

# INVOICE

**FROM:**  
 Contact: Taylor Brennan  
 Company: Brennan Appraisals  
 Address: 000 Waldo Road  
 Anywhere, TX 78218

Telephone Number: 555.555.3091 Fax Number: 555.555.3806

**TO:**  
 Company: Mortgage Company  
 Address: 000 McDert Road  
 Anywhere, Texas 78288

Telephone Number: Fax Number:  
 Alternate Number: E-Mail:

| INVOICE NUMBER        |                 |
|-----------------------|-----------------|
| 1210-53TRA            |                 |
| DATE                  |                 |
| 12/16/2010            |                 |
| REFERENCE             |                 |
| Internal Order #:     |                 |
| Lender Case #:        | 62-62-6-1128TRA |
| Client File #:        | 1210-53TRA      |
| Main File # on form:  |                 |
| Other File # on form: |                 |
| Federal Tax ID:       |                 |
| Employer ID:          |                 |

## DESCRIPTION

Lender: Department of Veterans Affairs Client:  
 Purchaser/Borrower: Willie Nelson  
 Property Address: 13130 Blanco Road Unit 904  
 City: San Antonio  
 County: Bexar State: TX Zip: 78216-6300  
 Legal Description:

| FEES | AMOUNT |
|------|--------|
|------|--------|

|                 |        |
|-----------------|--------|
| Full Appraisal  | 400.00 |
| <b>SUBTOTAL</b> | 400.00 |

| PAYMENTS | AMOUNT |
|----------|--------|
|----------|--------|

|                  |       |              |           |
|------------------|-------|--------------|-----------|
| Check #:         | Date: | Description: |           |
| Check #:         | Date: | Description: |           |
| Check #:         | Date: | Description: |           |
| <b>SUBTOTAL</b>  |       |              |           |
| <b>TOTAL DUE</b> |       |              | \$ 400.00 |

**Residential Appraisal Report**

**Of**

**Single Family Residence at**

13130 Blanco Road Unit 904  
San Antonio, TX 78216-6300

**For**

Mortgage Co/Department of Veteran Affairs  
000 McDert Road, Anywhere, TX 78288

**As of**

12/15/2010

**SUMMARY OF SALIENT FEATURES**File No. 1210-53TRA  
Case No. 62-62-6-1128TRA

| SUBJECT INFORMATION         | Subject Address 13130 Blanco Road<br><br>Legal Description NCB 17150 Unit 904 Builder J The Chesapeake Condo<br><br>City San Antonio<br><br>County Bexar<br><br>State TX<br><br>Zip Code 78216-6300<br><br>Census Tract 1914.03<br><br>Map Reference 550 B1 <span style="float: right;">Flood Map No.</span> |
|-----------------------------|--|
| SALES PRICE                 | Sale Price \$ 108,650.00<br><br>Date of Sale N/A   |
| CLIENT                      | Borrower / Client Willie Nelson<br><br>Lender Mortgage Co./Department of Veteran Affairs   |
| DESCRIPTION OF IMPROVEMENTS | Size (Square Feet) 1,329<br><br>Price per Square Foot \$ 81.75<br><br>Location Chesapeake<br><br>Age 28 yrs<br><br>Condition Average<br><br>Total Rooms 5<br><br>Bedrooms 2<br><br>Baths 2.00  |
| APPRAISER                   | Appraiser Taylor Brennan<br><br>Date of Appraised Value 12/15/2010   |
| VALUE                       | Final Estimate of Value \$ <b>109,000.00</b>   |

## Individual Condominium Unit Appraisal Report

Case # 62-62-6-1128TRA  
File # 1210-53TRA

|   |  |  |  |  |                     |   |                    |                           |  |
|---|--|--|--|--|---------------------|---|--------------------|---------------------------|--|
| 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 13130 Blanco Road  |  | Unit # 904   |  | City San Antonio   |                     | State tx Zip Code 78216-6300  |                    |                           |  |
| Borrower Willie Nelson  |  | Owner of Public Record Hank Williams   |  | County Bexar   |                     |   |                    |                           |  |
| Legal Description NCB 17150 Unit 904 Builder J The Chesapeake Condo   |  |  |  |  |                     |   |                    |                           |  |
| Assessor's Parcel # 171501099040  |  |  |  | Tax Year 2009  |                     | R.E. Taxes \$ 2,951   |                    |                           |  |
| Project Name Chesapeake Condo   |  | Phase # 1  |  | Map Reference 550 B1   |                     | Census Tract 1914.03  |                    |                           |  |
| Occupant <input type="checkbox"/> Owner <input checked="" type="checkbox"/> Tenant <input type="checkbox"/> Vacant  |  | Special Assessments \$ 0   |  | HOA \$ 229   |                     | <input type="checkbox"/> per year <input checked="" 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 checked="" type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe) Valuation Only  |  |  |  |  |                     |   |                    |                           |  |
| Lender/Client MortgageCo./Dept of Veteran Affairs   |  |  |  | Address 000 McDert Road, Anywhere, TX 78288  |                     |   |                    |                           |  |
| 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  |  |  |  |  |                     |   |                    |                           |  |
| Report data source(s) used, offering price(s), and date(s). DOM Unk. Per San Antonio MLS the subject is not currently listed for sale nor has it been listed within the last 12 months.   |  |  |  |  |                     |   |                    |                           |  |
| I <input checked="" 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. Arms Length Sale. Contract provided for review appears to be straight forward. Terms appear to be similar to what is typically found in Subject market area.                                 |  |  |  |  |                     |   |                    |                           |  |
| Contract Price \$ 108,650   |  | Date of Contract 10/26/2010  |  | Is the property seller the owner of public record? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s) Tax/Deed Rcrds |                     |   |                    |                           |  |
| 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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br>If Yes, report the total dollar amount and describe the items to be paid. \$2,650 in buyer's Closing Costs, Typical.   |  |  |  |  |                     |   |                    |                           |  |
| Note: Race and the racial composition of the neighborhood are not appraisal factors.  |  |  |  |  |                     |   |                    |                           |  |
| Neighborhood Characteristics  |  | Condominium Unit Housing Trends  |  |  | Condominium 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 68%       |                           |  |
| 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 checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply    |  |  | \$ (000) (yrs)      |   | 2-4 Unit 3%        |                           |  |
| 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 |  |  | 50 Low 15           |   | Multi-Family 7%    |                           |  |
| Neighborhood Boundaries The neighborhood is bounded by IH-10 to the W., Loop 410 to the S., Hwy 281 to the E., and Loop 1604 to the N.  |  |  |  |  | 379 High 40         |   | Commercial 12%     |                           |  |
| Neighborhood Description Marketability of the subject area is favorable due to location of the complex, it's convenient access to major transportation routes, schools, places of worship, shopping and recreational facilities and the complex's appeal to the market. Proximity to employment is favorable due to easy access to Loop 410, Loop 1604 and other major thoroughfares which lead into San Antonio's business/employment centers. |  |  |  |  | 85+/- Pred. 25      |   | Other Vcnt. 10%    |                           |  |
| Market Conditions (including support for the above conclusions) The market area is considered to be well received with regards to residential market appeal. Currently, demand for housing is good in the area. Market conditions appear to be stable with typical marketing time ranging from 60-180 days. Finance types in the market area are primarily Conventional loans with some VA & FHA loans as well as cash transactions.            |  |  |  |  |                     |   |                    |                           |  |
| Topography Gentle Sloping   |  | Size Typical   |  | Density 6/Acre   |                     | View N;Res  |                    |                           |  |
| Specific Zoning Classification C-2  |  |  |  | Zoning Description General Commercial District   |                     |   |                    |                           |  |
| Zoning Compliance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming - Do the zoning regulations permit rebuilding to current density? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)  |  |  |  |  |                     |   |                    |                           |  |
| Is the highest and best use of the 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  |  |  |  |  |                     |   |                    |                           |  |
| 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 Asphalt   |                     | <input type="checkbox"/> <input checked="" type="checkbox"/>                    |                    |                           |  |
| Gas <input checked="" type="checkbox"/> <input type="checkbox"/>  |  | Sanitary Sewer <input checked="" type="checkbox"/> <input type="checkbox"/>  |  | Alley None   |                     | <input 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 # 48029C0245G   |                     | FEMA Map Date 09/29/2010  |                    |                           |  |
| Are the utilities and off-site improvements typical for the market area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe  |  |  |  |  |                     |   |                    |                           |  |
| Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe   |  |  |  |  |                     |   |                    |                           |  |
| Appraiser noted typical utilities easements common to the platted subdivision. No adverse easements or encroachments noted. The subject does not appear to be in the Noise Zone as established by the FAA.  |  |  |  |  |                     |   |                    |                           |  |
| Data source(s) for project information HOA Contact: Betty Kiest 210-492-5106  |  |  |  |  |                     |   |                    |                           |  |
| Project Description <input type="checkbox"/> Detached <input type="checkbox"/> Row or Townhouse <input type="checkbox"/> Garden <input checked="" type="checkbox"/> Mid-Rise <input type="checkbox"/> High-Rise <input type="checkbox"/> Other (describe)   |  |  |  |  |                     |   |                    |                           |  |
| General Description   |  | General Description  |  | Subject Phase  |                     | If Project Completed  |                    | If Project Incomplete     |  |
| # of Stories 2  |  | Exterior Walls Brick Siding  |  | # of Units 122   |                     | # of Phases 1   |                    | # of Planned Phases N/A   |  |
| # of Elevators 0  |  | Roof Surface CompShngl   |  | # of Units Completed 122   |                     | # of Units 122  |                    | # of Planned Units N/A    |  |
| <input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed  |  | Total # Parking 250 +/-  |  | # of Units For Sale 1  |                     | # of Units For Sale 1   |                    | # of Units For Sale N/A   |  |
| <input type="checkbox"/> Under Construction   |  | Ratio (spaces/units) 2/1   |  | # of Units Sold 122  |                     | # of Units Sold 122   |                    | # of Units Sold N/A       |  |
| Year Built 1982   |  | Type Open  |  | # of Units Rented 25+/-  |                     | # of Units Rented 25+/-   |                    | # of Units Rented N/A     |  |
| Effective Age 10  |  | Guest Parking 35 +/-   |  | # of Owner Occupied Units 97+/-  |                     | # of Owner Occupied Units 97+/-   |                    | # of Owner Occupied Units |  |
| Project Primary Occupancy <input checked="" type="checkbox"/> Principle Residence <input type="checkbox"/> Second Home or Recreational <input type="checkbox"/> Tenant  |  |  |  |  |                     |   |                    |                           |  |
| Is the developer/builder in control of the Homeowners' Association (HOA)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |  |  |  |  |                     |   |                    |                           |  |
| Management Group - <input checked="" type="checkbox"/> Homeowners' Association <input type="checkbox"/> Developer <input type="checkbox"/> Management Agent - Provide name of management company. Damien Herrera/President; Betty Kies/Property Manager 210-492-5106  |  |  |  |  |                     |   |                    |                           |  |
| Does any single entity (the same individual, investor group, corporation, etc.) own more than 10% of the total units in the project? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe   |  |  |  |  |                     |   |                    |                           |  |
| Was the project created by the conversion of an existing building(s) into a condominium? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe the original use and the date of conversion.  |  |  |  |  |                     |   |                    |                           |  |
| Are the units, common elements, and recreation facilities complete (including any planned rehabilitation for a condominium conversion)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe   |  |  |  |  |                     |   |                    |                           |  |
| Is there any commercial space in the project? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe and indicate the overall percentage of the commercial space.   |  |  |  |  |                     |   |                    |                           |  |

