date of Sale/Time
Short	Short Sale	Sale or Financing Concessions
sf	Square Feet	Area, Site, Basement
Unk	Unknown	Date of Sale/Time
VA	Veterans Administration	Sale or Financing Concessions
w	Withdrawn Date	Date of Sale/Time
wo	Walk Out Basement	Basement & Finished Rooms Below Grade
wu	Walk Up Basement	Basement & Finished Rooms Below Grade
WtrFr	Water Frontage	Location
Wtr	Water View	View
Woods	Wood View	View

Uniform Residential Appraisal Report

62-62-6-1129TRA

File # 14TRA

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address	28427 Buttercup Cove Ln Spring, Tx 77386-3917	28315 Hollow Springs Ln. Spring, Tx 77386			28023 Jillian Oaks Ln Spring, Tx 77386					
Proximity to Subject		0.95 miles SW			0.89 miles SW					
Sale Price	\$ 371,000	\$ 399,900			\$ 409,149			\$		
Sale Price/Gross Liv. Area	\$ 97 sq.ft.	\$ 99 sq.ft.			\$ 126sq.ft.			\$ sq.ft.		
Data Source(s)		MLS/DOM 120			MLS/DOM 73					
Verification Source(s)		MLS#97852641/Coventry Hms			MLS#33748999/Coventry Hms					
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing Concessions		Listing	-20,000		ArmLth VA;7,060	0				
Date of Sale/Time		c11/12	0		s12/10	0				
Location	N;Res	N;Res			B; Gated	-30,000				
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple					
Site	8,400 Sq.Ft.	10,000sf/Avg	0		11,700sf/Avg	0				
View	N;Res	N;Res			N;Res					
Design (Style)	Contemporary	Contemporary			Contemporary					
Quality of Construction	Q2	Q2			Q2					
Actual Age	0	7	+7,000		0					
Condition	C1	C3\	+10,000		C1					
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths			Total Bdrms. Baths			Total Bdrms. Baths		
Room Count	11 4 3.1	12 5 3.1			11 5 3.1					
Gross Living Area	3,842 sq.ft.	4,046 sq.ft.	-7,140		3,256 sq.ft.	+20,510			sq.ft.	
Basement & Finished Rooms Below Grade	UstUst 0rr;0br;0.0ba;0o	UstUst 0rr;0br;0.0ba;0o			UstUst 0rr;0br;0.0ba;0o					
Functional Utility	Functional/Avg	Functional/Avg			Functional/Avg					
Heating/Cooling	Centrals	Centrals			Centrals					
Energy Efficient Items	Standard	Standard			Standard					
Garage/Carport	3 Garage	3 Garage			3 Garage					
Porch/Patio/Deck	Porch/Patio	Porch/Patio			Porch/Patio					
Fence	Fence	Fence			Fence					
Fireplace	One	One			One					
List to Sale Ratio:	88%	Pool & Spa	-10,000		97%					
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -20,140		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -9,490		<input type="checkbox"/> + <input type="checkbox"/> -	\$	
Adjusted Sale Price of Comparables		Net Adj. 5.0 %	\$ 379,760		Net Adj. %	\$ 399,659		Net Adj. %	\$	
		Gross Adj. 13.5 %			Gross Adj. %			Gross Adj. %		
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	None Noted	None Noted			None Noted					
Price of Prior Sale/Transfer	None Noted	None Noted			None Noted					
Data Source(s)	MLS/Tax	MLS/Tax			MLS/Tax					
Effective Date of Data Source(s)	Current Date	Current Date			Current Date					
Analysis of prior sale or transfer history of the subject property and comparable sales										
N/A										
Analysis/Comments Due to the Discovery at Spring Trails being a newer section and development with limited sales, two sales were taken from the nearby Benders Landing development.										

Market Conditions Addendum to the Appraisal Report

62-62-6-1129TRA
File No. 14TRA

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 28427 Buttercup Cove Ln City Spring State TX ZIP Code 77386-3917

Borrower Roy Rogers

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)	14	8	5	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	2.33	2.67	1.67	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	**	**	16	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	**	**	9.6	<input type="checkbox"/> Declining	<input 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	375,000	373,025	390,000	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	99	117	152	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	395,500	383,750	400,112	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	**	**	**	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	96%	97%	97%	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining

Seller-(developer, builder, etc.)paid financial assistance prevalent? Yes No Declining Stable 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.).
seller concessions have typically remained at a 3% maximum level for conventional and 6% for FHA loans.

