

# Uniform Residential Appraisal Report

44428  
File # 160610008

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

SUBJECT

Property Address 2806 Dromedary Dr City Memphis State TN Zip Code 38133  
 Borrower Wayne Bailey & Jacqueline Owner of Public Record Wayne Bailey County Shelby  
 Legal Description Lot 64 Lakemeer Sec A-1  
 Assessor's Parcel # 095101 A00065 Tax Year 2016 R.E. Taxes \$ 1,711  
 Neighborhood Name Lakemeer Map Reference 019-005 Census Tract 0211.12  
 Occupant  Owner  Tenant  Vacant Special Assessments \$ 0  PUD HOA \$ 0  per year  per month  
 Property Rights Appraised  Fee Simple  Leasehold  Other (describe)  
 Assignment Type  Purchase Transaction  Refinance Transaction  Other (describe)  
 Lender/Client SecurityNational Mortgage Company Address 5300 South 360 West, Murray, UT 84123  
 Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal?  Yes  No  
 Report data source(s) used, offering price(s), and date(s). DOM 225;Subject not listed at present time in MPHMLS. Listed in MLS previously #9961200.  
 Sold on 06/01/16 for \$104,900 and 05/25/16 for \$54,639 (bank sale) after 225 DOM (Warranty Deed) before being quit claimed on 06/01/16 and 06/1

CONTRACT

I  did  did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.  
 Contract Price \$ Date of Contract Is the property seller the owner of public record?  Yes  No Data Source(s) Assessor  
 Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower?  Yes  No  
 If Yes, report the total dollar amount and describe the items to be paid.

Note: Race and the racial composition of the neighborhood are not appraisal factors.

NEIGHBORHOOD

Neighborhood Characteristics		One-Unit Housing Trends			One-Unit Housing		Present Land Use %	
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	90 %			
Built-Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	1 %			
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	37	Low 16	Multi-Family	1 %			
Neighborhood Boundaries Subject is bound by Summer to the north, I-40 to the south, Kirby Whitten to the west and Germantown Pkwy to the east.		138	High 38	Commercial	3 %			
		78	Pred. 29	Other	vac5 %			
Neighborhood Description The subject property is located in the Lakemeer subdivision. Homes in the immediate area are between 1000 - 2100 square foot range, and are of average quality construction. Individual maintenance of properties varies. This area is conveniently located to schools, shopping, and other daily social necessities. Marketability is average compared with similar competing neighborhoods.								
Market Conditions (including support for the above conclusions) See attached addenda.								

SITE

Dimensions 70 x 200 Area 14000 sf Shape Irregular View N;Res;Cty;Str  
 Specific Zoning Classification Residential Zoning Description Single Family / R-6  
 Zoning Compliance  Legal  Legal Nonconforming (Grandfathered Use)  No Zoning  Illegal (describe)  
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use?  Yes  No If No, describe  
 Utilities Public Other (describe) Public Other (describe) Off-site Improvements - Type Public Private  
 Electricity   Water   Street Asphalt    
 Gas   Sanitary Sewer   Alley None    
 FEMA Special Flood Hazard Area  Yes  No FEMA Flood Zone X FEMA Map # 47157C0304G FEMA Map Date 02/06/2013  
 Are the utilities and off-site improvements typical for the market area?  Yes  No If No, describe  
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)?  Yes  No If Yes, describe  
 See additional comments...

IMPROVEMENTS

General Description	Foundation	Exterior Description	materials/condition	Interior	materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input checked="" type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	Concrete Slab/Avg.	Floors	Cpt/Tile/Hwd/Avg
# of Stories 1.1	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	ST/VN/Avg	Walls	Drywall/Avg.
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 0 sq.ft.	Roof Surface	Comp Shingles/Avg	Trim/Finish	Wood/Avg
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 0 %	Gutters & Downspouts	None	Bath Floor	Ceramic/Avg.
Design (Style) Colonial	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	Alum/Avg.	Bath Wainscot	Ceramic/Avg
Year Built 1982	Evidence of <input type="checkbox"/> Infestation None Noted	Storm Sash/Insulated	Storm windows/Avg.	Car Storage	<input type="checkbox"/> None
Effective Age (Yrs) 12	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	Screens/Avg.	<input checked="" type="checkbox"/> Driveway	# of Cars 1
Attic <input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> Woodstove(s) # 0	Driveway Surface	Concrete
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel Gas	<input type="checkbox"/> Fireplace(s) # 0	<input checked="" type="checkbox"/> Fence ChLnk	Garage	# of Cars 0
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck	Patio <input checked="" type="checkbox"/> Porch Covered	Carport	# of Cars 0
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool None	<input type="checkbox"/> Other None	Att.	<input type="checkbox"/> Det. <input type="checkbox"/> Built-in
Appliances <input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input checked="" type="checkbox"/> Other (describe)				Fanhood	
Finished area above grade contains: 8 Rooms 3 Bedrooms 2.0 Bath(s) 1,704 Square Feet of Gross Living Area Above Grade					
Additional features (special energy efficient items, etc.). Subject property has a porch and patio.					

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C4;Kitchen-updated-less than one year ago;Bathrooms-not updated;Utilities were on and operational at the time of inspection. Subject property has had renovations done. Please see the repair list and pictures of the interior in this report. Subject property is currently tenant occupied.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property?  Yes  No If Yes, describe

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

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There are <b>2</b> comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ <b>40,500</b> to \$ <b>141,900</b>					
There are <b>13</b> comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ <b>37,000</b> to \$ <b>138,000</b>					
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3	
Address	2806 Dromedary Dr Memphis, TN 38133	2966 Crowell St Memphis, TN 38133	7526 Port Albert Ln Memphis, TN 38133	7374 Vondel Cv Memphis, TN 38133	
Proximity to Subject		0.36 miles NW	0.85 miles SE	0.40 miles SE	
Sale Price	\$	\$ 134,000	\$ 129,900	\$ 119,500	
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 81.46 sq.ft.	\$ 82.79 sq.ft.	\$ 91.78 sq.ft.	
Data Source(s)		MPHS MLS#9971587;DOM 31	MPHS MLS#9973318;DOM 15	MPHSMLS#9977645;DOM 17	
Verification Source(s)		Chandler/MAAR	Chandler/MAAR	Chandler/MAAR	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing Concessions		ArmLth FHA;3000	0	ArmLth VA;0	0
Date of Sale/Time		s05/16;c04/16	0	s07/16;c06/16	0
Location	N;Res;	N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple	
Site	14000 sf	8400 sf	0	12000 sf	0
View	N;Res;CtyStr	N;Res;CtyStr		N;Res;CtyStr	
Design (Style)	DT1.1;Colonial	DT1.0;Ranch	0	DT2.0;Colonial	0
Quality of Construction	Q4	Q4		Q4	
Actual Age	34	38	0	28	0
Condition	C4	C4		C4	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths	
Room Count	8 3 2.0	7 4 2.0	0	6 3 2.0	0
Gross Living Area	1,704 sq.ft.	1,645 sq.ft.	0	1,569 sq.ft.	+3,375
Basement & Finished Rooms Below Grade	0sf	0sf		0sf	
Functional Utility	Average	Average		Average	
Heating/Cooling	Central H/A	Central H/A		Central H/A	
Energy Efficient Items	None	None		None	
Garage/Carport	1dw	2cp2dw	-3,000	2ga2dw	-5,000
Porch/Patio/Deck	Porch/Patio	Porch	0	Porch/Patio	0
Fireplace	None	1 Fireplace	-500	1 Fireplace	-500
Pool	None	None		None	
None	None	None		None	
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -3,500	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -2,125	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 8,050	
Adjusted Sale Price of Comparables		Net Adj. 2.6 % Gross Adj. 2.6 % \$ 130,500	Net Adj. 1.6 % Gross Adj. 6.8 % \$ 127,775	Net Adj. 6.7 % Gross Adj. 10.1 % \$ 127,550	

SALES COMPARISON APPROACH

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

My research  did  did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s) **Chandler**

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) **Chandler**

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	06/10/2016	10/09/2015	05/06/2016	
Price of Prior Sale/Transfer	\$0	\$0	\$0	
Data Source(s)	ChandlerReports/MAAR	ChandlerReports/MAAR	ChandlerReports/MAAR	ChandlerReports/MAAR
Effective Date of Data Source(s)	08/09/2016	08/09/2016	08/09/2016	08/09/2016

Analysis of prior sale or transfer history of the subject property and comparable sales Subject is not listed in MPHS MLS at the present time. Prior transfer for subject property was through a Quit Claim Deed on 06/10/16. See attached addendum for current and prior sales for subject and comparables.