# Individual Condominium Unit Appraisal Report

Describe the condition of the project and quality of construction.  
 Subject appears to be in good condition with average appeal to the market due to location, quality of construction and amenities. The remaining economic life of the subject is approximately 40 years. Numerous recent updates and upgrades, recent flooring, fresh paint etc.

Describe the common elements and recreational facilities. CAM, Pools, Exterior Maintenance, Club House, Gated Entrance

Are any common elements leased to or by the Homeowners' Association?  Yes  No If Yes, describe the rental terms and options.

Is the project subject to ground rent?  Yes  No If Yes, \$ \_\_\_\_\_ per year (describe terms and conditions)

Are the parking facilities adequate for the project size and type?  Yes  No If No, describe and comment on the effect on value and marketability.

I  did  did not analyze the condominium project budget for the current year. Explain the results of the analysis of the budget (adequacy of fees, reserves, etc.), or why the analysis was not performed. Not provided.

Are there any other fees (other than regular HOA charges) for the use of the project facilities?  Yes  No If Yes, report the charges and describe.

Compared to other competitive projects of similar quality and design, the subject unit charge appears  High  Average  Low If High or Low, describe

Are there any special or unusual characteristics of the project (based on the condominium documents, HOA meetings, or other information) known to the appraiser?  
 Yes  No If Yes, describe and explain the effect on value and marketability.

Unit Charge \$ 229 per month X 12 = \$ 2,748.00 per year Annual assessment charge per year per square feet of gross living area = \$ 2.07

Utilities included in the unit monthly assessment  None  Heat  Air Conditioning  Electricity  Gas  Water  Sewer  Cable  Other (describe)

Garbage

| General Description   | Interior materials/condition | Amenities  | Appliances  | Car Storage   |
|---|------------------------------|--|---|---|
| Floor # 2   | Floors Tile/Wood Laminate/G  | <input checked="" type="checkbox"/> Fireplace(s) # | <input type="checkbox"/> Refrigerator P                                     | <input type="checkbox"/> None   |
| # of Levels 1   | Walls Drywall/Avg            | <input type="checkbox"/> Woodstove(s) # 0          | <input checked="" type="checkbox"/> Range/Oven                              | <input type="checkbox"/> Garage <input type="checkbox"/> Covered <input checked="" type="checkbox"/> Open |
| Heating Type FWA Fuel Elec  | Trim/Finish Wood/Avg         | <input type="checkbox"/> Deck/Patio 0              | <input checked="" type="checkbox"/> Disp <input type="checkbox"/> Microwave | # of Cars 2   |
| <input checked="" type="checkbox"/> Central AC <input type="checkbox"/> Individual AC | Bath Wainscot Tile/Avg       | <input checked="" type="checkbox"/> Porch/Balcony  | <input checked="" type="checkbox"/> Dishwasher                              | <input checked="" type="checkbox"/> Assigned <input type="checkbox"/> Owned                               |
| <input type="checkbox"/> Other (describe) N/A   | Doors Hollow/Avg             | <input type="checkbox"/> Other 0                   | <input type="checkbox"/> Washer/Dryer P                                     | Parking Space # 904   |

Finished area above grade contains: 5 Rooms 2 Bedrooms 2.0 Bath(s) 1,329 Square Feet of Gross Living Area Above Grade

Are the heating and cooling for the individual units separately metered?  Yes  No If No, describe and comment on compatibility to other projects in the market area.

Additional features (special energy efficient items, etc.) 2nd. Floor unit, extensive Wood Laminate and Tile Flooring. Subject has an office which could be a 3rd bedroom in that it has a closet.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C3. The subject suffers physical depreciation due to aging. (Physical Depreciation - a loss in value caused by physical wear & tear on a property as it ages.) Subject was of average quality construction. No functional or External Loss noted at the time of the inspection.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property?  Yes  No If Yes, describe  
 None noted during inspection, however this appraiser is not a professional home inspector, engineer nor environment specialist, interested parties are urged to seek professional inspections.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)?  Yes  No If No, describe

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) MLS, Deed Records, Tax Records.