**MLS does not accurately populate these numbers.

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).

Cite data sources for above information. MLS-Statistics Report. See Below for parameters.

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.

The MC data above was presented under the following parameters-(price range \$350,000 to \$450,000 in Spring 77386 area).
16 homes are listed with 27 sales within the past year.
This indicates a 8 month supply.

The following was noted from the statistical market area MLS and the above MC data:
Typical seasonal trends were noted over the past year.
Property values, as compared to those selling within the past year appear stable.
Given the active number of listings and similar sales within the past year, this area is considered to be a slight over supply.

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.
N/A

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

Signature <i>Craig Flanders</i>	Signature
Appraiser Name Craig Flanders	Supervisory Appraiser Name
Company Name Associates	Company Name
Company Address 000 Lane, Anywhere, Tx 77388	Company Address
State License/Certification # 1320TRA-R State TX	State License/Certification # State
Email Address cflanders@training.sar	Email Address

Supplemental Addendum

File No. 14TRA

Borrower/Client	Roy Rogers				
Property Address	28427 Buttercup Cove Ln				
City	Spring	County	Montgomery	State	TX Zip Code 77386-3917
Lender	Castle Mort./Dept of Veterans Affairs				

This is a Complete Appraisal/Summary Appraisal Report which is intended to comply with the reporting requirements set forth under the Standards Rules of the Uniform Standard of Professional Practice of the Appraisal Foundation and the requirements of FIRREA.

URAR: Neighborhood Boundaries and Characteristics

Bounded on the east by E. Bender's Landing Blvd. Bounded on the south and west by Spring Creek. Bounded on the north by Riley Fuzzell Rd. For the purposes of this appraisal report, The subject neighborhood name is considered to be the known as Spring Trails. Please see location map. This neighborhood is located 23 miles northeast of the Houston central business district. Employments centers, schools, places of worship are located in proximity to this area. Public schools are provided by the Conroe ISD. Marketing times and exposure times is considered to be 3 to 6 months when a property is listed competitively.

There is no adverse conditions that would affect the subject's marketability. Mortgage financing is available at competitive rates and terms.

URAR: Site Comments

The subject site is a typical residential lot. No adverse conditions were noted.

For the most part, the greater Houston and surrounding areas does not have zoning ordinances. The lack of ordinances does not have a negative effect on marketability.

Highest and Best Use: The highest and best use is considered to be it's present use, that of a single family residential home. This use is legally permissible, physically possible and would be financially feasible and would most like result in the highest net return.

FEMA-flood mapping information, (map numbers, dates or mapping information) is provided by appraiser as a "general guide".It should be clearly understood that the appraiser is not a surveyor. A survey and/or flood certification is recommended to determine the exact location and status.

The subject site is not near any public or private airports. Therefore, there is not any negative influence due to traffic noise.

Additional Features/Condition of Improvements:

The subject property is an existing home that is of similar quality of construction of that of other competing homes in this neighborhood. The subject was rated as being in average overall condition. Please see attached further comments on the limitations as to the inspection of the subject property and it's improvements.

Features of the subject property include: Built by Castlerock Homes. Plan Laguna II.

SALES COMPARISON APPROACH:

The subject is a new existing home located in the Spring Trails development in Spring,Texas 77386.

Sale 1 is a new home by Castlerock (subject builder).

Sales 2 and 3 were resales from nearby competing developments. This was necessary due to the lack of overall sales in Spring Trails.

Comparable 4 is a pending sales in the subject development.

Predominant Values: The value of the subject does does exceed the predominant value of the defined neighborhood. This issue to the subject being one of the larger homes. the larger home does not affect the overall marketability.

Distance of Comparables: The distance of the comparables were considered to be reasonable given the area make up,overall lot sizes, density of improved property and recent sale activity.

Seller Concessions: Seller concessions were reported by the MLS or HUD-1 sources. The appraiser has determined that the concessions of the comparables did not inflate the overall value of the comparable. Also, adjustments were also consistent with those in this marketplace.

Dates of Sales: At a minimum, two 90 day transactions were utilized and one six month transaction was utilized.

Location: The comparable sales were located in the subject development and considered to have similar overall location in terms of employment, schools and placed of worship.

Site Sizes: Lot size adjustments were applied to sale 3 only. Sale 2 was located on a busy thoroughfare and was offset by this busy street. Remaining sales were similar in size. Sale 5 was located in the gated section of Spring Trails and adjusted downward.

