

INVOICE

FROM:

Chris Skalet
 Advanced Appraisal Services
 P.O. Box 11373
 Knoxville, TN 37939

Telephone Number: 865-588-4008 Fax Number: 865-588-4009

INVOICE NUMBER

0017213

DATE

3/23/2010

REFERENCE

Internal Order #: 0017213

Lender Case #:

Client File #:

Main File # on form: 0017213

Other File # on form: 0017213

Federal Tax ID:

Employer ID:

TO:

Nancy Westerling

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

DESCRIPTION

Lender: individual Client: Nancy Westerling
 Purchaser/Borrower: Nancy Westerling
 Property Address: 4746 Driftwood Lane
 City: Louisville State: TN Zip: 37777-3047
 County: Blount
 Legal Description: lot 15 Driftwood Est Unit 2

FEES

AMOUNT

Full Appraisal 350.00

SUBTOTAL 350.00

PAYMENTS

AMOUNT

Check #: Date: Description:
 Check #: Date: Description:
 Check #: Date: Description:
 Thank you for your business.

SUBTOTAL

TOTAL DUE \$ 350.00

APPRAISAL OF REAL PROPERTY

LOCATED AT:

4746 Driftwood Lane
lot 15 Driftwood Est Unit 2
Louisville, TN 37777-3047

FOR:

Nancy Westerling

AS OF:

03/23/10

BY:

Chris Skalet

RESIDENTIAL APPRAISAL SUMMARY REPORT

SUBJECT	Property Address: 4746 Driftwood Lane	City: Louisville	State: TN	Zip Code: 37777-3047
	County: Blount	Legal Description: lot 15 Driftwood Est Unit 2		
	Assessor's Parcel #: 014G A 015			
	Tax Year: 2009	R.E. Taxes: \$ 3,658.32	Special Assessments: \$ 0.00	Borrower (if applicable): Nancy Westerling

ASSIGNMENT	Current Owner of Record: Robert & Peggy Selcer	Occupant: <input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant <input type="checkbox"/> Manufactured Housing
	Project Type: <input type="checkbox"/> PUD <input type="checkbox"/> Condominium <input type="checkbox"/> Cooperative <input checked="" type="checkbox"/> Other (describe) single family residential	HOA: \$ n/a <input type="checkbox"/> per year <input type="checkbox"/> per month
	Market Area Name: Driftwood	Map Reference: 014G Census Tract: 116.01
	The purpose of this appraisal is to develop an opinion of: <input checked="" type="checkbox"/> Market Value (as defined), or <input type="checkbox"/> other type of value (describe)	

MARKET AREA DESCRIPTION	This report reflects the following value (if not Current, see comments): <input checked="" type="checkbox"/> Current (the Inspection Date is the Effective Date) <input type="checkbox"/> Retrospective <input type="checkbox"/> Prospective	
	Approaches developed for this appraisal: <input checked="" type="checkbox"/> Sales Comparison Approach <input checked="" type="checkbox"/> Cost Approach <input type="checkbox"/> Income Approach (See Reconciliation Comments and Scope of Work)	
	Property Rights Appraised: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Leased Fee <input type="checkbox"/> Other (describe)	
	Intended Use: The appraiser was engaged by Nancy Westerling in order to determine a fair market value for the subject property for listing purposes.	

MARKET AREA DESCRIPTION	Intended User(s) (by name or type): Nancy Westerling, Realtor
	Client: Nancy Westerling Address: n/a
	Appraiser: Chris Skalet Address: PO Box 1373, Knoxville, TN 37939
	Location: <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural

MARKET AREA DESCRIPTION	<table border="1"> <tr> <th>Predominant Occupancy</th> <th>One-Unit Housing</th> <th>Present Land Use</th> <th>Change in Land Use</th> </tr> <tr> <td><input checked="" type="checkbox"/> Owner 85</td> <td>PRICE AGE \$ (000) (yrs)</td> <td>One-Unit 40 % 2-4 Unit %</td> <td><input checked="" type="checkbox"/> Not Likely <input type="checkbox"/> Likely * <input type="checkbox"/> In Process *</td> </tr> <tr> <td><input type="checkbox"/> Tenant</td> <td>75 Low 0</td> <td>Multi-Unit %</td> <td>* To: _____</td> </tr> <tr> <td><input type="checkbox"/> Vacant (0-5%)</td> <td>990 High 25</td> <td>Comm'l %</td> <td></td> </tr> <tr> <td><input checked="" type="checkbox"/> Vacant (>5%)</td> <td>350-900 Pred 0-15</td> <td>other 60 %</td> <td></td> </tr> </table>	Predominant Occupancy	One-Unit Housing	Present Land Use	Change in Land Use	<input checked="" type="checkbox"/> Owner 85	PRICE AGE \$ (000) (yrs)	One-Unit 40 % 2-4 Unit %	<input checked="" type="checkbox"/> Not Likely <input type="checkbox"/> Likely * <input type="checkbox"/> In Process *	<input type="checkbox"/> Tenant	75 Low 0	Multi-Unit %	* To: _____	<input type="checkbox"/> Vacant (0-5%)	990 High 25	Comm'l %		<input checked="" type="checkbox"/> Vacant (>5%)	350-900 Pred 0-15	other 60 %	
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Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends):																					
The subject property is located in a residential lake front neighborhood of Blount County. There is access to employment, schools and shopping via Louisville Road. Amenities are located within 7-10 miles of the subject property. The subject property is bound by the Tennessee River to the north, west, and east and by Lowes Ferry Road to the south. The local economy remains stable with low unemployment. There are no apparent adverse factors that should affect marketability. Typical sales of homes in this general area do not require sellers to offer sales or financing concessions. Supply and demand appear in balance with typical marketing times ranging from three to six months. There are competitive neighborhoods nearby.																					
Dimensions: see attached plat map Site Area: 3.23 acres +/-																					

SITE DESCRIPTION	Zoning Classification: R-1 Description: single family
	Zoning Compliance: <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal nonconforming (grandfathered) <input type="checkbox"/> Illegal <input type="checkbox"/> No zoning
	Are CC&Rs applicable? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Unknown Have the documents been reviewed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Ground Rent (if applicable) \$ /
	Highest & Best Use as improved: <input checked="" type="checkbox"/> Present use, or <input type="checkbox"/> Other use (explain) _____

SITE DESCRIPTION	Actual Use as of Effective Date: residential Use as appraised in this report: residential																																																						
	Summary of Highest & Best Use: Highest and best use as improved remains single unit residential.																																																						
	<table border="1"> <tr> <th>Utilities</th> <th>Public</th> <th>Other</th> <th>Provider/Description</th> <th>Off-site Improvements</th> <th>Type</th> <th>Public</th> <th>Private</th> <th>Topography</th> </tr> <tr> <td>Electricity</td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td>public</td> <td>Street</td> <td>asphalt</td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td>rolling</td> </tr> <tr> <td>Gas</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td>none</td> <td>Curb/Gutter</td> <td>none</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td>typical for area</td> </tr> <tr> <td>Water</td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td>public</td> <td>Sidewalk</td> <td>none</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td>irregular</td> </tr> <tr> <td>Sanitary Sewer</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td>septic</td> <td>Street Lights</td> <td>none</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td>adequate</td> </tr> <tr> <td>Storm Sewer</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td>none</td> <td>Alley</td> <td>none</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td>lake/mountains</td> </tr> </table>	Utilities	Public	Other	Provider/Description	Off-site Improvements	Type	Public	Private	Topography	Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	public	Street	asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	rolling	Gas	<input type="checkbox"/>	<input checked="" type="checkbox"/>	none	Curb/Gutter	none	<input type="checkbox"/>	<input checked="" type="checkbox"/>	typical for area	Water	<input checked="" type="checkbox"/>	<input type="checkbox"/>	public	Sidewalk	none	<input type="checkbox"/>	<input checked="" type="checkbox"/>	irregular	Sanitary Sewer	<input type="checkbox"/>	<input checked="" type="checkbox"/>	septic	Street Lights	none	<input type="checkbox"/>	<input checked="" type="checkbox"/>	adequate	Storm Sewer	<input type="checkbox"/>	<input checked="" type="checkbox"/>	none	Alley	none	<input type="checkbox"/>	<input checked="" type="checkbox"/>	lake/mountains
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Other site elements: <input type="checkbox"/> Inside Lot <input type="checkbox"/> Corner Lot <input type="checkbox"/> Cul de Sac <input type="checkbox"/> Underground Utilities <input type="checkbox"/> Other (describe)																																																							