Prior transfer for comp #1 was through a Quit Claim Deed on 10/09/15. Prior transfer for comp #2 was through a Quit Claim Deed on 05/06/16 after a normal sale on 02/24/16 for \$67,000 (Warranty Deed) and a foreclosure on 07/09/15 for \$95,000 (Trustee Deed). Prior sale for comp #3 was a normal sale on 08/01/87 for \$78,350 (Warranty Deed).

Summary of Sales Comparison Approach See attached addenda.

Indicated Value by Sales Comparison Approach \$ **127,000**

Indicated Value by: Sales Comparison Approach \$ **127,000** Cost Approach (if developed) \$ **128,080** Income Approach (if developed) \$

See additional comments...

RECONCILIATION

This appraisal is made  "as is",  subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed,  subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or  subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:

Based on a 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 \$ **127,000**, as of **08/09/2016**, which is the date of inspection and the effective date of this appraisal.

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ADDITIONAL COMMENTS

The appraiser has performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the 3 year period immediately preceding acceptance of this assignment.

This appraisal was prepared in accordance with the requirements of title XI of the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) of 1989, as amended (12 UC 3331 et seq.), and any implementing regulations.

COST APPROACH

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

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) \_\_\_\_\_ The extraction and/or allocation methods were utilized in determining the site value for the subject property.

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE _____ = \$ 20,000
Source of cost data Marshall and Swift	DWELLING 1,704 Sq.Ft. @ \$ 74.00 _____ = \$ 126,096
Quality rating from cost service Avg. Effective date of cost data 1-15	0 Sq.Ft. @ \$ _____ = \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	Porch, Kit Extras, patio _____ = \$ 4,000
See attached sketch sheet for floorplan and square footage calculations. Replacement Cost Approach Source: Marshall and Swift	Garage/Carport Sq.Ft. @ \$ _____ = \$
utilizing local market trends. The physical depreciation was calculated	Total Estimate of Cost-New _____ = \$ 130,096
using the modified age/life method.	Less Physical Functional External
	Depreciation 24,016 _____ = \$( 24,016)
	Depreciated Cost of Improvements _____ = \$ 106,080
	"As-is" Value of Site Improvements _____ = \$ 2,000
Estimated Remaining Economic Life (HUD and VA only) 53 Years	<b>INDICATED VALUE BY COST APPROACH</b> _____ = \$ 128,080

INCOME

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

Estimated Monthly Market Rent \$ 1,125 X Gross Rent Multiplier \_\_\_\_\_ = \$ \_\_\_\_\_ Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM) \_\_\_\_\_ Was not developed.

PUD INFORMATION

**PROJECT INFORMATION FOR PUDs (if applicable)**

Is the developer/builder in control of the Homeowners' Association (HOA)?  Yes  No Unit type(s)  Detached  Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project \_\_\_\_\_

Total number of phases \_\_\_\_\_ Total number of units \_\_\_\_\_ Total number of units sold \_\_\_\_\_

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

Was the project created by the conversion of existing building(s) into a PUD?  Yes  No If Yes, date of conversion. \_\_\_\_\_

Does the project contain any multi-dwelling units?  Yes  No Data Source \_\_\_\_\_

Are the units, common elements, and recreation facilities complete?  Yes  No If No, describe the status of completion. \_\_\_\_\_

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

Describe common elements and recreational facilities. \_\_\_\_\_

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This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

**SCOPE OF WORK:** The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

**INTENDED USE:** The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

**INTENDED USER:** The intended user of this appraisal report is the lender/client.

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions\* granted by anyone associated with the sale.

\*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

**STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS:** The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing the 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.

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APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a 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.

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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 Samuel C. King  
Name Samuel C. King  
Company Name Associates Appraisal Service  
Company Address P.O. Box 4114  
Cordova, TN 38088  
Telephone Number 901-755-9450  
Email Address kingstwo@bellsouth.net  
Date of Signature and Report 08/15/2016  
Effective Date of Appraisal 08/09/2016  
State Certification # 2508  
or State License # \_\_\_\_\_  
or Other (describe) \_\_\_\_\_ State # \_\_\_\_\_  
State TN  
Expiration Date of Certification or License 01/31/2018

## ADDRESS OF PROPERTY APPRAISED

2806 Dromedary Dr  
Memphis, TN 38133  
APPRAISED VALUE OF SUBJECT PROPERTY \$ 127,000

## LENDER/CLIENT

Name Select AMC  
Company Name SecurityNational Mortgage Company  
Company Address 5300 South 360 West, Murray, UT 84123  
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

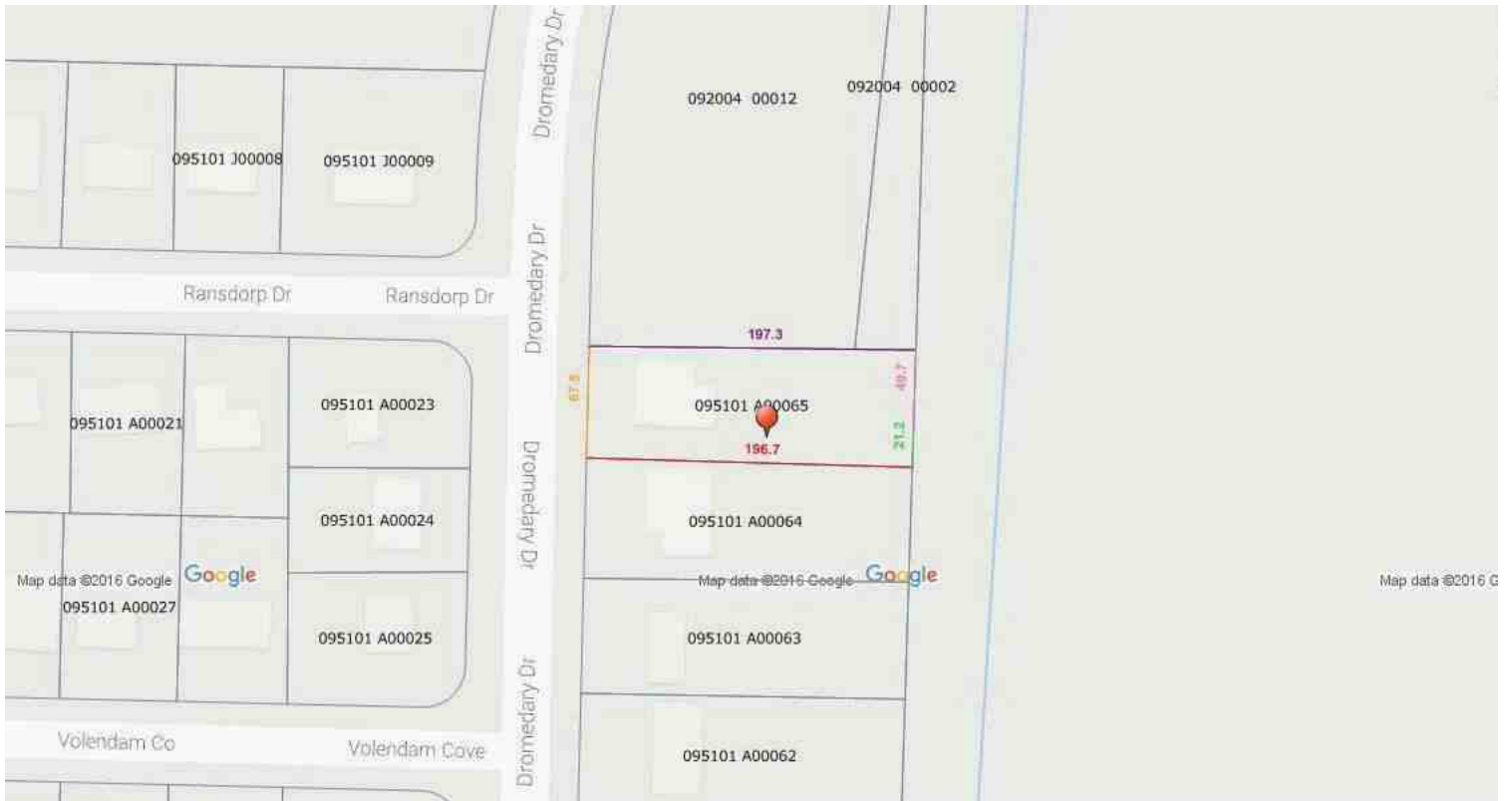
- Did not inspect exterior of comparable sales from street  
 Did inspect exterior of comparable sales from street  
Date of Inspection \_\_\_\_\_