Age: Adjustments were applied for differences in long term items. A condition adjustment was applied for short term items. Living Area Adjustments: The selection of comparables includes considerations being placed on similar homes being slightly lower and higher in overall gross living area.

Living Area Adjustments: The selection of comparables includes considerations being placed on similar homes being slightly lower and higher in overall gross living area.

Excessive Adjustments: Excessive per line, net and gross adjustments were not noted in this report. With this in mind, the comparable sales selected were considered to overall similar but by no means an exact model match.

Supplemental Addendum

File No. 14TRA

Borrower/Client	Roy Rogers				
Property Address	28427 Buttercup Cove Ln				
City	Spring	County	Montgomery	State	TX Zip Code 77386-3917
Lender	Castle Mort./Dept of Veterans Affairs				

Bracketing the Sales Price/Living Area: During the comparable selection process the appraiser attempted to bracket the sales price and gross living area. This provides both inferior and superior comparables to the subject.

Sales Reconciliation: Greatest weight was placed on sale 1 due to this being a recent sale of a similar subject builder product. The listings and pending sales provided support the value conclusion with a adequate list to sale price adjustment.

VA Certification-I have considered relevant competitive listings and/or contract offerings in performing this appraisal, and any trend indicated by that data is supported by the listing/offering information included in this report. If a trend is indicated, I have attached an addendum providing relevant competitive listing/contract offering data.

Photos: Sale 1 was a model home and was still being utilized as a sales office. MLS reported this home sold for \$390,000. However after the appraiser reviewed the HUD-1 it was reported the sales price as being \$370,000.

For Training Purposes Only

ENVIRONMENTAL ADDENDUM
APPARENT* HAZARDOUS SUBSTANCES AND/OR DETRIMENTAL ENVIRONMENTAL CONDITIONS

Borrower/Client	Roy Rogers		
Address	28427 Buttercup Cove Ln		
City	Spring	County	Montgomery
State	TX	Zip code	77386-3917
Lender	Castle Mort./Dept of Veterans Affairs		

***Apparent is defined as that which is visible, obvious, evident or manifest to the appraiser.**

This universal Environmental Addendum is for use with any real estate appraisal. Only the statements which have been checked by the appraiser apply to the property being appraised.

This addendum reports the results of the appraiser's routine inspection of and inquiries about the subject property and its surrounding area. It also states what assumptions were made about the existence (or nonexistence) of any hazardous substances and/or detrimental environmental conditions. **The appraiser is not an expert environmental inspector** and therefore might be unaware of existing hazardous substances and/or detrimental environmental conditions which may have a negative effect on the safety and value of the property. It is possible that tests and inspections made by a qualified environmental inspector would reveal the existence of hazardous materials and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.

DRINKING WATER

- Drinking Water is supplied to the subject from a municipal water supply which is considered safe. However the only way to be absolutely certain that the water meets published standards is to have it tested at all discharge points.
- Drinking Water is supplied by a well or other non-municipal source. It is recommended that tests be made to be certain that the property is supplied with adequate pure water.
- Lead can get into drinking water from its source, the pipes, at all discharge points, plumbing fixtures and/or appliances. The only way to be certain that water does not contain an unacceptable lead level is to have it tested at all discharge points.
- The value estimated in this appraisal is based on the assumption that there is an adequate supply of safe, lead-free Drinking Water.**

Comments _____

SANITARY WASTE DISPOSAL

- Sanitary Waste is removed from the property by a municipal sewer system.
- Sanitary Waste is disposed of by a septic system or other sanitary on site waste disposal system. The only way to determine that the disposal system is adequate and in good working condition is to have it inspected by a qualified inspector.
- The value estimated in this appraisal is based on the assumption that the Sanitary Waste is disposed of by a municipal sewer or an adequate properly permitted alternate treatment system in good condition.**

Comments _____

SOIL CONTAMINANTS

- There are no apparent signs of Soil Contaminants on or near the subject property (except as reported in Comments below). It is possible that research, inspection and testing by a qualified environmental inspector would reveal existing and/or potential hazardous substances and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.
- The value estimated in this appraisal is based on the assumption that the subject property is free of Soil Contaminants.**

Comments _____

ASBESTOS

- All or part of the improvements were constructed before 1979 when Asbestos was a common building material. The only way to be certain that the property is free of friable and non-friable Asbestos is to have it inspected and tested by a qualified asbestos inspector.
- The improvements were constructed after 1979. No apparent friable Asbestos was observed (except as reported in Comments below).
- The value estimated in this appraisal is based on the assumption that there is no uncontained friable Asbestos or other hazardous Asbestos material on the property.**