DESCRIPTION OF THE IMPROVEMENTS	FEMA Spec'l Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No FEMA Flood Zone X FEMA Map # 4703560025B FEMA Map Date 6/3/1991																																												
	Site Comments: No adverse easements or encroachments observed upon visual inspection. Typical building setback lines and utility easements are assumed. Septic systems are typical for the area and no public sewer is available to the property.																																												
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DESCRIPTION OF THE IMPROVEMENTS	Finished area above grade contains: 9 Rooms 4 Bedrooms 3 Bath(s) 3,769 Square Feet of Gross Living Area Above Grade
	Additional features: The subject property has a fireplace, a concrete patio, a wood deck, and a screened porch.
	Describe the condition of the property (including physical, functional and external obsolescence): The floor plan is adequate and the quality of construction is typical for the area so no functional depreciation exists. No negative neighborhood influences were observed so no external depreciation exists.

RESIDENTIAL APPRAISAL SUMMARY REPORT

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): CRS

1st Prior Subject Sale/Transfer	Analysis of sale/transfer history and/or any current agreement of sale/listing: <u>The subject has not sold in the past three years. None of the comparables have sold in the past twelve months.</u>
Date: no sale in	
Price: past three years	
Source(s): crt house records	
2nd Prior Subject Sale/Transfer	
Date:	
Price:	
Source(s):	

SALES COMPARISON APPROACH TO VALUE (if developed) The Sales Comparison Approach was not developed for this appraisal.

FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address	4746 Driftwood Lane Blount County	4260 Gravelly Hills Road Blount County			3981 Logans Landing Circle Blount County			3528 Newport Park Way Blount County		
Proximity to Subject		0.78 miles			1.33 miles			5.76 miles		
Sale Price	\$ n/a	\$ 625,000			\$ 750,000			\$ 740,000		
Sale Price/GLA	\$ /sq.ft.	\$ 169.42 /sq.ft.			\$ 206.90 /sq.ft.			\$ 189.11 /sq.ft.		
Data Source(s)	inspection	knox mls#643631			knox mls#625416			knox mls#589250		
Verification Source(s)	courthouse rec	courthouse records			courthouse records			courthouse records		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.			
Sales or Financing	n/a	none noted		none noted		none noted				
Concessions	n/a	conventional		conventional		conventional				
Date of Sale/Time	n/a	05/04/09		12/30/08		09/17/08				
Rights Appraised	Fee Simple	fee simple		fee simple		fee simple				
Location	suburban/good	suburban/good		suburban/good		suburban/good				
Site	3.23 acres +/-	1.95 ac/inf val	+25,000	1.00 ac/inf val	+25,000	0.63 ac/inf val	+25,000			
View	lake/good	lake/good		lake/good		lake/good				
Design (Style)	2 story	2 story		2 story		2 story				
Quality of Construction	stucco/stn/good	brick/good		brick/good		brk/stone/good				
Age	a5/e2	a11/e5	+6,000	a8/e2		a3/e2				
Condition	good	good		good	-50,000	good	-50,000			
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths				
Room Count	9 4 3	9 3 3.5	-1,500	10 4 3.5	-1,500	9 3 3f2h	-3,000			
Gross Living Area	3,769 sq.ft.	3,689 sq.ft.	0	3,625 sq.ft.	+5,040	3,913 sq.ft.	-5,040			
Basement & Finished	827 unfinished	766 unfinished	0	937 unfinished	-550	none unfinished	+4,135			
Rooms Below Grade	1812 finished	2125 finished	-4,695	1416 finished	+5,940	none finished	+27,180			
Functional Utility	average	average		average		average				
Heating/Cooling	cent/cent	cent/cent		cent/cent		cent/cent				
Energy Efficient Items	normal	normal		normal		normal				
Garage/Carport	g-3-a,g-1-b	g-2-a,g-1-b	+2,500	g-2-a,g-2-b	+1,500	g-3-a	+500			
Porch/Patio/Deck	scrn porch,deck	scrn porch,patio		cov porch,dec,		cov porch,patio				
Boat Dock	Boat Dock Access	none noted	+5,000	Boat Dock Access		Boat Dock Access				
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 32,305	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 14,570	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 1,225			
Adjusted Sale Price of Comparables		Net 5.2%		Net 1.9%		Net 0.2%				
		Gross 7.2%	\$ 657,305	Gross 11.9%	\$ 735,430	Gross 15.5%	\$ 738,775			