# Aerial Map



# Plat Map





# Uniform Residential Appraisal Report

44428  
File # 160610008

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address	2806 Dromedary Dr Memphis, TN 38133	7358 Guilder Cv Memphis, TN 38133			7691 Deerfield Trce Memphis, TN 38133			2554 Kilgore Cv Memphis, TN 38133		
Proximity to Subject		0.41 miles SE			0.90 miles E			1.31 miles SE		
Sale Price	\$	\$ 125,000			\$ 130,000			\$ 132,500		
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 90.65 sq.ft.			\$ 77.98 sq.ft.			\$ 80.74 sq.ft.		
Data Source(s)		MPHS MLS#9971552;DOM 58			MPHS MLS#9981637;DOM 33			MPHS MLS#9982248;DOM 23		
Verification Source(s)		Chandler/MAAR			MAAR/MLS			MAAR/MLS		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+	(-) \$ Adjustment	DESCRIPTION	+	(-) \$ Adjustment	DESCRIPTION	+	(-) \$ Adjustment
Sales or Financing		ArmLth			Listing			Listing		
Concessions		Conv;5000	0			0			0	
Date of Sale/Time		s05/16;c03/16	0		Active	0		Active	0	
Location	N;Res;	N;Res;			N;Res;			N;Res;		
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Site	14000 sf	11761 sf	0		8330 sf	0		8400 sf	0	
View	N;Res;CtyStr	N;Res;CtyStr			N;Res;CtyStr			N;Res;CtyStr		
Design (Style)	DT1.1;Colonial	DT1.0;Ranch	0		DT1.0;Ranch	0		DT1.5;Colonial	0	
Quality of Construction	Q4	Q4			Q4			Q4		
Actual Age	34	29	0		26	0		28	0	
Condition	C4	C4			C4			C4		
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths			Total Bdrms. Baths			Total Bdrms. Baths		
Room Count	8 3 2.0	6 3 2.0	0		7 3 2.0	0		5 3 2.0	0	
Gross Living Area	1,704 sq.ft.	1,379 sq.ft.	+8,125		1,667 sq.ft.	0		1,641 sq.ft.	0	
Basement & Finished Rooms Below Grade	0sf	0sf			0sf			0sf		
Functional Utility	Average	Average			Average			Average		
Heating/Cooling	Central H/A	Central H/A			Central H/A			Central H/A		
Energy Efficient Items	None	None			None			None		
Garage/Carport	1dw	2qd2cp2dw	-8,000		2qa2dw	-5,000		2ga2dw	-5,000	
Porch/Patio/Deck	Porch/Patio	Porch/Patio			Porch/Patio			Porch/Patio/Deck	0	
Fireplace	None	1 Fireplace	-500		1 Fireplace	-500		1 Fireplace	-500	
Pool	None	None			None			None		
None	None	None			None			None		
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -375		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -5,500		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -5,500	
Adjusted Sale Price of Comparables		Net Adj. 0.3% Gross Adj. 13.3%	\$ 124,625		Net Adj. 4.2% Gross Adj. 4.2%	\$ 124,500		Net Adj. 4.2% Gross Adj. 4.2%	\$ 127,000	
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).										
ITEM	SUBJECT	COMPARABLE SALE # 4	COMPARABLE SALE # 5	COMPARABLE SALE # 6						
Date of Prior Sale/Transfer	06/10/2016									
Price of Prior Sale/Transfer	\$0									
Data Source(s)	ChandlerReports/MAAR	ChandlerReports/MAAR	ChandlerReports/MAAR	ChandlerReports/MAAR						
Effective Date of Data Source(s)	08/09/2016	08/09/2016	08/09/2016	08/09/2016						
Analysis of prior sale or transfer history of the subject property and comparable sales (Warranty Deed). Comparables #5 and #6 are MPHSMLS listings. There were no prior sales for comp/listings #5 or #6 in the past 12 months. No LP/SP ratio was taken as the MC form indicated 103%. Prior sale for comp #4 was a normal sale on 08/13/08 for \$121,000										
Analysis/Comments										

## UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

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

### Condition Ratings and Definitions

#### C1

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

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

#### C2

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

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

#### C3

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

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

#### C4

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

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

#### C5

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

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

#### C6

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

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

### Quality Ratings and Definitions

#### Q1

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

#### Q2

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

# UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

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

## Quality Ratings and Definitions (continued)

### Q3

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

### Q4

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

### Q5

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

### Q6

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

## Definitions of Not Updated, Updated, and Remodeled

### Not Updated

Little or no updating or modernization. This description includes, but is not limited to, new homes.

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

### Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.

An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

### Remodeled

Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion.

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

## Explanation of Bathroom Count

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

### Example:

3.2 indicates three full baths and two half baths.

# UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

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

## Abbreviations Used in Data Standardization Text

Abbreviation	Full Name	Fields Where This Abbreviation May Appear
A	Adverse	Location & View
ac	Acres	Area, Site
AdjPrk	Adjacent to Park	Location
AdjPwr	Adjacent to Power Lines	Location
Armlth	Arms Length Sale	Sale or Financing Concessions
AT	Attached Structure	Design (Style)
B	Beneficial	Location & View
ba	Bathroom(s)	Basement & Finished Rooms Below Grade
br	Bedroom	Basement & Finished Rooms Below Grade
BsyRd	Busy Road	Location
c	Contracted Date	Date of Sale/Time
Cash	Cash	Sale or Financing Concessions
Comm	Commercial Influence	Location
Conv	Conventional	Sale or Financing Concessions
cp	Carport	Garage/Carport
CrtOrd	Court Ordered Sale	Sale or Financing Concessions
CtySky	City View Skyline View	View
CtyStr	City Street View	View
cv	Covered	Garage/Carport
DOM	Days On Market	Data Sources
DT	Detached Structure	Design (Style)
dw	Driveway	Garage/Carport
e	Expiration Date	Date of Sale/Time
Estate	Estate Sale	Sale or Financing Concessions
FHA	Federal Housing Authority	Sale or Financing Concessions
g	Garage	Garage/Carport
ga	Attached Garage	Garage/Carport
gbi	Built-in Garage	Garage/Carport
gd	Detached Garage	Garage/Carport
GlfCse	Golf Course	Location
Glfvw	Golf Course View	View
GR	Garden	Design (Style)
HR	High Rise	Design (Style)
in	Interior Only Stairs	Basement & Finished Rooms Below Grade
Ind	Industrial	Location & View
Listing	Listing	Sale or Financing Concessions
Lndfl	Landfill	Location
LtdSght	Limited Sight	View
MR	Mid-rise	Design (Style)
Mtn	Mountain View	View
N	Neutral	Location & View
NonArm	Non-Arms Length Sale	Sale or Financing Concessions
o	Other	Basement & Finished Rooms Below Grade
O	Other	Design (Style)
op	Open	Garage/Carport
Prk	Park View	View
Pstrl	Pastoral View	View
PwrLn	Power Lines	View
PubTrn	Public Transportation	Location
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
rr	Recreational (Rec) Room	Basement & Finished Rooms Below Grade
RT	Row or Townhouse	Design (Style)
s	Settlement Date	Date of Sale/Time
SD	Semi-detached Structure	Design (Style)
Short	Short Sale	Sale or Financing Concessions
sf	Square Feet	Area, Site, Basement
sqm	Square Meters	Area, Site
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
Woods	Woods View	View
Wtr	Water View	View
WtrFr	Water Frontage	Location
wu	Walk Up Basement	Basement & Finished Rooms Below Grade

**Supplemental Addendum**

File No. 160610008

Borrower	Wayne Bailey & Jacqueline						
Property Address	2806 Dromedary Dr						
City	Memphis	County	Shelby	State	TN	Zip Code	38133
Lender/Client	SecurityNational Mortgage Company						

**SCOPE OF THE APPRAISAL:**

I have personally observed the exterior and interior of said subject property. I have observed the exterior of the comparable sales used and the neighborhood in general. I have researched files in our office for any data on other properties in the area and reviewed historical sales to expand, or update my knowledge of the area, even though this information was not directly used in the appraisal process. This includes sales in my data bank and appraisals performed by other appraisers and/or myself. Public records have been researched, and a secondary source of sales data (MLS) has been used. In addition, a basic replacement cost handbook, Marshall & Swift, has been used along with market trends in the area. Our knowledge of cost trends in the area is developed through appraisals of new, or almost new sold properties, by discussion of building costs with builders, and through market extraction of market depreciation. In my opinion, I have researched to sufficient depth that information available from the most reliable sources and have relied on these sources for their accuracy in contributing to the final reconciliation of value and value conclusion.

**SITE:**

Subject site is typical for the area. No adverse easements or encroachments were noted at time of observation. Landscaping is satisfactory. Drainage appears adequate.

**ADVERSE ENVIRONMENTAL CONDITIONS:**

No adverse environmental conditions were noted at the time of observation, however a detailed soil, water, etc., sample or analysis was not made. However, the appraiser is not qualified to detect potentially hazardous waste material that may have an effect on the subject property and the client may wish to retain such an expert if they desire.

**PURPOSE OF APPRAISAL:**

The purpose of this appraisal report is to establish market value, as defined in the attached certification, in fee simple ownership, as of the date of this appraisal.

**COMMENTS ON SALES COMPARISON:**

All sales used are similar in age, size, quality, and appeal. The sales used indicate a value range of \$124,625 to \$130,500. All the sales used are influenced by the same market conditions and economies that affect subject property. After reviewing all the recent sales in the area these are felt to be the best to reflect the attitudes of the buyers and sellers in this area. Therefore the final opinion of value would appear to be \$127,000.

**FUNCTION OF APPRAISAL:**

The function of this report is for mortgage lending purposes by the named client. Any other use is prohibited, without written consent from the appraiser.

**CONDITIONS OF APPRAISAL:**

This appraisal is for the use of SecurityNational Mortgage Company only and is for mortgage loan purposes only. Any other use is strictly prohibited by this appraiser without written consent.

The appraiser's expertise is that of valuation based of observable conditions and information provided from professionals. If inspections of mechanical, electrical plumbing, and structural are desired, a professional home inspector should be employed.

There were no infestations noted by appraiser, however the appraiser is not licensed pest control operator. If this type of inspection is needed, one should be employed.

**FINAL RECONCILIATION:**

The Cost Approach is filled in on the form, however this usually is the upper end of the value range. The income approach not completed due to the primarily owned homes. The Sales Comparison Approach was given the most weight since it reflects the attitudes of the buyers and sellers in the area, and gives a better indication of market conditions. After reviewing several sales in the area, these four were selected as being the best comparable sales available. Consideration was given to all factors pertinent to value, the final opinion of value as of 08/09/2016 is \$127,000. This value is the result of an exposure time of 3-6 months on the open market.

## Supplemental Addendum

File No. 160610008

Borrower	Wayne Bailey & Jacqueline						
Property Address	2806 Dromedary Dr						
City	Memphis	County	Shelby	State	TN	Zip Code	38133
Lender/Client	SecurityNational Mortgage Company						

### THE INTENDED USER:

The Intended User of this appraisal report is the Lender/Client. The Intended Use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated Scope of work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended Users are identified by the appraiser.

### MY COMPARABLE SEARCH AND RESULTS:

The criteria used in performing the search: distance-within one mile, lot size-less than one acre- quality- WD-BV/WD, age-up to 45 years old, detached homes, gross living area-1100-2000 sq.ft., bathrooms-1-3, car storage-none-2 car gar., sale date-within 1 year. The initial search produced the comparables used in the report. The report was narrowed down to more similar homes to the subject property. No further searches were made.

### · URAR: Neighborhood - Market Conditions

The subject property is located in an area which is usually financed with conventional and FHA financing along with some VA loans. Cash sales are typical also. Homes in this area are usually on the market for 90 to 150 days. Exposure time of up to 6 months would be reasonable for this market area. Foreclosures/short sales are typical for this area and vary in price due to their condition. Area is appealing to investors due to foreclosures/short sales. See market conditions report.

### · URAR: Sales Comparison Analysis - Summary of Sales Comparison Approach

The sales chosen are considered to be the most recent and most comparable sales available. Up to 3% is typical for seller concessions in this market area. All comparables have sold within 6 months. Equal weight was placed on all comparables due to the similarities to the subject property. All comparables are from similar market areas as the subject property. No age adjustment was made as they have similar effective ages as the subject property. The indicated value is more than the predominant value on page 1 in that foreclosures were taken into consideration on this. Comparable #2 is an investor sale. The market did not warrant a time adjustment for the increasing values indicated on page 1. All comparables were located in MPHS MLS. See additional comments...



**Supplemental Addendum**

File No. 160610008

Borrower	Wayne Bailey & Jacqueline			
Property Address	2806 Dromedary Dr			
City	Memphis	County	Shelby	State TN Zip Code 38133
Lender/Client	SecurityNational Mortgage Company			

**CURRENT AND PRIOR SALES FOR SUBJECT AND COMPARABLES****Subject - 2806 Dromedary Dr**

ON **06/10/16**, Quit Claim Deed, [16059012](#). Recorded 2016. RIVERTOWN SPECIALTIES LLC to BAILEY WAYNE. Loan \$0, % Cash Sale or Mortgage Type Unknown. Non-Sale Transfer.

ON **06/01/16**, Quit Claim Deed, [16057819](#). Recorded 2016. BAILEY WAYNE to RIVERTOWN SPECIALTIES LLC. Loan \$0, % Cash Sale or Mortgage Type Unknown. Non-Sale Transfer.