Comments _____

PCBs (POLYCHLORINATED BIPHENYLS)

- There were no apparent leaking fluorescent light ballasts, capacitors or transformers anywhere on or nearby the property (except as reported in Comments below).
- There was no apparent visible or documented evidence known to the appraiser of soil or groundwater contamination from PCBs anywhere on the property (except as reported in Comments below).
- The value estimated in this appraisal is based on the assumption that there are no uncontained PCBs on or nearby the property.**

Comments _____

RADON

- The appraiser is not aware of any Radon tests made on the subject property within the past 12 months (except as reported in Comments below).
- The appraiser is not aware of any indication that the local water supplies have been found to have elevated levels of Radon or Radium.
- The appraiser is not aware of any nearby properties (except as reported in Comments below) that were or currently are used for uranium, thorium or radium extraction or phosphate processing.
- The value estimated in this appraisal is based on the assumption that the Radon level is at or below EPA recommended levels.**

Comments _____

USTs (UNDERGROUND STORAGE TANKS)

- There is no apparent visible or documented evidence known to the appraiser of any USTs on the property nor any known historical use of the property that would likely have had USTs.
- There are no apparent petroleum storage and/or delivery facilities (including gasoline stations or chemical manufacturing plants) located on adjacent properties (except as reported in Comments below).
- There are apparent signs of USTs existing now or in the past on the subject property. It is recommended that an inspection by a qualified UST inspector be obtained to determine the location of any USTs together with their condition and proper registration if they are active; and if they are inactive, to determine whether they were deactivated in accordance with sound industry practices.
- The value estimated in this appraisal is based on the assumption that any functioning USTs are not leaking and are properly registered and that any abandoned USTs are free from contamination and were properly drained, filled and sealed.

Comments _____

NEARBY HAZARDOUS WASTE SITES

- There are no apparent Hazardous Waste Sites on the subject property or nearby the subject property (except as reported in Comments below). Hazardous Waste Site search by a trained environmental engineer may determine that there is one or more Hazardous Waste Sites on or in the area of the subject property.
- The value estimated in this appraisal is based on the assumption that there are no Hazardous Waste Sites on or nearby the subject property that negatively affect the value or safety of the property.

Comments _____

UREA FORMALDEHYDE (UFFI) INSULATION

- All or part of the improvements were constructed before 1982 when UREA foam insulation was a common building material. The only way to be certain that the property is free of UREA formaldehyde is to have it inspected by a qualified UREA formaldehyde inspector.
- The improvements were constructed after 1982. No apparent UREA formaldehyde materials were observed (except as reported in Comments below).
- The value estimated in this appraisal is based on the assumption that there is no significant UFFI insulation or other UREA formaldehyde material on the property.

Comments _____

LEAD PAINT

- All or part of the improvements were constructed before 1980 when Lead Paint was a common building material. There is no apparent visible or known documented evidence of peeling or flaking Lead Paint on the floors, walls or ceilings (except as reported in Comments below). The only way to be certain that the property is free of surface or subsurface Lead Paint is to have it inspected by a qualified inspector.
- The improvements were constructed after 1980. No apparent Lead Paint was observed (except as reported in Comments below).
- The value estimated in this appraisal is based on the assumption that there is no flaking or peeling Lead Paint on the property.

Comments _____

AIR POLLUTION

- There are no apparent signs of Air Pollution at the time of the inspection nor were any reported (except as reported in Comments below). The only way to be certain that the air is free of pollution is to have it tested.
- The value estimated in this appraisal is based on the assumption that the property is free of Air Pollution.

Comments _____

WETLANDS/FLOOD PLAINS

- The site does not contain any apparent Wetlands/Flood Plains (except as reported in Comments below). The only way to be certain that the site is free of Wetlands/Flood Plains is to have it inspected by a qualified environmental professional.
- The value estimated in this appraisal is based on the assumption that there are no Wetlands/Flood Plains on the property (except as reported in Comments below).