Summary of Sales Comparison Approach See attached addenda.

Indicated Value by Sales Comparison Approach \$ 675,000



RESIDENTIAL APPRAISAL SUMMARY REPORT




COST APPROACH	COST APPROACH TO VALUE (if developed) <input type="checkbox"/> The Cost Approach was not developed for this appraisal.	
	Provide adequate information for replication of the following cost figures and calculations.	
	Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value): <u>Site value is calculated based on recent lot sales for similar sized lots in the area.</u>	
	ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	
	Source of cost data: <u>Marshall and Swift Residential Cost Estimator</u>	OPINION OF SITE VALUE = \$ <u>175,000</u>
	Quality rating from cost service: <u>good</u> Effective date of cost data: <u>03/10</u>	DWELLING <u>3,769</u> Sq.Ft. @ \$ <u>100.00</u> = \$ <u>376,900</u>
	Comments on Cost Approach (gross living area calculations, depreciation, etc.):	<u>2,640</u> Sq.Ft. @ \$ <u>60.00</u> = \$ <u>158,400</u>
	Site value is based on recent land sales in the area. Improvement cost is based on recognized cost services, contracts to build and appraisers data base. Physical depreciation is estimated by the age-life method (effective age). Remaining economic life is estimated at 63 years.	Sq.Ft. @ \$ = \$
		Sq.Ft. @ \$ = \$
		Sq.Ft. @ \$ = \$

INCOME APPROACH	INCOME APPROACH TO VALUE (if developed) <input checked="" type="checkbox"/> The Income Approach was not developed for this appraisal.	
	Estimated Monthly Market Rent \$ <u>n/a</u> X Gross Rent Multiplier <u>n/a</u> = \$ <u>n/a</u>	Indicated Value by Income Approach
	Summary of Income Approach (including support for market rent and GRM): <u>The income approach is not applicable as most of the homes in the area are owner occupied and there is insufficient data to develop a gross rent multiplier.</u>	

PUD	PROJECT INFORMATION FOR PUDs (if applicable) <input type="checkbox"/> The Subject is part of a Planned Unit Development.
	Legal Name of Project: Describe common elements and recreational facilities:

RECONCILIATION	Indicated Value by: Sales Comparison Approach \$ 675,000 Cost Approach (if developed) \$ 752,270 Income Approach (if developed) \$ n/a
	Final Reconciliation <u>The sales comparison approach is relied on. The cost approach is given supportive consideration. The income approach is not applicable as there is insufficient data available to develop a gross rent multiplier.</u>
	This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, <input type="checkbox"/> subject to the following required inspection based on the Extraordinary Assumption that the condition or deficiency does not require alteration or repair:

ATTACHMENTS	<input type="checkbox"/> This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.
	Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ <u>675,000</u>, as of: <u>03/23/10</u>, which is the effective date of this appraisal. If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.