**\$104,900** ON **06/01/16**, Warranty Deed, [16057817](#). Recorded 2016. PEGASUS REAL ESTATE SERVICES LLC to BAILEY WAYNE. Loan \$105,000, 100% Private or Owner Financed. Normal Sale.

**\$54,639** ON **05/25/16**, Warranty Deed, [16054496](#). Recorded 2016. RESI REO SUB LLC to PEGASUS REAL ESTATE SERVICES LLC. Loan \$0, % Cash Sale or Mortgage Type Unknown. Bank Sale.

ON **09/24/15**, Quit Claim Deed, [16043392](#). Recorded 2016. ARNS INC to RESI REO SUB LLC. Loan \$0, % Cash Sale or Mortgage Type Unknown. Non-Sale Transfer.

ON **08/03/15**, Quit Claim Deed, [16043391](#). Recorded 2016. WILMINGTON TRUST NATIONAL ASSOCIATION to ARNS INC. Loan \$0, % Cash Sale or Mortgage Type Unknown. Non-Sale Transfer.

**\$97,683** ON **01/02/15**, Trustee Deed, [15004866](#). Recorded 2015. SMITH DAVID T & PAMELA K to WILMINGTON TRUST NATIONAL ASSOCIATION. Loan \$0, % Cash Sale or Mortgage Type Unknown. Foreclosure.

**Comparable #1**

**\$134,000** ON **05/25/16**, Warranty Deed, [16054896](#). Recorded 2016. YOUNG CHRISTIAN J to TIMI JERIMY AND JASMINE. Loan \$122,710, 92% FHA Mortgage. Normal Sale.

ON **10/09/15**, Quit Claim Deed, [16054895](#). Recorded 2016. YOUNG ANNE M to YOUNG CHRISTIAN J. Loan \$0, % Cash Sale or Mortgage Type Unknown. Non-Sale Transfer.

**Comparable #2**

**\$129,900** ON **05/10/16**, Warranty Deed, [16047867](#). Recorded 2016. MEMPHIS INVEST GP to LYONS ELIZABETH K. Loan \$0, % Cash Sale or Mortgage Type Unknown. Normal Sale.

ON **05/06/16**, Quit Claim Deed, [16047868](#). Recorded 2016. LYONS ELIZABETH K to KEHAULANI PROPERTIES LLC. Loan \$0, % Cash Sale or Mortgage Type Unknown. Non-Sale Transfer.

**\$67,000** ON **02/24/16**, Warranty Deed, [16019269](#). Recorded 2016. RREF RB-TN DPL LLC to MEMPHIS INVEST GP. Loan \$0, % Cash Sale or Mortgage Type Unknown. Normal Sale.

**\$95,000** ON **07/09/15**, Trustee Deed, [15072876](#). Recorded 2015. DOGWOOD PROPERTIES LLC to RREF RB-TN DPL LLC. Loan \$0, % Cash Sale or Mortgage Type Unknown. Foreclosure.

**Comparable #3**

**\$119,500** ON **07/15/16**, Warranty Deed, [16072583](#). Recorded 2016. MCKENZIE JOHN F III & LINDA M to BALLIN GENE JR & SHARON L. Loan \$119,500, 100% VA Mortgage. Normal Sale.

Per Assessor - \$78,350 ON 08/01/87, Warranty Deed, [Z99302](#)

**Comparable #4**

**\$125,000** ON **04/28/16**, Warranty Deed, [16043306](#). Recorded 2016. PIKE-MADONIA JENNIFER A & CHASE C MADONIA to DARMANY DANIEL B & NILDA E FRANCO. Loan \$125,000, 100% Conventional Mortgage. Normal Sale.

**\$121,000** ON **08/13/08**, Warranty Deed, [08110253](#). Recorded 2008. FISHER SIMON S AND STEPHEN E FISHER to PIKE JENNIFER A. Loan \$118,837, 98% FHA Mortgage. Normal Sale. Seller Concession(s) were \$10890 (per MAAR MLS).

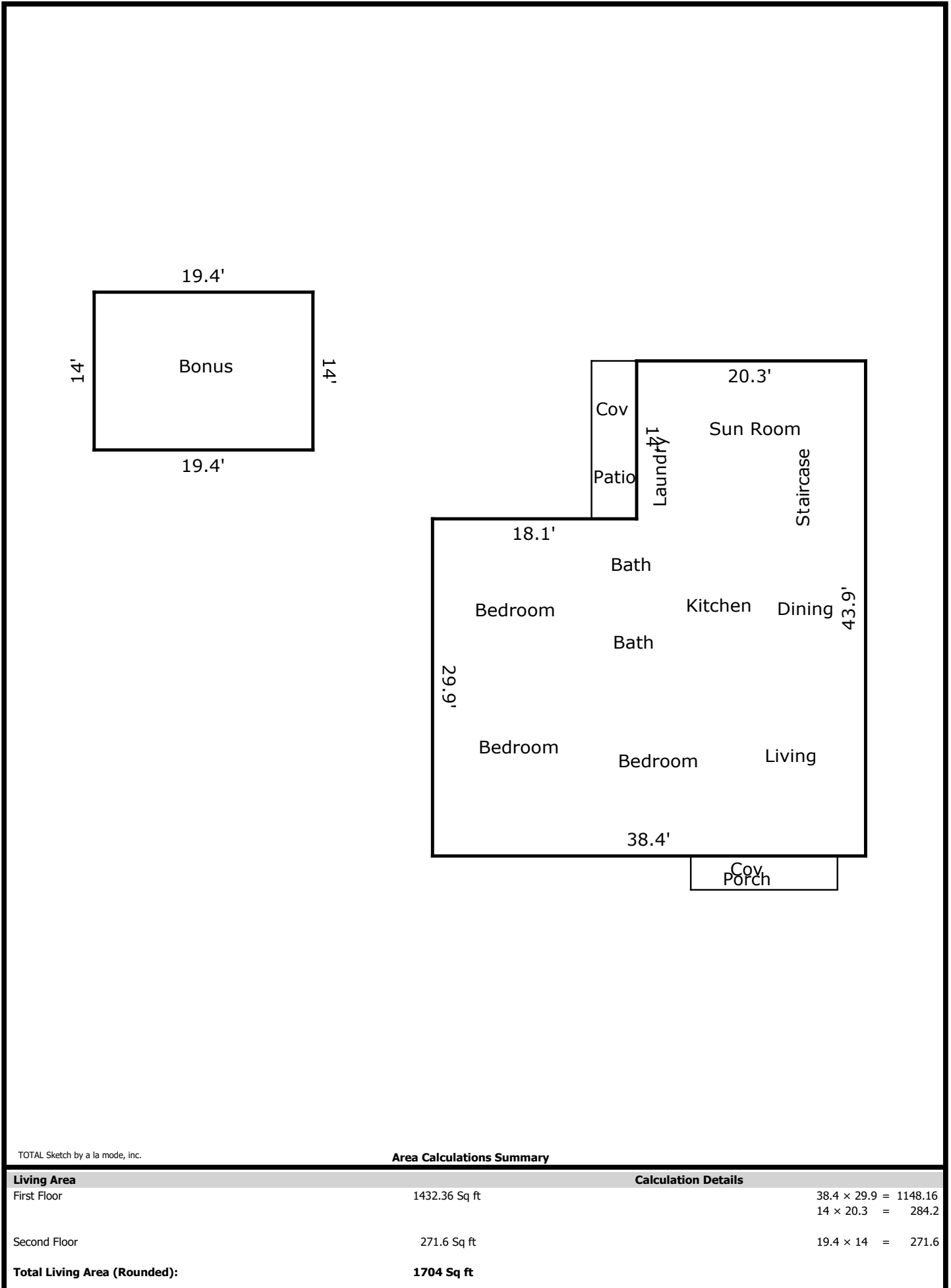
## Supplemental Addendum

File No. 160610008

Borrower	Wayne Bailey & Jacqueline						
Property Address	2806 Dromedary Dr						
City	Memphis	County	Shelby	State	TN	Zip Code	38133
Lender/Client	SecurityNational Mortgage Company						