Comments See FEMA comments on addendum _____

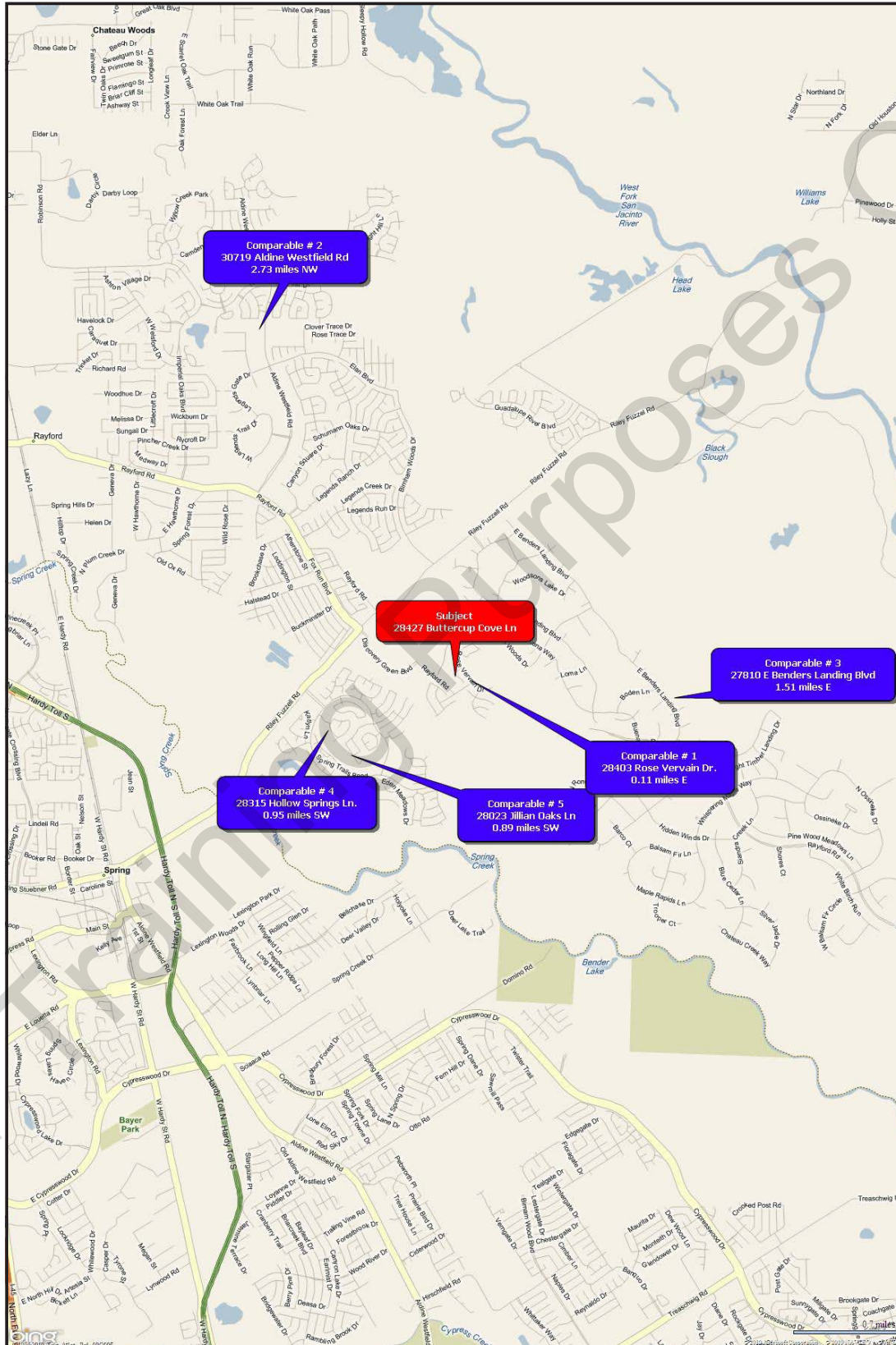
MISCELLANEOUS ENVIRONMENTAL HAZARDS

- There are no other apparent miscellaneous hazardous substances and/or detrimental environmental conditions on or in the area of the site except as indicated below:
 - Excess Noise _____
 - Radiation + Electromagnetic Radiation _____
 - Light Pollution _____
 - Waste Heat _____
 - Acid Mine Drainage _____
 - Agricultural Pollution _____
 - Geological Hazards _____
 - Nearby Hazardous Property _____
 - Infectious Medical Wastes _____
 - Pesticides _____
 - Others (Chemical Storage + Storage Drums, Pipelines, etc.) _____
- The value estimated in this appraisal is based on the assumption that there are no Miscellaneous environmental Hazards (except those reported above) that would negatively affect the value of the property.

When any of the environmental assumptions made in this addendum are not correct, the estimated value in this appraisal may not be valid.