SIGNATURES	A true and complete copy of this report contains <u>15</u> pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.		
	Attached Exhibits: <input checked="" type="checkbox"/> Scope of Work <input checked="" type="checkbox"/> Limiting Cond./Certifications <input checked="" type="checkbox"/> Narrative Addendum <input checked="" type="checkbox"/> Photograph Addenda <input checked="" type="checkbox"/> Sketch Addendum <input checked="" type="checkbox"/> Map Addenda <input checked="" type="checkbox"/> Additional Sales <input checked="" type="checkbox"/> Cost Addendum <input type="checkbox"/> Flood Addendum <input type="checkbox"/> Manuf. House Addendum <input type="checkbox"/> Hypothetical Conditions <input type="checkbox"/> Extraordinary Assumptions <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		
	Client Contact: <u>n/a</u> Client Name: <u>Nancy Westerling</u> E-Mail: <u>n/a</u> Address: <u>n/a</u>		
	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%; vertical-align: top;"> APPRAISER  Appraiser Name: <u>Chris Skalet</u> Company: <u>Advanced Appraisal Services</u> Phone: <u>865-588-4008</u> Fax: <u>865-588-4009</u> E-Mail: <u>chrisskalet@comcast.net</u> Date of Report (Signature): <u>03/23/10</u> License or Certification #: <u>CR-2399</u> State: <u>TN</u> Designation: _____ Expiration Date of License or Certification: <u>6/30/2011</u> Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: <u>03/23/10</u> </td> <td style="width:50%; vertical-align: top;"> SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable) Supervisory or Co-Appraiser Name: _____ Company: _____ Phone: _____ Fax: _____ E-Mail: _____ Date of Report (Signature): _____ License or Certification #: _____ State: _____ Designation: _____ Expiration Date of License or Certification: _____ Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: _____ </td> </tr> </table>	APPRAISER  Appraiser Name: <u>Chris Skalet</u> Company: <u>Advanced Appraisal Services</u> Phone: <u>865-588-4008</u> Fax: <u>865-588-4009</u> E-Mail: <u>chrisskalet@comcast.net</u> Date of Report (Signature): <u>03/23/10</u> License or Certification #: <u>CR-2399</u> State: <u>TN</u> Designation: _____ Expiration Date of License or Certification: <u>6/30/2011</u> Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: <u>03/23/10</u>	SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable) Supervisory or Co-Appraiser Name: _____ Company: _____ Phone: _____ Fax: _____ E-Mail: _____ Date of Report (Signature): _____ License or Certification #: _____ State: _____ Designation: _____ Expiration Date of License or Certification: _____ Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: _____
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Supplemental Addendum

File No. 0017213

Borrower/Client Nancy Westerling			
Property Address 4746 Driftwood Lane			
City Louisville	County Blount	State TN	Zip Code 37777-3047
Lender individual			

• **GP Residential : Sales Comparison Approach - Summary of Sales Comparison Approach**

The subject property is located in a residential lake influenced neighborhood of Blount County known as, "Driftwood." Per Knoxville MLS, there have been 0 sales in the subject's immediate subdivision in the past 12 months. Due to lack of closed data it was necessary to expand search parameters in order to located similar comparbale sales. The appraiser searched for 2 story style homes with similar market appeal in lake influenced areas. All four comparables are located in the same sub-market as the subject property. Comparable #1 has transferred ownership within the past 12 months and is a good indicator of current market conditions. Comparables #2 and #3 have sold over 12 months ago but were utilized due to stable market conditions over the past 2 years.

Listing #1 was used in this report as supplemental data to help support the value of properties currently on the market. An adjustment was made to listing #1 to reflect the list to sales price ratio for similar properties to the subject in the past one years sales data. The list to sales price ratio was derived utilizing the comparbale sales in the report. The following list to sales price ratios were utilized: Comparable #1 sold for 92% of the list price, Comparbale #2 sold for 96% of the list price, and Comparbale #3 sold for 97% of the list price. An adjustment of 5% was applied to Listing #1.