My research  did  did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.  
 Data source(s) MLS, Deed Records, Tax Records.

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

| ITEM                             | SUBJECT              | COMPARABLE SALE # 1 | COMPARABLE SALE # 2 | COMPARABLE SALE # 3 |
|----------------------------------|----------------------|---------------------|---------------------|---------------------|
| Date of Prior Sale/Transfer      | 11/09/2009           | None                | None                | None                |
| Price of Prior Sale/Transfer     | Undisclosed          | None                | None                | None                |
| Data Source(s)                   | Vol 14247; Page 1267 | BCAD/MLS            | BCAD/MLS            | BCAD/MLS            |
| Effective Date of Data Source(s) | 12/2010              | 12/2010             | 12/2010             | 12/2010             |

Analysis of prior sale or transfer history of the subject property and comparable sales.  
 The subject conveyed as noted above, however, Texas is a non-disclosure State, therefore, no public source is available for sales price information. No other conveyances of the subject noted in the previous 36 months. The Comparables, unless noted above, have not conveyed in the 12 months prior to closing dates cited.

# Individual Condominium Unit Appraisal Report

There are 32 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$80,000 to \$120,000

There are 83 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$80,000 to \$120,000

| FEATURE                               | SUBJECT  | COMPARABLE SALE # 1  |   |                   | COMPARABLE SALE # 2  |   |                   | COMPARABLE SALE # 3  |   |                   |
|---------------------------------------|--|--|---|-------------------|--|---|-------------------|--|---|-------------------|
| Address and Unit #                    | 13130 Blanco Road #904<br>San Antonio, TX 78216-6300 | 14122 Churchill Estates, #1204<br>San Antonio, TX 78216          |   |                   | 829 W Bitters, #404<br>San Antonio, TX 78216                     |   |                   | 14122 Churchill Estates, #102<br>San Antonio, TX 78216           |   |                   |
| Project Name and Phase                | Chesapeake Condo<br>1                                | Capistrano Condo<br>1  |   |                   | Bitter Bend<br>1   |   |                   | Capistrano Condo<br>1  |   |                   |
| Proximity to Subject                  |  | 0.66 miles N   |   |                   | 1.64 miles N   |   |                   | 0.66 miles N   |   |                   |
| Sale Price                            | \$ 108,650   | \$ 101,900   |   |                   | \$ 113,000   |   |                   | \$ 97,000  |   |                   |
| Sale Price/Gross Liv. Area            | \$ 82 sq. ft.  | \$ 101 sq. ft.   |   |                   | \$ 82 sq. ft.  |   |                   | \$ 106 sq. ft.   |   |                   |
| Data Source(s)                        |  | DOM 47 MLS# 817421   |   |                   | DOM 218MLS# 798157   |   |                   | DOM 59 MLS# 831581   |   |                   |
| Verification Source(s)                |  | MLS/Agent  |   |                   | MLS/Agent  |   |                   | MLS/Agent  |   |                   |
| VALUE ADJUSTMENTS                     | DESCRIPTION  | DESCRIPTION  | + | (-) \$ Adjustment | DESCRIPTION  | + | (-) \$ Adjustment | DESCRIPTION  | + | (-) \$ Adjustment |
| Sale or Financing Concessions         |  | ArmLth<br>Cash;0   |   |                   | ArmLth<br>FHA;\$4,200  |   | 0                 | ArmLth<br>FHA;0  |   |                   |
| Date of Sale/Time                     |  | s03/10;c02/10  |   | 0                 | s03/10;c02/10  |   | 0                 | s06/10;c04/10  |   | 0                 |
| Location                              | N;Res  | N;Res  |   |                   | N;Res  |   |                   | N;Res  |   |                   |
| Leasehold/Fee Simple                  | Fee Simple   | Fee Simple   |   |                   | Fee Simple   |   |                   | Fee Simple   |   |                   |
| HOA Mo. Assessment                    | 229.00   | 228.00   |   | 0                 | 194.00   |   | 0                 | 208.00   |   | 0                 |
| Common Elements and Rec. Facilities   | CAM, ClbHs<br>Pool                                   | CAM, ClbHs<br>Pool   |   |                   | CAM, ClbHs<br>Pool   |   |                   | CAM, ClbHs<br>Pool   |   |                   |
| Floor Location                        | 2nd Floor  | 1st Floor  |   | 0                 | 1st Floor  |   | 0                 | 1st Floor  |   | 0                 |
| View                                  | N;Res  | N;Res  |   |                   | N;Res  |   |                   | N;Res  |   |                   |
| Design (Style)                        | 1 Level/Avg  | 2 Level/Avg  |   | 0                 | 2 Level/Avg  |   | 0                 | 1 Level/Avg  |   |                   |
| Quality of Construction               | Q4   | Q4   |   |                   | Q4   |   |                   | Q4   |   |                   |
| Actual Age                            | 28 yrs   | 28 yrs   |   |                   | 26 yrs   |   | 0                 | 27 yrs   |   | 0                 |
| Condition                             | C3   | C3   |   |                   | C3   |   |                   | C3   |   |                   |
| Above Grade                           | Total Bdrms. Baths                                   | Total Bdrms. Baths   |   |                   | Total Bdrms. Baths   |   |                   | Total Bdrms. Baths   |   |                   |
| Room Count                            | 5 2 2.0  | 6 1 2.0  |   | 0                 | 4 2 2.1  |   | -2,000            | 5 2 2.0  |   |                   |
| Gross Living Area                     | 1,329sq. ft.   | 1,006sq. ft.   |   | +11,305           | 1,365sq. ft.   |   | 0                 | 914sq. ft.   |   | +14,525           |
| Basement & Finished Rooms Below Grade | 0sf;0sf<br>0rr0br0.0ba0o                             | 0sf;0sf<br>0rr0br0.0ba0o   |   |                   | 0sf;0sf<br>0rr0br0.0ba0o   |   |                   | 0sf;0sf<br>0rr0br0.0ba0o   |   | 1                 |
| Functional Utility                    | Adequacy Avg   | Adequacy Avg   |   |                   | Adequacy Avg   |   |                   | Adequacy Avg   |   |                   |
| Heating/Cooling                       | Cent/Cent  | Cent/Cent  |   |                   | Cent/Cent  |   |                   | Cent/Cent  |   |                   |
| Energy Efficient Items                | Typical  | Typical  |   |                   | Typical  |   |                   | Typical  |   |                   |
| Garage/Carport                        | 2 Car Open   | 2 Car Garage   |   | -6,000            | Covered Spaces   |   | -1,000            | 2 Car Garage   |   | -6,000            |
| Porch/Patio/Deck                      | Porch  | Porch  |   |                   | Porch  |   |                   | CPorch/CPatio  |   | -1000             |
| Fireplaces                            | 1 Fireplace  | 1 Fireplace  |   |                   | 1 Fireplace  |   |                   | No Fireplace   |   | +1,750            |
| Other Items                           | None   | None   |   |                   | None   |   |                   | None   |   |                   |
| Other Items                           | None   | None   |   |                   | None   |   |                   | None   |   |                   |
| Net Adjustment (Total)                |  | <input checked="" type="checkbox"/> + <input type="checkbox"/> - |   | \$ 5,305          | <input type="checkbox"/> + <input checked="" type="checkbox"/> - |   | \$ -3,000         | <input checked="" type="checkbox"/> + <input type="checkbox"/> - |   | \$ 9,275          |
| Adjusted Sale Price of Comparables    |  | Net Adj. 5 %<br>Gross Adj. 17 %                                  |   | \$ 107,205        | Net Adj. -3 %<br>Gross Adj. 3 %                                  |   | \$ 110,000        | Net Adj. 11 %<br>Gross Adj. 23 %                                 |   | \$ 106,205        |

**Summary of Sales Comparison Approach**  
 Approximate equal weight given to all sales. The subject is located in a small condo complex with MLS reporting a total of 3 sales in the past 12 months, but all were reported as 1 bedrooms and much smaller. Consequently this appraiser searched the closest Condominium Complexes for suitable 2 bedroom sales. This appraiser could find no evidence that the market would adjust for location. Sale #1 was originally a 2 bedroom, however, owner removed the wall between the two. This appraiser could find no evidence that the market would adjust for bedroom count in that it is addressed in square footage. Due to this, Appraiser offers additional sales as support. See Additional Comparables for additional comments.