Location Map

Borrower/Client	Roy Rogers				
Property Address	28427 Buttercup Cove Ln				
City	Spring	County	Montgomery	State	TX
				Zip Code	77386-3917
Lender	Castle Mort./Dept of Veterans Affairs				



Subject Photo Page

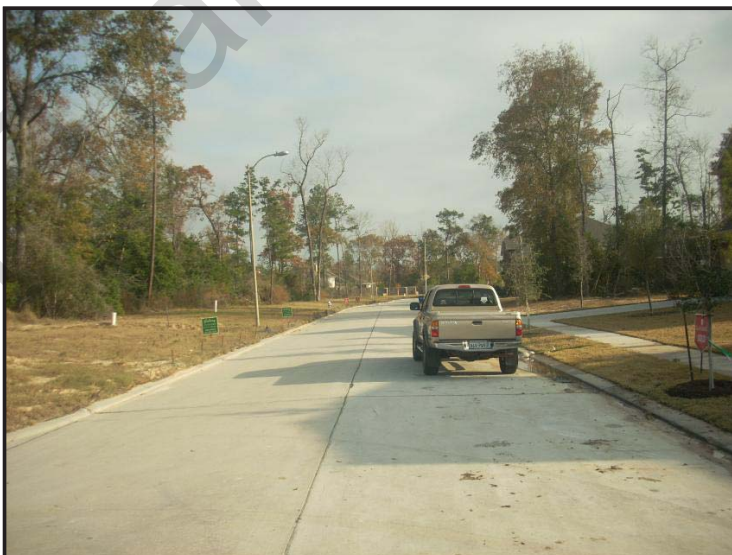
Borrower/Client	Roy Rogers				
Property Address	28427 Buttercup Cove Ln				
City	Spring	County	Montgomery	State	TX Zip Code 77386-3917
Lender	Castle Mort./Dept of Veterans Affairs				



Subject Front
28427 Buttercup Cove Ln



Subject Rear



Subject Street

For Sale Only

PHOTOGRAPH ADDENDUM

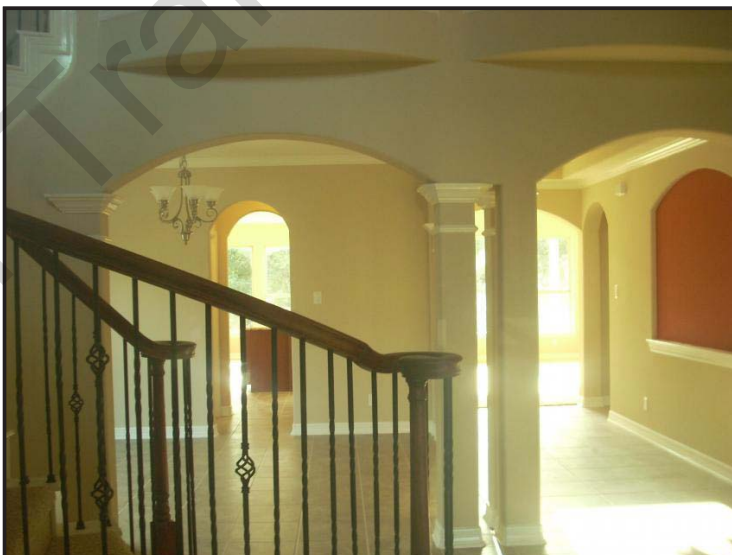
Borrower/Client	Roy Rogers				
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Side of Subject Property