## Building Sketch

Borrower	Wayne Bailey & Jacqueline		
Property Address	2806 Dromedary Dr		
City	Memphis	County	Shelby
		State	TN
		Zip Code	38133
Lender/Client	SecurityNational Mortgage Company		



## Subject Photo Page

Borrower	Wayne Bailey & Jacqueline						
Property Address	2806 Dromedary Dr						
City	Memphis	County	Shelby	State	TN	Zip Code	38133
Lender/Client	SecurityNational Mortgage Company						



### Subject Front

2806 Dromedary Dr  
Sales Price  
GLA 1,704  
Total Rooms 8  
Total Bedrms 3  
Total Bathrms 2.0  
Location N;Res;  
View N;Res;CtyStr  
Site 14000 sf  
Quality Q4  
Age 34



### Subject Rear



### Subject Street



## Comparable Photo Page

Borrower	Wayne Bailey & Jacqueline						
Property Address	2806 Dromedary Dr						
City	Memphis	County	Shelby	State	TN	Zip Code	38133
Lender/Client	SecurityNational Mortgage Company						



### Comparable 1

2966 Crowell St  
 Proximity 0.36 miles NW  
 Sale Price 134,000  
 GLA 1,645  
 Total Rooms 7  
 Total Bedrms 4  
 Total Bathrms 2.0  
 Location N;Res;  
 View N;Res;CtyStr  
 Site 8400 sf  
 Quality Q4  
 Age 38



### Comparable 2

7526 Port Albert Ln  
 Proximity 0.85 miles SE  
 Sale Price 129,900  
 GLA 1,569  
 Total Rooms 6  
 Total Bedrms 3  
 Total Bathrms 2.0  
 Location N;Res;  
 View N;Res;CtyStr  
 Site 12000 sf  
 Quality Q4  
 Age 28



### Comparable 3

7374 Vondel Cv  
 Proximity 0.40 miles SE  
 Sale Price 119,500  
 GLA 1,302  
 Total Rooms 5  
 Total Bedrms 3  
 Total Bathrms 2.0  
 Location N;Res;  
 View N;Res;CtyStr  
 Site 8400 sf  
 Quality Q4  
 Age 29

## Comparable Photo Page

Borrower	Wayne Bailey & Jacqueline						
Property Address	2806 Dromedary Dr						
City	Memphis	County	Shelby	State	TN	Zip Code	38133
Lender/Client	SecurityNational Mortgage Company						



### Comparable 4

7358 Guilder Cv  
 Proximity 0.41 miles SE  
 Sale Price 125,000  
 GLA 1,379  
 Total Rooms 6  
 Total Bedrms 3  
 Total Bathrms 2.0  
 Location N;Res;  
 View N;Res;CtyStr  
 Site 11761 sf  
 Quality Q4  
 Age 29



### Comparable 5

7691 Deerfield Trce  
 Proximity 0.90 miles E  
 Sale Price 130,000  
 GLA 1,667  
 Total Rooms 7  
 Total Bedrms 3  
 Total Bathrms 2.0  
 Location N;Res;  
 View N;Res;CtyStr  
 Site 8330 sf  
 Quality Q4  
 Age 26



### Comparable 6

2554 Kilgore Cv  
 Proximity 1.31 miles SE  
 Sale Price 132,500  
 GLA 1,641  
 Total Rooms 5  
 Total Bedrms 3  
 Total Bathrms 2.0  
 Location N;Res;  
 View N;Res;CtyStr  
 Site 8400 sf  
 Quality Q4  
 Age 28



## Rental Photo Page

Borrower	Wayne Bailey & Jacqueline			
Property Address	2806 Dromedary Dr			
City	Memphis	County	Shelby	State TN      Zip Code 38133
Lender/Client	SecurityNational Mortgage Company			



### Rental 1

2577 Reese Lake Cir  
 Proximity to Subject 0.56 miles SW  
 Adj. Monthly Rent 1,025  
 Gross Living Area 1,284  
 Total Rooms 6  
 Total Bedrooms 3  
 Total Bathrooms 2.0  
 Location N;Res;  
 View N;Res;CityStr  
 Condition C4  
 Age/Year Built 21



### Rental 2

2818 Laura Cir E  
 Proximity to Subject 0.31 miles W  
 Adj. Monthly Rent 925  
 Gross Living Area 1,259  
 Total Rooms 5  
 Total Bedrooms 3  
 Total Bathrooms 2.0  
 Location N;Res;  
 View N;Res;CityStr  
 Condition C4  
 Age/Year Built 26



### Rental 3

2785 Van Leer Dr  
 Proximity to Subject 0.14 miles W  
 Adj. Monthly Rent 1,145  
 Gross Living Area 1,426  
 Total Rooms 6  
 Total Bedrooms 3  
 Total Bathrooms 2.0  
 Location N;Res;  
 View N;Res;CityStr  
 Condition C4  
 Age/Year Built 24

Borrower	Wayne Bailey & Jacqueline				
Property Address	2806 Dromedary Dr				
City	Memphis	County	Shelby	State	TN Zip Code 38133
Lender/Client	SecurityNational Mortgage Company				



side



side



street



house #



laundry



br



Borrower	Wayne Bailey & Jacqueline						
Property Address	2806 Dromedary Dr						
City	Memphis	County	Shelby	State	TN	Zip Code	38133
Lender/Client	SecurityNational Mortgage Company						



sunroom



kitchen



new kitchen countertops



new kitchen tile



dr



LR

## Photograph Addendum

Borrower	Wayne Bailey & Jacqueline						
Property Address	2806 Dromedary Dr						
City	Memphis	County	Shelby	State	TN	Zip Code	38133
Lender/Client	SecurityNational Mortgage Company						



**lights on**



**water on**



**br**



**br**



**bath**



**br**



## Photograph Addendum

Borrower	Wayne Bailey & Jacqueline						
Property Address	2806 Dromedary Dr						
City	Memphis	County	Shelby	State	TN	Zip Code	38133
Lender/Client	SecurityNational Mortgage Company						



**bath**



**new bath wainscot**



**A/C unit**



**rear**



**A/C unit**

**SINGLE FAMILY COMPARABLE RENT SCHEDULE**

44428  
File # 160610008

This form is intended to provide the appraiser with a familiar format to estimate the market rent of the subject property. Adjustments should be made only for items of significant difference between the comparables and the subject property.

ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	2806 Dromedary Dr Memphis, TN 38133	2577 Reese Lake Cir Memphis, TN 38133		2818 Laura Cir E Memphis, TN 38133		2785 Van Leer Dr Memphis, TN 38133	
Proximity to Subject		0.56 miles SW		0.31 miles W		0.14 miles W	
Date Lease Begins		09/01/2016		06/15/2016		08/11/2016	
Date Lease Expires		None Known		None Known		12 months	
Monthly Rental	If Currently Rented: \$ 1,125	\$ 1,025		\$ 925		\$ 1,145	
Less: Utilities	\$ 0	\$ 0		\$ 0		\$ 0	
Furniture							
Adjusted Monthly Rent	\$ 1,125	\$ 1,025		\$ 925		\$ 1,145	
Data Source	Observation	MLS		MLS		MLS	
RENT ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+ (-)\$ Adjust.	DESCRIPTION	+ (-)\$ Adjust.	DESCRIPTION	+ (-)\$ Adjust.
Rent Concessions		None Known		None Known		None Known	
Location/View	N;Res; N;Res;CtyStr	N;Res; N;Res;CtyStr		N;Res; N;Res;CtyStr		N;Res; N;Res;CtyStr	
Design and Appeal	DT1.1;Colonial	DT1.0;Ranch		DT1.1;Colonial		DT1.0;Ranch	
Age/Condition	34 C4	21 C4		26 C4		24 C4	
Above Grade Room Count	Total : Bdrms : Baths 8 : 3 : 2.0	Total : Bdrms : Baths 6 : 3 : 2.0		Total : Bdrms : Baths 5 : 3 : 2.0		Total : Bdrms : Baths 6 : 3 : 2.0	
Gross Living Area	1,704 Sq. Ft.	1,284 Sq. Ft.		1,259 Sq. Ft.		1,426 Sq. Ft.	
Other (e.g., basement, etc.)	0sf	0sf		0sf		0sf	
Other:	None	2 Car Garage -50		1 Car Garage -25		2 Car Garage -50	
Net Adj. (total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - : \$ 160		<input checked="" type="checkbox"/> + <input type="checkbox"/> - : \$ 197		<input checked="" type="checkbox"/> + <input type="checkbox"/> - : \$ 89	
Indicated Monthly Market Rent		\$ 1,185		\$ 1,122		\$ 1,234	

Comments on market data, including the range of rents for single family properties, an estimate of vacancy for single family rental properties, the general trend of rents and vacancy, and support for the above adjustments. (Rent concessions should be adjusted to the market, not to the subject property.) All rentals are similar to the subject property and in the same area. .50 was used for the GLA adjustment.

Final Reconciliation of Market Rent: Based on the above reported rentals above rents in the neighborhood, an indicated rent of \$1125.00 per month would be reasonable.

I (WE) ESTIMATE THE MONTHLY MARKET RENT OF THE SUBJECT AS OF 08/09/2016 TO BE \$ 1,125

Appraiser(s) SIGNATURE Samuel C. King  
NAME Samuel C. King

Review Appraiser SIGNATURE \_\_\_\_\_  
(if applicable) NAME \_\_\_\_\_

Date Property Inspected 08/09/2016 Report Signed 08/15/2016  
License or Certification # 2508 State TN  
Expiration Date of License or Certification 01/31/2018

Date Property Inspected \_\_\_\_\_ Report Signed \_\_\_\_\_  
License or Certification # \_\_\_\_\_ State \_\_\_\_\_  
Expiration Date of License or Certification \_\_\_\_\_  
Review Appraiser  Did  Did Not Inspect Subject Property



# Market Conditions Addendum to the Appraisal Report

44428  
File No. 160610008

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 **2806 Dromedary Dr** City **Memphis** State **TN** ZIP Code **38133**

Borrower **Wayne Bailey & Jacqueline**

**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)	4	4	5	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	0.67	1.33	1.67	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	7	9	2	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	10.4	6.8	1.2	<input checked="" 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	\$71,292	\$59,288	\$92,900	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	39.5	11.5	56	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Increasing
Median Comparable List Price	\$80,000	\$89,900	\$99,700	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	92	67	68.5	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	96%	93%	103%	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.). **Sales concessions are negotiated on a case by case basis. If concessions are paid, they are typically found in the 1% to 4% range.**

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).

**This area has foreclosures/short sales and is appealing to investors. Market data for this area can be skewed due to the foreclosures/short sales. Area attracts investors due to the low interest rates.**

Cite data sources for above information. **MAAR Data Map Area 792A with heated gross SqFt between 1442-1952.**

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.

**Information was gathered from MAAR Data Market Conditions Addendum Grid**

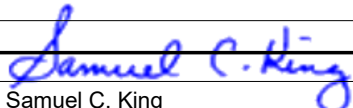
**If the subject is a unit in a condominium or cooperative project, complete the following:**

**Project Name:**

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

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

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

Signature   
 Appraiser Name **Samuel C. King**  
 Company Name **Associates Appraisal Service**  
 Company Address **P.O. Box 4114, Cordova, TN 38088**  
 State License/Certification # **2508** State **TN**  
 Email Address **kingtwo@bellsouth.net**

Signature \_\_\_\_\_  
 Supervisory Appraiser Name \_\_\_\_\_  
 Company Name \_\_\_\_\_  
 Company Address \_\_\_\_\_  
 State License/Certification # \_\_\_\_\_ State \_\_\_\_\_  
 Email Address \_\_\_\_\_

MARKET RESEARCH & ANALYSIS

CONDO/CO-OP PROJECTS

APPRAISER

# Operating Income Statement

160610008

## One- to Four-Family Investment Property and Two- to Four-Family Owner-Occupied Property

Property Address

2806 Dromedary Dr  
Street

Memphis  
City

TN  
State

38133  
Zip Code

General Instructions: This form is to be prepared jointly by the loan applicant, the appraiser, and the lender's underwriter. The applicant must complete the following schedule indicating each unit's rental status, lease expiration date, current rent, market rent, and the responsibility for utility expenses. Rental figures must be based on the rent for an "unfurnished" unit.

	Currently Rented		Expiration Date	Current Rent Per Month	Market Rent Per Month	Utility Expense	Paid By Owner	Paid By Tenant
Unit No. 1	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>		\$ 1,125	\$ 1,125	Electricity	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Unit No. 2	Yes <input type="checkbox"/>	No <input type="checkbox"/>		\$	\$	Gas	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Unit No. 3	Yes <input type="checkbox"/>	No <input type="checkbox"/>		\$	\$	Fuel Oil	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Unit No. 4	Yes <input type="checkbox"/>	No <input type="checkbox"/>		\$	\$	Fuel (Other)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Total				\$ 1,125	\$ 1,125	Water/Sewer	<input type="checkbox"/>	<input checked="" type="checkbox"/>
						Trash Removal	<input type="checkbox"/>	<input checked="" type="checkbox"/>

The applicant should complete all of the income and expense projections and for existing properties provide actual year-end operating statements for the past two years (for new properties the applicant's projected income and expenses must be provided). This Operating Income Statement and any previous operating statements the applicant provides must then be sent to the appraiser for review, comment, and/or adjustments next to the applicant's figures (e.g. Applicant/Appraiser 288/300). If the appraiser is retained to complete the form instead of the applicant, the lender must provide to the appraiser the aforementioned operating statements, mortgage insurance premium, HOA dues, leasehold payments, subordinate financing, and/or any other relevant information as to the income and expenses of the subject property received from the applicant to substantiate the projections. The underwriter should carefully review the applicant's/appraiser's projections and the appraiser's comments concerning those projections. The underwriter should make any final adjustments that are necessary to more accurately reflect any income or expense items that appear unreasonable for the market. (Real estate taxes and insurance on these types of properties are included in PITI and not calculated as an annual expense item) Income should be based on the current rents, but should not exceed market rents. When there are no current rents because the property is proposed, new, or currently vacant, market rents should be used.