Indicated Value by Sales Comparison Approach \$ 109,000

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

Estimated Monthly Market Rent \$ ND X Gross Rent Multiplier ND = \$ 0 Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM)

Indicated Value by: Sales Comparison Approach \$ 109,000 Income Approach (if developed) \$ 0

Most weight is given to the Sales Comparison Analysis in that it indicates values buyers & sellers are willing to accept in the market place. Income Approach and Cost Approach are not applicable.

**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:  
 None. The "as is" value of the subject is the same as the "as repaired" value in that no repairs are required of the subject.

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 \$ 109,000, as of 12/15/2010, which is the date of inspection and the effective date of this appraisal.

## Individual Condominium Unit Appraisal Report

This report form is designed to report an appraisal of a unit in a condominium project or a condominium 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 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 unit, (2) inspect and analyze the condominium project, (3) inspect the neighborhood, (4) inspect each of the comparable sales from at least the street, (5) research, verify, and analyze data from reliable public and/or private sources, and (6) 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.

**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.

## Individual Condominium Unit 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.



## Individual Condominium Unit Appraisal Report

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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**

Signature Taylor Brennan  
 Name Taylor Brennan  
 Company Name Brennan Appraisals  
 Company Address 000 Waldo Road  
Anywhere, TX 78218  
 Telephone Number 555.555.3091  
 Email Address tbrennan@training.sar  
 Date of Signature and Report 12/16/2010  
 Effective Date of Appraisal 12/15/2010  
 State Certification # TX - 1322TRA-R  
 or State License # \_\_\_\_\_  
 or Other \_\_\_\_\_ State # \_\_\_\_\_  
 State TX  
 Expiration Date of Certification or License 03/31/2012

**ADDRESS OF PROPERTY APPRAISED**

13130 Blanco Road Unit 904  
San Antonio, TX 78216-6300

APPRAISED VALUE OF SUBJECT PROPERTY \$ 109,000

**LENDER/CLIENT**

Name \_\_\_\_\_  
 Company Name Mortgage Co./Department of Veterans Affairs  
 Company Address 000 McDert Road, Anywhere, TX 78288  
 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.

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#### 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.

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#### 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                                  |

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File No. 1210-53TRA

Individual Condominium Unit Appraisal Report

| FEATURE                               | SUBJECT   | COMPARABLE SALE NO. 4  |    |                   | COMPARABLE SALE NO. 5  |        |                   | COMPARABLE SALE NO. 6  |    |                   |
|---------------------------------------|---|--|----|-------------------|--|--------|-------------------|--|----|-------------------|
| Address and Unit #                    | 13130 Blanco Road Unit #904<br>San Antonio, TX 78216-6300 | 13130 Blanco Road Unit #1108<br>San Antonio, TX 78216            |    |                   | 13130 Blanco Road Unit #802<br>San Antonio, TX 78216             |        |                   | 13130 Blanco Road Unit #504<br>San Antonio, TX 78216             |    |                   |
| Project Name and Phase                | Chesapeake Condo<br>1                                     | Chesapeake<br>1  |    |                   | Chesapeake<br>1  |        |                   | Chesapeake<br>1  |    |                   |
| Proximity to Subject                  |   | 0 miles  |    |                   | 0 miles  |        |                   | 0 miles  |    |                   |
| Sale Price                            | \$ 108,650  | \$ 85,000  |    |                   | \$ 85,500  |        |                   | \$ 99,700  |    |                   |
| Sale Price/Gross Liv. Area            | \$ 82 sq. ft.   | \$ 111 sq. ft.   |    |                   | \$ 115 sq. ft.   |        |                   | \$ 93 sq. ft.  |    |                   |
| Data Source(s)                        |   | DOM 75 MLS # 843122  |    |                   | DOM 40 MLS # 833696  |        |                   | DOM 16 MLS # 868736  |    |                   |
| Verification Source(s)                |   | MLS/Agent  |    |                   | MLS/Agent  |        |                   | MLS/Agent  |    |                   |
| VALUE ADJUSTMENTS                     | DESCRIPTION   | DESCRIPTION  | +  | (-) \$ Adjustment | DESCRIPTION  | +      | (-) \$ Adjustment | DESCRIPTION  | +  | (-) \$ Adjustment |
| Sale or Financing Concessions         |   | ArmLth<br>Cash;0   |    |                   | ArmLth<br>Cash;0   |        |                   | ACTIVE LISTING<br>Listing (3%)                                   |    | -2,991            |
| Date of Sale/Time                     |   | s09/10;c07/10  | 0  |                   | s06/10;c04/10  | 0      |                   | Active   |    | 0                 |
| Location                              | N;Res   | N;Res  |    |                   | N;Res  |        |                   | N;Res  |    |                   |
| Leasehold/Fee Simple                  | Fee Simple  | Fee Simple   |    |                   | Fee Simple   |        |                   | Fee Simple   |    |                   |
| HOA Mo. Assessment                    | 229.00  | 147.00   | 0  |                   | 162.00   | 0      |                   | 229  | 0  |                   |
| Common Elements and Rec. Facilities   | CAM,CibHs<br>Pool   | CAM,CibHs<br>Pool  |    |                   | CAM,CibHs<br>Pool  |        |                   | CAM,CibHs<br>Pool  |    |                   |
| Floor Location                        | 2nd Floor   | 2nd Floor  |    |                   | 2nd Floor  |        |                   | 2nd Floor  |    |                   |
| View                                  | N;Res   | N;Res  |    |                   | N;Res  |        |                   | N;Res  |    |                   |
| Design (Style)                        | 1 Level/Avg   | 1 Level/Avg  |    |                   | 1 Level/Avg  |        |                   | 1 Level/Avg  |    |                   |
| Quality of Construction               | Q4  | Q4   |    |                   | Q4   |        |                   | Q4   |    |                   |
| Actual Age                            | 28 yrs  | 28 yrs   |    |                   | 28 yrs   |        |                   | 28 yrs   |    |                   |
| Condition                             | C3  | C3   |    |                   | C3   |        |                   | C3   |    |                   |
| Above Grade Room Count                | Total Bdrms. Baths<br>5 2 2.0                             | Total Bdrms. Baths<br>4 1 1.0                                    |    | +4,000            | Total Bdrms. Baths<br>4 1 1.0                                    |        | +4,000            | Total Bdrms. Baths<br>5 2 2.0                                    |    |                   |
| Gross Living Area                     | 1,329 sq. ft.   | 761 sq. ft.  |    | +19,880           | 742 sq. ft.  |        | +20,545           | 1,075 sq. ft.  |    | +8,890            |
| Basement & Finished Rooms Below Grade | 0sf;0sf<br>0rr0br0.0ba0o                                  | 0sf;0sf<br>0rr0br0.0ba0o   |    |                   | 0sf;0sf<br>0rr0br0.0ba0o   |        |                   | 0sf;0sf<br>0rr0br0.0ba0o   |    |                   |
| Functional Utility                    | Adequacy Avg  | Adequacy Avg   |    |                   | Adequacy Avg   |        |                   | Adequacy Avg   |    |                   |
| Heating/Cooling                       | Cent/Cent   | Cent/Cent  |    |                   | Cent/Cent  |        |                   | Cent/Cent  |    |                   |
| Energy Efficient Items                | Typical   | Typical  |    |                   | Typical  |        |                   | Typical  |    |                   |
| Garage/Carport                        | 2 Car Open  | 1 Car Open   | 0  |                   | 1 Car Open   | 0      |                   | 2 Car Open   |    |                   |
| Porch/Patio/Deck                      | Porch   | Porch  |    |                   | Porch/Balcony  | -1,000 |                   | Porch/Balcony  |    | -1,000            |
| Fireplaces                            | 1 Fireplace   | 1 Fireplace  |    |                   | 1 Fireplace  |        |                   | 1 Fireplace  |    |                   |
| Other Items                           | None  | Enclosed Patio   |    | -2,500            | None   |        |                   | None   |    |                   |
| Other Items                           | None  | None   |    |                   | None   |        |                   | None   |    |                   |
| Net Adjustment (Total)                |   | <input checked="" type="checkbox"/> + <input type="checkbox"/> - | \$ | 21,380            | <input checked="" type="checkbox"/> + <input type="checkbox"/> - | \$     | 23,545            | <input checked="" type="checkbox"/> + <input type="checkbox"/> - | \$ | 4,899             |
| Adjusted Sale Price of Comparables    |   | Net Adj. 25 %<br>Gross Adj. 31 %                                 | \$ | 106,380           | Net Adj. 28 %<br>Gross Adj. 30 %                                 | \$     | 109,045           | Net Adj. 5 %<br>Gross Adj. 13 %                                  | \$ | 104,599           |