Side of Subject Property

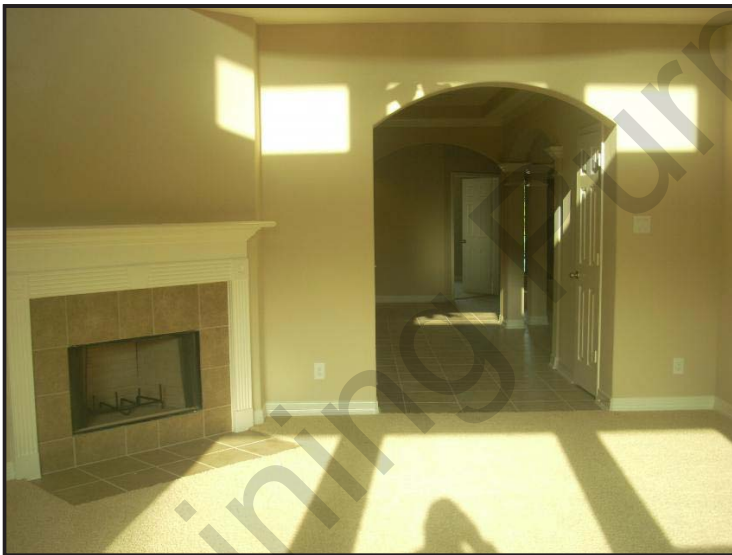


Subject Interior Photo Page

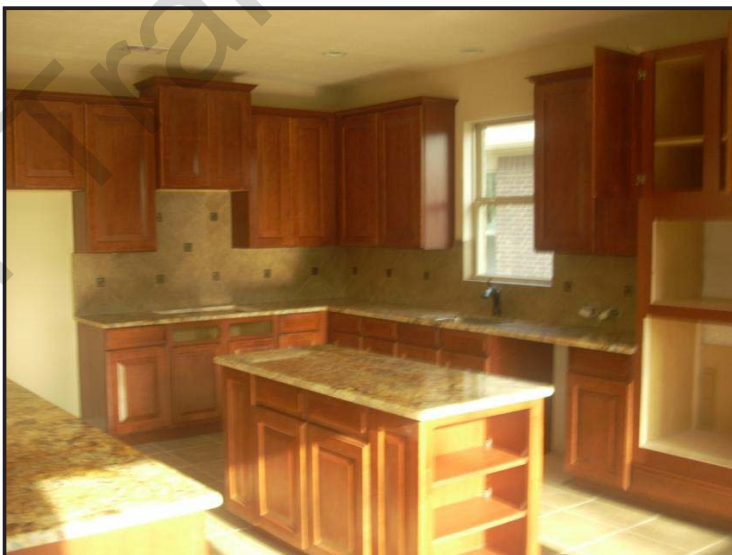
Borrower/Client	Roy Rogers			
Property Address	28427 Buttercup Cove Ln			
City	Spring	County	Montgomery	State TX Zip Code 77386-3917
Lender	Castle Mort./Dept of Veterans Affairs			



Subject Interior
 28427 Buttercup Cove Ln
 Sales Price 371,000
 Gross Living Area 3,842
 Total Rooms 12
 Total Bedrooms 5
 Total Bathrooms 3/1
 Location Spring Trails
 View Int/Water/Avg
 Site 8,400 Sq.Ft.
 Quality Average
 Age New/2010



Subject Interior



Subject Interior

For Training Purposes Only

Comparable Photo Page

Borrower/Client	Roy Rogers				
Property Address	28427 Buttercup Cove Ln				
City	Spring	County	Montgomery	State	TX Zip Code 77386-3917
Lender	Castle Mort./Dept of Veterans Affairs				



Comparable 1

28403 Rose Vervain Dr.



Comparable 2

30719 Aldine Westfield Rd.



Comparable 3

27810 E Benders Landing Blvd.

Comparable Photo Page

Borrower/Client	Roy Rogers				
Property Address	28427 Buttercup Cove Ln				
City	Spring	County	Montgomery	State	TX Zip Code 77386-3917
Lender	Castle Mort./Dept of Veterans Affairs				



Comparable 4

28315 Hollow Springs Ln.



Comparable 5

28023 Jillian Oaks Ln

For Training Purposes Only



TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD

**BE IT KNOWN THAT
Craig Flanders**

*HAVING PROVIDED SATISFACTORY EVIDENCE OF THE QUALIFICATIONS REQUIRED
BY THE TEXAS APPRAISER LICENSING AND CERTIFICATION ACT,
TEXAS OCCUPATIONS CODE, CHAPTER 1103,
IS AUTHORIZED TO USE THE TITLE*