### Annual Income and Expense Projection for Next 12 months

	By Applicant/Appraiser	Adjustments by Lender's Underwriter
Income (Do not include income for owner-occupied units)		
Gross Annual Rental (from unit(s) to be rented) (Market)	\$ 13,500	\$
Other Income (include sources)	+	+
Total	\$ 13,500	\$
Less Vacancy/Rent Loss	- 1,080 ( 8%)	- ( %)
Effective Gross Income	\$ 12,420	\$
Expenses (Do not include expenses for owner-occupied units)		
Electricity		
Gas		
Fuel Oil		
Fuel (Type - )		
Water/Sewer		
Trash Removal		
Pest Control		
Other Taxes or Licenses		
Casual Labor		
This includes the costs for public area cleaning, snow removal, etc., even though the applicant may not elect to contract for such services.		
Interior Paint/Decorating	100	
This includes the costs of contract labor and materials that are required to maintain the interiors of the living unit.		
General Repairs/Maintenance	100	
This includes the costs of contract labor and materials that are required to maintain the public corridors, stairways, roofs, mechanical systems, grounds, etc.		
Management Expenses	110	
These are the customer expenses that a professional management company would charge to manage the property.		
Supplies	100	
This includes the costs of items like light bulbs, janitorial supplies, etc.		
Total Replacement Reserves - See Schedule on Pg. 2	1,456	
Miscellaneous		
Total Operating Expenses	\$ 1,866	\$

**Replacement Reserve Schedule**

Adequate replacement reserves must be calculated regardless of whether actual reserves are provided for on the owner's operating statements or are customary in the local market. This represents the total average yearly reserves. Generally, all equipment and components that have a remaining life of more than one year - such as refrigerators, stoves, clothes washers/dryers, trash compactors, furnaces, roofs, and carpeting, etc. - should be expensed on a replacement cost basis.

Equipment	Replacement Cost	Remaining Life	By Applicant/ Appraiser	Lender Adjustments
Stoves/Ranges	@ \$ 500 ea.	+ 7 Yrs. x	1 Units = \$ 71	\$
Refrigerators	@ \$ ea.	+ Yrs. x	Units = \$	\$
Dishwashers	@ \$ 550 ea.	+ 7 Yrs. x	1 Units = \$ 79	\$
A/C Units	@ \$ 2,000 ea.	+ 7 Yrs. x	1 Units = \$ 286	\$
C. Washer/Dryers	@ \$ ea.	+ Yrs. x	Units = \$	\$
HW Heaters	@ \$ 950 ea.	+ 7 Yrs. x	1 Units = \$ 136	\$
Furnace(s)	@ \$ 2,000 ea.	+ 7 Yrs. x	1 Units = \$ 286	\$
(Other)	@ \$ ea.	+ Yrs. x	Units = \$	\$
Roof	@ \$ 3,500	+ 10 Yrs. x One Bldg. =	\$ 350	\$
Carpeting (Wall to Wall)		Remaining Life		
(Units)	45 Total Sq. Yds. @ \$ 22 Per Sq. Yd.	+ 4 Yrs. =	\$ 248	\$
(Public Areas)	Total Sq. Yds. @ \$ Per Sq. Yd.	+ Yrs. =	\$	\$
Total Replacement Reserves. (Enter on Pg. 1)			\$ 1,456	\$

**Operating Income Reconciliation**

\$ 12,420	-	\$ 1,866	=	\$ 10,554	÷ 12 =	\$ 880
Effective Gross Income		Total Operating Expenses		Operating Income		Monthly Operating Income
\$ 880	-		=			
Monthly Operating Income		Monthly Housing Expense		Net Cash Flow		

(Note: Monthly Housing Expense includes principal and interest on the mortgage, hazard insurance premiums, real estate taxes, mortgage insurance premiums, HOA dues, leasehold payments, and subordinate financing payments.)

**Underwriter's instructions for 2-4 Family Owner-Occupied Properties**

- If Monthly Operating Income is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Monthly Operating Income is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total Monthly Housing Expense for the subject property to the borrower's stable monthly income.

**Underwriter's instructions for 1-4 Family Investment Properties**

- If Net Cash Flow is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Net Cash Flow is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total monthly housing expense for the borrower's primary residence to the borrower's stable monthly income.

**Appraiser's Comments (Including sources for data and rationale for the projections)**

Property is tenant occupied at the present time. Lease dates were asked for however not provided. Just the lease amount was provided. No lease reviewed.

Samuel C. King  
Appraiser Name

*Samuel C. King*  
Appraiser Signature

08/15/2016  
Date

**Underwriter's Comments and Rationale for Adjustments**

Underwriter Name Underwriter Signature Date

Borrower	Wayne Bailey & Jacqueline	File No. 160610008
Property Address	2806 Dromedary Dr	
City	Memphis	County Shelby
		State TN Zip Code 38133
Lender/Client	SecurityNational Mortgage Company	

**APPRAISAL AND REPORT IDENTIFICATION**

This Report is one of the following types:

- Appraisal Report (A written report prepared under Standards Rule 2-2(a) , pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- Restricted Appraisal Report (A written report prepared under Standards Rule 2-2(b) , pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

**Comments on Standards Rule 2-3**

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

**Reasonable Exposure Time**

(USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)

My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 3-6 months

**Comments on Appraisal and Report Identification**

Note any USPAP-related issues requiring disclosure and any state mandated requirements:

"I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment."

**APPRAISER:**

Signature: *Samuel C. King*  
 Name: Samuel C. King  
 State Certification #: 2508  
 or State License #: \_\_\_\_\_  
 State: TN Expiration Date of Certification or License: 01/31/2018  
 Date of Signature and Report: 08/15/2016  
 Effective Date of Appraisal: 08/09/2016  
 Inspection of Subject:  None  Interior and Exterior  Exterior-Only  
 Date of Inspection (if applicable): 08/09/2016

**SUPERVISORY or CO-APPRAISER (if applicable):**

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 State Certification #: \_\_\_\_\_  
 or State License #: \_\_\_\_\_  
 State: \_\_\_\_\_ Expiration Date of Certification or License: \_\_\_\_\_  
 Date of Signature: \_\_\_\_\_  
 Inspection of Subject:  None  Interior and Exterior  Exterior-Only  
 Date of Inspection (if applicable): \_\_\_\_\_

# Rehab List

## Property Scope of Work

Property Address: 2806 Dromedary Dr  
Buyer Name: Wayne Bailey  
Memphis, Tennessee 38133

## Renovation Scope of Work

### Home - General

Certify Electrical-Pull all necessary permits  
Certify plumbing-Pull all necessary permits  
Install new coil, furnace, condenser-Pull all necessary permits  
Install new water tank-Pull permit  
Repair drywall and ceilings where needed  
Install new kitchen countertop, sink, faucet and sprayer  
Install ceramic tile on kitchen and dining floor  
Install new tubs/tile surrounds/fixtures/tile floors in both bathrooms  
Install new toilets  
Install synthetic hardwood in family room, hall and expandable  
Install new ceiling fans in all bedrooms and family room  
Install new light fixtures elsewhere  
Paint interior walls and ceilings-latex  
Paint interior wood work in oil based, including cabinets

### Home Exterior

Install new roof - 30 year dimensional shingle on entire roof, replace all rotten wood as necessary-Complete tear off and install  
Remove detached deck  
Repair back porch  
Clean shed  
Repair siding  
Install security doors on front, back and side doors  
Paint exterior of home  
Clean up yard  
Install new mailbox  
Install new locks where needed and rekey  
Install 1 Fire Extinguishers and 2 smoke detectors.  
Deep Clean and other rent ready duties/ cut the grass

Bid Price does not include any unforeseen repairs

**Rehab Cost-\$34,500.00**

DATE:



09906094

27280

# State of Tennessee

TENNESSEE REAL ESTATE APPRAISER COMMISSION

CERTIFIED RESIDENTIAL REAL ESTATE APPRAISER

SAMUEL CLARK KING

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

ID NUMBER: 2508  
LIC STATUS: ACTIVE  
EXPIRATION DATE: January 31, 2018



IN-1313  
DEPARTMENT OF  
COMMERCE AND INSURANCE



## Location Map

Borrower	Wayne Bailey & Jacqueline		
Property Address	2806 Dromedary Dr		
City	Memphis	County Shelby	State TN      Zip Code 38133
Lender/Client	SecurityNational Mortgage Company		