| ITEM                             | SUBJECT              | COMPARABLE SALE NO. 4 | COMPARABLE SALE NO. 5 | COMPARABLE SALE NO. 6 |
|----------------------------------|----------------------|-----------------------|-----------------------|-----------------------|
| Date of Prior Sale/Transfer      | 11/09/2009           | None                  | None                  | None                  |
| Price of Prior Sale/Transfer     | Undisclosed          | None                  | None                  | None                  |
| Data Source(s)                   | Vol 14247; Page 1267 | BCAD/MLS              | BCAD/MLS              | BCAD/MLS              |
| Effective Date of Data Source(s) | 12/2010              | 12/2010               | 12/2010               | 12/2010               |

Summary of Sales Comparison Approach

As previously stated, MLS reports only 3 total sales in the subject complex in the past 12 months, however, all were 1 bedroom sales and much smaller than the subject. Sale #4 and #5 are offered in that both located in the subject subdivision, but both were reported as one bedrooms. The large square footage adjustment caused the Net and Gross adjustments to exceed appraisal standards.

Offering #6 is offered in that it is an Active Listing on the market located in the subject complex. Although reported to be updated, this appraiser doubts that it was updated or upgraded to the extent of that of the subject.

Appropriate adjustments were made for bathroom count, square footage, balcony, garage parking and an enclosed patio. This appraiser could find no evidence that the market would adjust for location, bedroom count, entrance level, a 1 level versus a 2 level, end unit or type of masonry veneer exterior. All other adjustments are self explanatory.

NOTE: Due to the limited number of condo sales, this appraiser used sales which closed over six months prior to inspection, but within the 12 month FNMA/VA guidelines.

### Market Conditions Addendum to the Appraisal Report

Case 62-62-61128TRA  
File No. 1210-53TRA

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 13130 Blanco Road Unit 904 City San Antonio State TX ZIP Code 78216-6300

Borrower Willie Nelson

**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)                                 | 42  | 21               | 20                 | <input type="checkbox"/> Increasing | <input checked="" type="checkbox"/> Stable | <input type="checkbox"/> Declining  |
| Absorption Rate (Total Sales/Months)                                  | 7.00  | 7.00             | 6.67               | <input type="checkbox"/> Increasing | <input checked="" type="checkbox"/> Stable | <input type="checkbox"/> Declining  |
| Total # of Comparable Active Listings                                 | 0   | 0                | 32                 | <input type="checkbox"/> Declining  | <input type="checkbox"/> Stable            | <input type="checkbox"/> Increasing |
| Months of Housing Supply (Total Listings/Ab.Rate)                     | 0.00  | 0.00             | 4.80               | <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  | 115,454   | 108,000          | 117,270            | <input type="checkbox"/> Increasing | <input checked="" type="checkbox"/> Stable | <input type="checkbox"/> Declining  |
| Median Comparable Sales Days on Market                                | 37  | 26               | 43                 | <input type="checkbox"/> Declining  | <input checked="" type="checkbox"/> Stable | <input type="checkbox"/> Increasing |
| Median Comparable List Price  | 0   | 0                | 99,100             | <input type="checkbox"/> Increasing | <input type="checkbox"/> Stable            | <input type="checkbox"/> Declining  |
| Median Comparable Listings Days on Market                             | 0   | 0                | 49                 | <input type="checkbox"/> Declining  | <input type="checkbox"/> Stable            | <input type="checkbox"/> Increasing |
| Median Sale Price as % of List Price                                  | 96.9%   | 95.9%            | 93.4%              | <input type="checkbox"/> Increasing | <input checked="" type="checkbox"/> Stable | <input type="checkbox"/> Declining  |
| Seller-(developer, builder, etc.)paid financial assistance prevalent? | <input checked="" type="checkbox"/> Yes <input 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.).

Sellers concessions appear to be stable over the past 12 months, 5%

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 NOTE: Appraiser's MLS system does not offer a function to see how many homes were offered for sale on a given date, therefore, the absorption rate, total # of Active Listings, Median Price or DOM is not reported. Figure above is based on annual figures.

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.

For purposes of this research, appraiser searched a wide area bound by IH-10 to the W., Loop 410 to the S., Hwy 281 to the E., and Loop 1604 to the N., for condominiums which priced between \$80,000 and \$130,000.

Property Values appear to be stable. Supply and Demand is well in balance. Activity has remained steady all year. This trend appears to be continuing with MLS presently reporting 5 Pending Sales within the parameters noted above. It should be noted that the majority of the 32 Active Listings on the market as of this writing are one bedroom units, explaining the disparity between the Median Sales and Listing Price. Properties priced correctly appear to sell in less than 180 days.

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)          | 1                 | 1                | 1                  | <input type="checkbox"/> Increasing | <input checked="" type="checkbox"/> Stable | <input type="checkbox"/> Declining  |
| Absorption Rate (Total Sales/Months)           | 0.17              | 0.33             | 0.33               | <input type="checkbox"/> Increasing | <input checked="" type="checkbox"/> Stable | <input type="checkbox"/> Declining  |
| Total # of Active Comparable Listings          | Unavailable       | Unavailable      | 1                  | <input type="checkbox"/> Declining  | <input type="checkbox"/> Stable            | <input type="checkbox"/> Increasing |
| Months of Unit Supply (Total Listings/Ab.Rate) | 0.00              | 0.00             | 3.03               | <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.

NOTE: Any blank boxes which may appear on the above grid, are due to the inability to obtain that particular information or trends indicated through our current San Antonio MLS system. The current MLS system does not offer a function to see how many homes were on the market at any given date, only the homes on the market as of this writing, therefore, some of the research is not available.