**STATE CERTIFIED
RESIDENTIAL REAL ESTATE APPRAISER**

Number: TX-1320TRA-R

Date of Issue: April 14, 2009

Date of Expiration: April 30, 2011

In Witness Whereof

Clint Jones

Clint Jones, Chair

Laura Hay

Laura Hay, Acting Commissioner



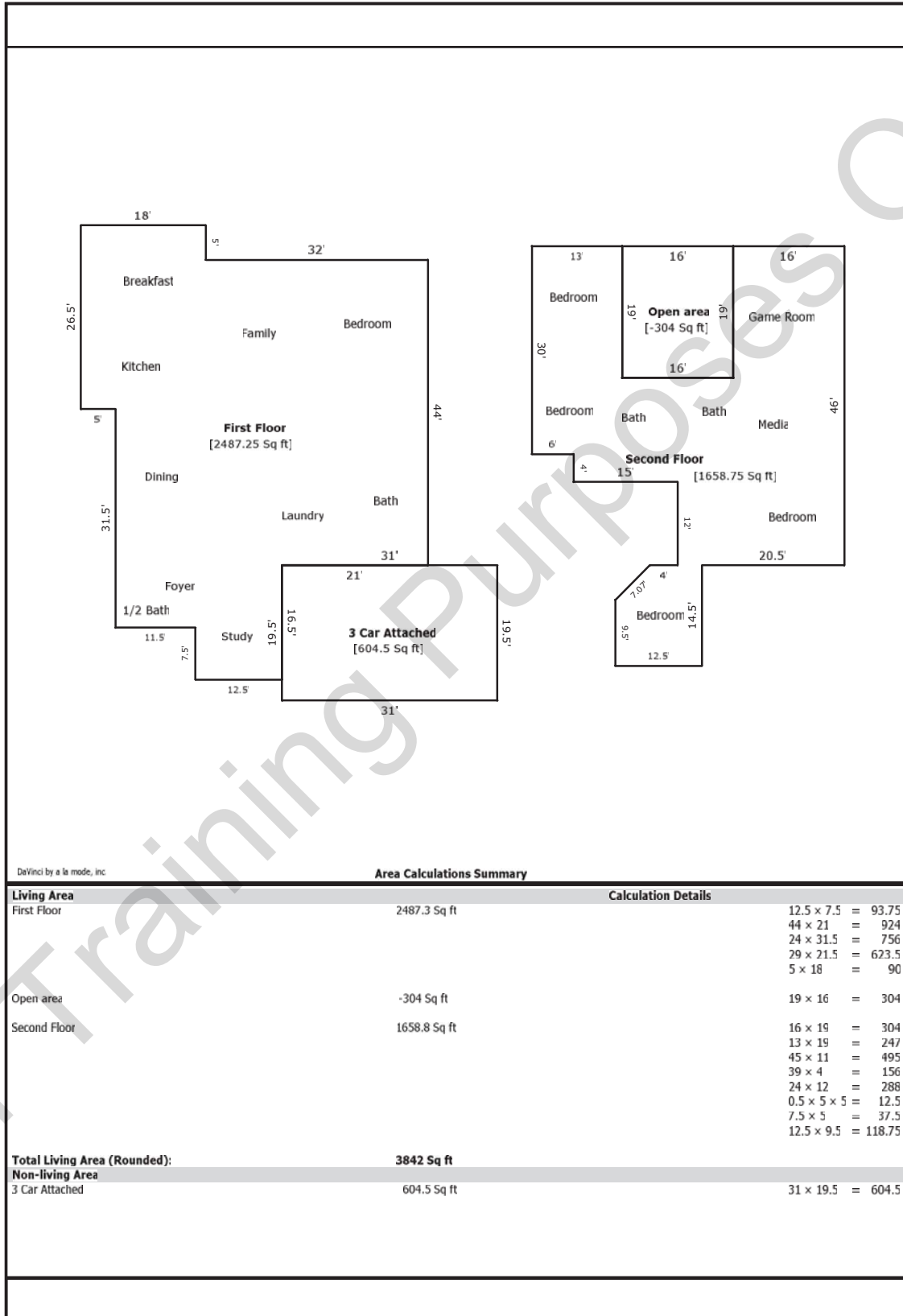
Clint Jones, Chair
Robert Kendall
Paul Friese

Harry Ratcliff Vice Chair
Jose Garza, Jr.
Louis Schien

Anne-Marie Ryan, Secretary
Neil Christiansen
Robert Hogan

Building Sketch

Borrower/Client	Roy Rogers			
Property Address	28427 Buttercup Cove Ln			
City	Spring	County	Montgomery	State TX Zip Code 77386-3917
Lender	Castle Mort./Dept of Veterans Affairs			



DaVinci by a la mode, inc

Area Calculations Summary

Living Area	Calculation Details	
First Floor	2487.3 Sq ft	$12.5 \times 7.5 = 93.75$ $44 \times 21 = 924$ $24 \times 31.5 = 756$ $29 \times 21.5 = 623.5$ $5 \times 18 = 90$
Open area	-304 Sq ft	$19 \times 16 = 304$
Second Floor	1658.8 Sq ft	$16 \times 19 = 304$ $13 \times 19 = 247$ $45 \times 11 = 495$ $39 \times 4 = 156$ $24 \times 12 = 288$ $0.5 \times 5 \times 5 = 12.5$ $7.5 \times 5 = 37.5$ $12.5 \times 9.5 = 118.75$
Total Living Area (Rounded):	3842 Sq ft	
Non-living Area		
3 Car Attached	604.5 Sq ft	$31 \times 19.5 = 604.5$