Summarize the above trends and address the impact on the subject unit and project.  
Very limited number of sales in the subject complex to form an opinion regarding trends, however, over all market appears stable with supply and demand in balance.

|   |                                     |
|---|-------------------------------------|
| Signature <i>Taylor Brennan</i>                     | Signature                           |
| Appraiser Name Taylor Brennan                       | Supervisory Appraiser Name          |
| Company Name Brennan Appraisals                     | Company Name                        |
| Company Address 000 Waldo Road, Anywhere, TX 78218  | Company Address                     |
| State License/Certification # TX-1322TRA-R State TX | State License/Certification # State |
| Email Address tbrennan@training.sar                 | Email Address                       |

LOCATION MAP ADDENDUM

File No. 1210-53TRA  
Case 62-62-61128TRA

|                  |                                     |   |            |
|------------------|-------------------------------------|---|------------|
| Borrower/Client  | Willie Nelson                       |   |            |
| Property Address | 13130 Blanco Road Unit 904          |   |            |
| City             | San Antonio                         | County                                      | Bexar      |
| State            | TX                                  | Zip Code                                    | 78216-6300 |
| Lender/Client    | Mortgage Co/Dept of Veteran Affairs | Address 000 McDert Road, Anywhere, TX 78288 |            |



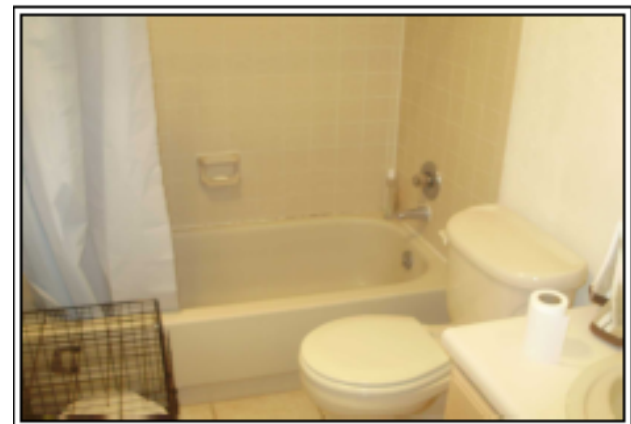
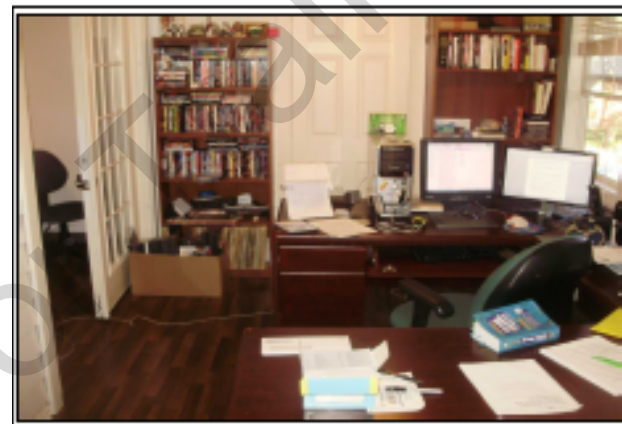
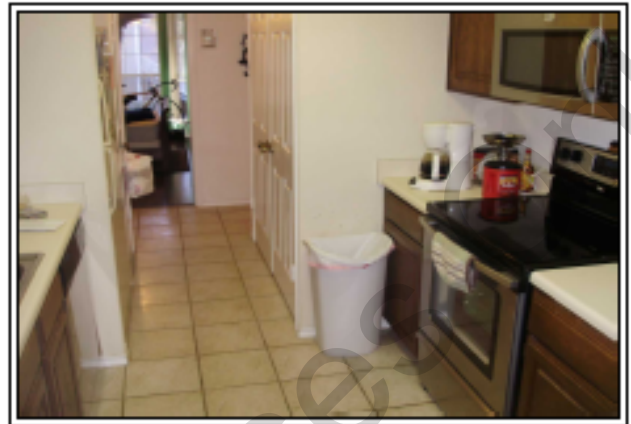


**SUBJECT PHOTO ADDENDUM**File No. 1210-53TRA  
Case 62-62-61128TRA

|                  |   |        |       |       |                        |
|------------------|---|--------|-------|-------|------------------------|
| Borrower/Client  | Willie Nelson   |        |       |       |                        |
| Property Address | 13130 Blanco Road Unit 904  |        |       |       |                        |
| City             | San Antonio   | County | Bexar | State | TX Zip Code 78216-6300 |
| Lender/Client    | Mortgage Co/Dept of Veteran Affairs Address 000 McDert Road, Anywhere, TX 78288 |        |       |       |                        |

**Front of Subject Property**13130 Blanco Road Unit 904  
San Antonio, TX 78216-6300**Rear of Subject Property****Street Scene**

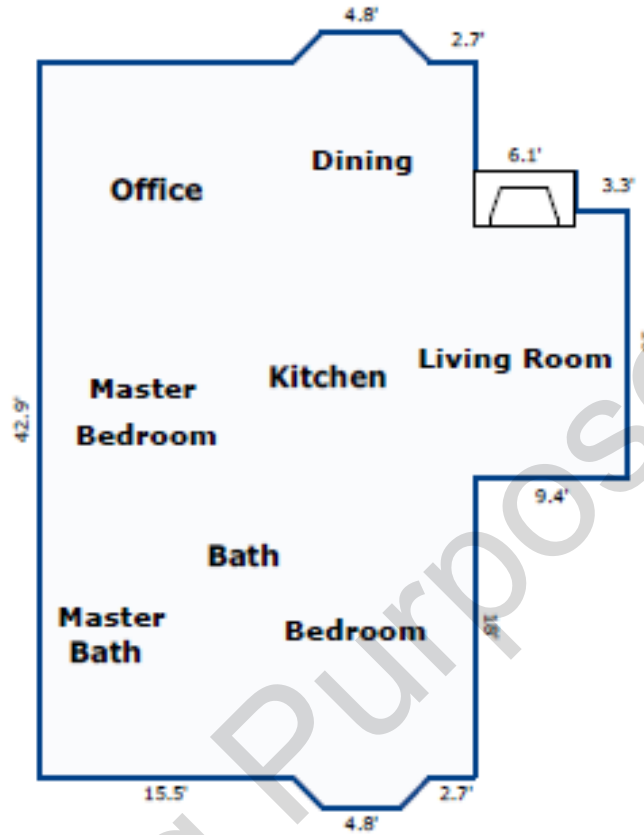
|   |              |   |                     |
|---|--------------|---|---------------------|
| Borrower/Client Willie Nelson                     |              |   |                     |
| Property Address 13130 Blanco Road Unit 904       |              |   |                     |
| City San Antonio                                  | County Bexar | State TX                                    | Zip Code 78216-6300 |
| Lender/Client Mortgage Co/Dept of Veteran Affairs |              | Address 000 McDert Road, Anywhere, TX 78288 |                     |



**SKETCH ADDENDUM**

File No. 1210-53TRA  
Case 62-62-61128TRA

|                  |   |          |            |
|------------------|---|----------|------------|
| Borrower/Client  | Willie Nelson   |          |            |
| Property Address | 13130 Blanco Road Unit 904  |          |            |
| City             | San Antonio   | County   | Bexar      |
|                  |   | State    | TX         |
|                  |   | Zip Code | 78216-6300 |
| Lender/Client    | Mortgage Co/Dept of Veteran Affairs Address 000 McDert Road, Anywhere, TX 78288 |          |            |



Sketch by Apex Media™  
Comments:

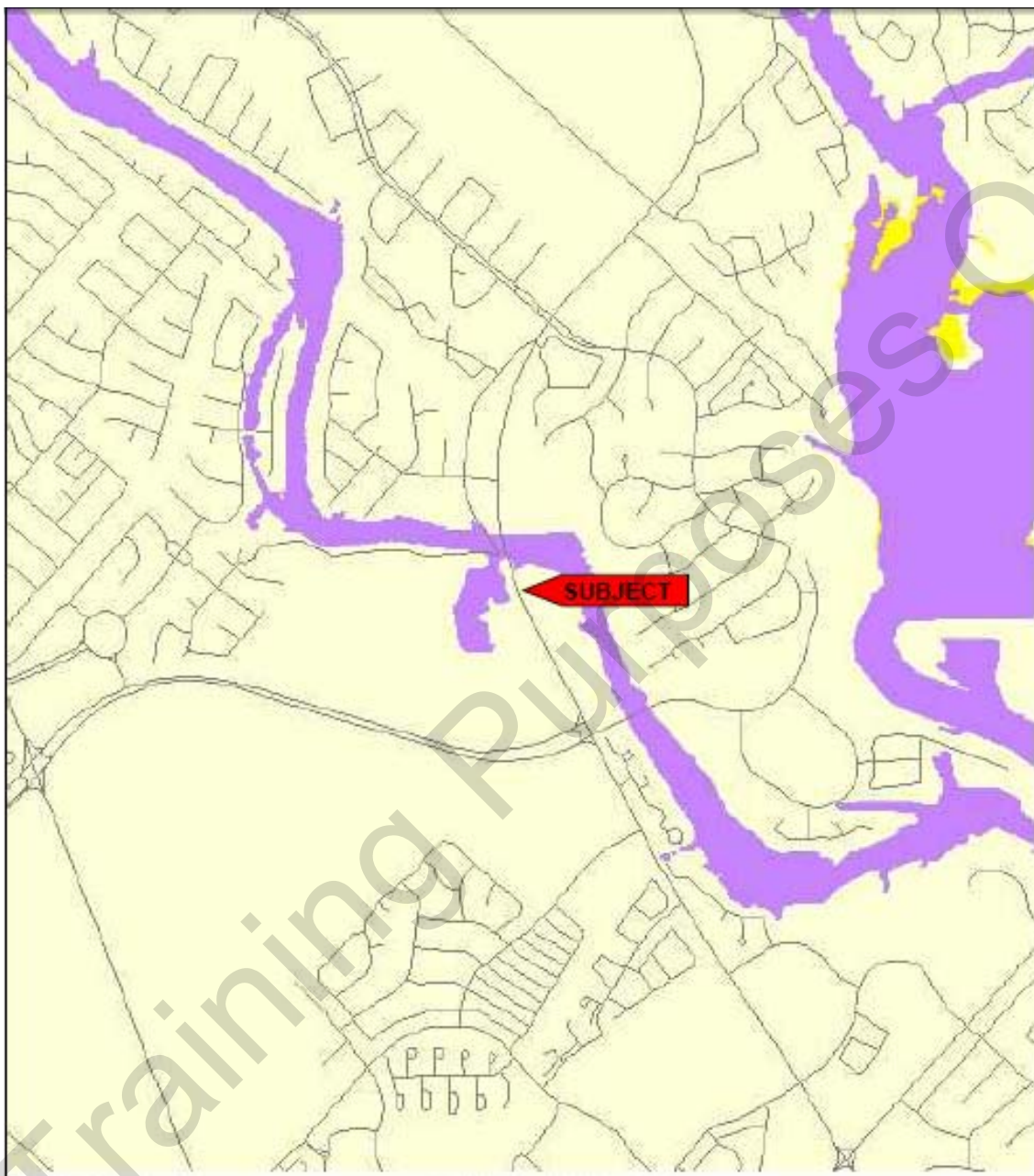
| AREA CALCULATIONS SUMMARY |             |           |            |
|---------------------------|-------------|-----------|------------|
| Code                      | Description | Net Size  | Net Totals |
| GLA1                      | First Floor | 1329.3    | 1329.3     |
| Net LIVABLE Area          |             | (rounded) | 1329       |

| LIVING AREA BREAKDOWN |           |           |           |
|-----------------------|-----------|-----------|-----------|
| Breakdown             |           |           | Subtotals |
| First Floor           |           |           |           |
| 0.5 x                 | 1.8 x     | 1.8       | 1.6       |
| 0.5 x                 | 1.8 x     | 1.8       | 1.6       |
|                       | 18.0 x    | 26.6      | 478.8     |
|                       | 16.0 x    | 36.0      | 576.0     |
|                       | 2.3 x     | 32.7      | 75.2      |
|                       | 6.6 x     | 26.6      | 175.6     |
| 0.5 x                 | 1.8 x     | 1.8       | 1.6       |
|                       | 4.8 x     | 1.8       | 8.6       |
|                       | 4.8 x     | 1.8       | 8.6       |
| 0.5 x                 | 1.8 x     | 1.8       | 1.6       |
| Net LIVABLE Area      |           | (rounded) | 1329      |
| 10 Items              | (rounded) |           | 1329      |

**FLOOD MAP ADDENDUM**

File No. 1210-53TRA  
Case 62-62-61128TRA

|   |              |   |                     |
|---|--------------|---|---------------------|
| Borrower/Client Willie Nelson                     |              |   |                     |
| Property Address 13130 Blanco Road Unit 904       |              |   |                     |
| City San Antonio                                  | County Bexar | State TX                                    | Zip Code 78216-6300 |
| Lender/Client Mortgage Co/Dept of Veteran Affairs |              | Address 000 McDert Road, Anywhere, TX 78288 |                     |



| Flood Map Legends  | Flood Zone Determination  |
|--|---|
| <p><b>Flood Zones</b></p> <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: yellow; border: 1px solid black; margin-right: 5px;"></span> Areas inundated by 500-year flooding</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: lightyellow; border: 1px solid black; margin-right: 5px;"></span> Areas outside of the 100 and 500 year flood plains</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: purple; border: 1px solid black; margin-right: 5px;"></span> Areas inundated by 100-year flooding</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: blue; border: 1px solid black; margin-right: 5px;"></span> Areas inundated by 100-year flooding with velocity hazard</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: magenta; border: 1px solid black; margin-right: 5px;"></span> Floodway areas</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: darkblue; border: 1px solid black; margin-right: 5px;"></span> Floodway areas with velocity hazard</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: lightyellow; border: 1px solid black; margin-right: 5px;"></span> Areas of undetermined but possible flood hazard</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: lightgreen; border: 1px solid black; margin-right: 5px;"></span> Areas not mapped on any published FIRM</li> </ul> | <p>SFHA (Flood Zone): <b>Out</b><br/>                 Within 250 ft. of multiple flood zone? <b>Yes</b><br/>                 Community: <b>480045</b><br/>                 Community Name: <b>SAN ANTONIO, CITY OF</b><br/>                 Zone: <b>X</b> Panel: <b>480045 0245G</b> Panel Date: <b>09/29/2010</b><br/>                 FIPS Code: <b>48029</b> Census Tract: <b>1914.03</b></p> <p><small>This Flood Report is for the sole benefit of the Customer that ordered and paid for the Report and is based on the property information provided by the customer. That customer's use of this report is subject to the terms agreed by that customer when accessing this product. No third party is authorized to use or rely on this report for any purpose. NEITHER FIRST AMERICAN FLOOD DATA SERVICES NOR THE SELLER OF THIS REPORT MAKES ANY REPRESENTATIONS OR WARRANTIES TO ANY PARTY CONCERNING THE CONTENT ACCURACY OR COMPLETENESS OF THIS REPORT INCLUDING ANY WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Neither FAFDS nor the seller of this Report shall have any liability to any third party for any use or misuse of this Report.</small></p> |

**COMPARABLES 1-2-3**

File No. 1210-53TRA  
Case 62-62-6-1128TRA

|   |              |   |                     |
|---|--------------|---|---------------------|
| Borrower/Client Any Qualified Veteran             |              |   |                     |
| Property Address 13130 Blanco Road Unit 904       |              |   |                     |
| City San Antonio                                  | County Bexar | State TX                                    | Zip Code 78216-6300 |
| Lender/Client Mortgage Co/Dept of Veteran Affairs |              | Address 000 McDert Road, Anywhere, TX 78288 |                     |



**COMPARABLE SALE #1**

14122 Churchill Estates, #1204  
San Antonio, TX



**COMPARABLE SALE #2**

829 W Bitters, #404  
San Antonio, TX



**COMPARABLE SALE #3**

14122 Churchill Estates, 102  
San Antonio, TX

**COMPARABLES 4-5-6**File No. 1210-53TRA  
Case 62-62-6-1128TRA

|   |              |   |                     |
|---|--------------|---|---------------------|
| Borrower/Client Willie Nelson                     |              |   |                     |
| Property Address 13130 Blanco Road Unit 904       |              |   |                     |
| City San Antonio                                  | County Bexar | State TX                                    | Zip Code 78216-6300 |
| Lender/Client Mortgage Co/Dept of Veteran Affairs |              | Address 000 McDert Road, Anywhere, TX 78288 |                     |

**COMPARABLE SALE #4**13130 Blanco Road Unit #1108  
San Antonio, TX**COMPARABLE SALE #5**13130 Blanco Road Unit #802  
San Antonio, TX**COMPARABLE SALE #6**13130 Blanco Road Unit #504  
San Antonio, TX

**Addendum to Fee Appraiser's Report: Client Requirements**

VA Case #: 62-62-6-1128TRA  
 Property Address: 13130 Blanco Road Unit 904 City: San Antonio State: TX Zip: 78216-6300

**Subject/Comps Listing History**

|             | <u>Subject</u> | <u>Comp #1</u> | <u>Comp #2</u> | <u>Comp #3</u> | <u>Comp #4</u> | <u>Comp #5</u> |
|-------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Listing     | <u>N/A</u>     | <u>110,000</u> | <u>113,500</u> | <u>97,000</u>  | <u>89,900</u>  | <u>93,500</u>  |
| Sales Price | <u>108,650</u> | <u>101,900</u> | <u>113,000</u> | <u>97,000</u>  | <u>85,000</u>  | <u>85,000</u>  |
| D.O.M.      | <u>N/A</u>     | <u>47</u>      | <u>218</u>     | <u>59</u>      | <u>75</u>      | <u>40</u>      |

The current **sales price to listing price ratio** is 97 %  
12 months ago sales price to listing price ratio was 97 %  
 The current **Average Marketing Time** for this market is 105 days.  
12 months ago the **Average Marketing Time** was 109 days.

**VA Certification**

"I have considered relevant competitive listings and/or contract offerings in the performance of this appraisal and in the trending information reported in this section. ***If a trend is indicated, I have attached an addendum providing relevant competitive listing/contract offering data.***"

Appraiser's Signature for VA Certification Taylor Brennan Date 12/16/2010  
 Appraised Value (from URAR): 109,000

**Data Source(s) for Subject and Comps**

|           | <u>Subject</u>    | <u>Comp #1</u> | <u>Comp #2</u> | <u>Comp #3</u> | <u>Comp #4</u> | <u>Comp #5</u> |
|-----------|-------------------|----------------|----------------|----------------|----------------|----------------|
| Source #1 | <u>Inspection</u> | <u>MLS</u>     | <u>MLS</u>     | <u>MLS</u>     | <u>MLS</u>     | <u>MLS</u>     |
| Source #2 | <u>Owner</u>      | <u>Agent</u>   | <u>Agent</u>   | <u>Agent</u>   | <u>Agent</u>   | <u>Agent</u>   |

Comments on Sales Concessions or on Comps over 6 months old:  
Due to the lack of suitable 2 bedroom condo sales or sales in the subject complex, this appraiser offers sales which closed over 6 months prior to inspection, but within the 12 month FNMA/VA guidelines.

**RAM Information**

R (Received): 12/01/2010  
 A (Appraised): 12/15/2010  
 M (Mailed): 12/17/2010

Comments on RAM date (if necessary use an addendum):  
The subject is occupied by the buyer/tenant, who could only make the subject available for inspection when he was off/out of school. Due to this schedule, it was scheduled for 12/15/2010. Informed client of this.

**Condominium / PUD Supplemental Information (N/A for all other property types)**

VA/HUD Condo Approval ID# (Condos only): \_\_\_\_\_  
 Comment on Adequacy of HOA Dues/Assessments: \_\_\_\_\_  
 Phone # of HOA Management Company: \_\_\_\_\_

**DIGITAL SIGNATURE AUTHENTICATION**

File No. 1210-53TRA  
Case No. 62-62-6-1128TRA

|                  |   |        |       |       |                        |
|------------------|---|--------|-------|-------|------------------------|
| Borrower/Client  | Willie Nelson   |        |       |       |                        |
| Property Address | 13130 Blanco Road Unit 904  |        |       |       |                        |
| City             | San Antonio   | County | Bexar | State | TX Zip Code 78216-6300 |
| Lender           | Mortgage Co/Dept of Veteran Affairs Address 000 McDert Road, Anywhere, TX 78288 |        |       |       |                        |

This report contains an electronic digital signature(s) affixed by the appraiser(s). This advanced technology has been authorized by the Appraisal Standards Board of the Appraisal Foundation as compliant under specific reporting guidelines of the Uniform Standards of Professional Appraisal Practice (USPAP). The process not only acknowledges the authenticity of a printed paper copy of the report but also the file in its state of electronic storage.

The technology encompasses transmission integrity, signature integrity, and record keeping for each individual appraiser that affixes the signature. The appraiser has sole personal control of affixing a signature certifying its authenticity and accepting responsibility for content analysis, and conclusions in the report.

Signature Taylor Brennan  
 Name Taylor Brennan  
 Date Signed 12/16/2010  
 Date Certification # \_\_\_\_\_ State \_\_\_\_\_  
 Or State License # TX-1322TRA-R State Texas



**COMMENT ADDENDUM**

File No. 1210-53TRA

Case 62-62-6-1128TRA

|   |              |  |                     |
|---|--------------|--|---------------------|
| Borrower/Client Willie Nelson               |              |  |                     |
| Property Address 13130 Blanco Road Unit 904 |              |  |                     |
| City San Antonio                            | County Bexar | State TX                                     | Zip Code 78216-6300 |
| Lender Mortgage Co/Dept of Veteran Affairs  |              | Address: 000 McDert Road, Anywhere, TX 78288 |                     |

## EXTRAORDINARY ASSUMPTION

THE FINDINGS ARE BASED ON CONDITIONS READILY OBSERVABLE AT THE TIME OF THE APPRAISAL. THE APPRAISER IS NOT A BUILDING CONTRACTOR, ENGINEER OR QUALIFIED HOME INSPECTOR. THE APPRAISER IS NOT QUALIFIED TO OBSERVE THE REPORT ON PHYSICAL ITEMS THAT ARE NOT EASILY VISIBLE. ANY PARTIES TO THIS TRANSACTION HAVING CONCERNS REGARDING STRUCTURAL, MECHANICAL, INFESTATION, CONTAMINATION OR OTHER ISSUES ABOUT THE SUBJECT PROPERTY ARE URGED TO CONSULT AN EXPERT IN THE APPROPRIATE FIELD.

THE APPRAISER MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY SUCH ITEMS THAT ARE NOT READILY OBSERVABLE.

For Training Purposes Only



**TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

*BE IT KNOWN THAT*

**Taylor Brennan**

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

**STATE CERTIFIED  
RESIDENTIAL REAL ESTATE APPRAISER**

**Number: TX-1322TRA-R**

**Date of Issue: February 4, 2010**

**Date of Expiration: March 31, 2012**

*In Witness Thereof*



*Paul Grimaldi*

Paul Grimaldi, Chair

*Mary-Lee Douglas*

Mary-Lee Douglas, Commissioner

Paul Grimaldi, Chair  
Walker B. Road  
Danielle Richards

Daniel V. Ratcliff,  
Vice Chair  
Juliet Larson  
Carmello Sanchez

Susan Donaldson, Secretary  
Luis Nunez  
Walter Bucket