The appraiser utilized prior inspection photos, MLS interior photos, and exterior observations of all 4 comparables to determine the effective age of all comparables. Comparables #1 and Listing #1 display similar market appeal as the subject property. Comparables #2 and #3 were finished to a higher level as that of the subject property and a condition adjustment of \$50,000 was applied to Comparables #2 and #3.

All five comparables are located in close proximity to the lake but are not directly on the lake. Per Knoxville MLS, Comparables #2, #3 and Listing #1 have access to a boat slip. Per visual observation, it appears the subject's neighborhood has community boat dock (see photo addenda). An adjustment was applied to Comparables #1 in accordance to the markets reaction to differences in this feature as compared to the subject property.

The appraiser searched for 2 story style homes on similar site size as the subject property, however none were found. All four comparables have lake views and are in close proximity to the lake. All four comparables are smaller than the subject property and the market would have a negative reaction to the comparables site size as compared to the subject property. However, size is not the only factor in determining site value in this area. Other factors that influence site value are: topography, view, and proximity to the lake. Appropriate adjustments were made to all four comparables in accordance with markets reaction to differences in lot value as compared to the subject property.

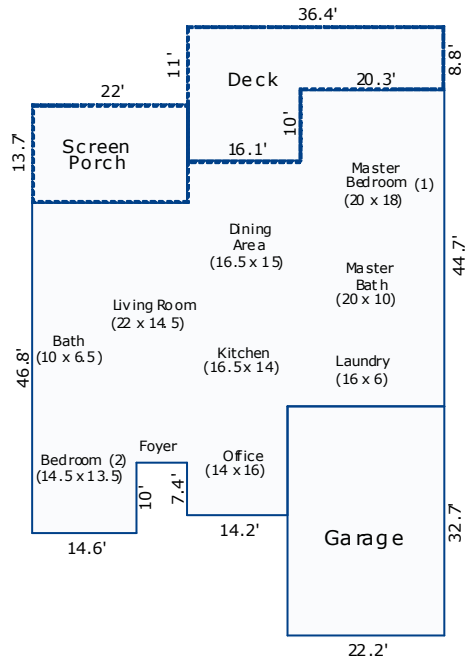
Adjustments are made to reflect market reaction to differences in effective age, site value, bathroom count, gross living area, basement area, and garage area as compared to the subject property. No adjustments were made for patios/decks/porches due to the markets non reactive nature to differences in these exterior features per the appraiser analysis of paired data. All adjustments made to the comparables were derived utilizing paired sales data analysis of comparable properties to the subject in the past two years sales data.

Considering the overall condition, amenities, and market appeal of the subject, a value opinion tending toward the lower end of the indicated range of adjusted sale prices is reasonable. A final opinion of value of \$675,000 is concluded.

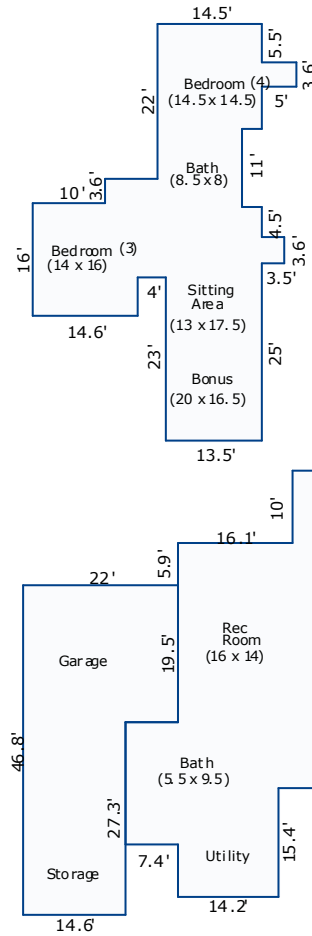
Building Sketch (Page - 1)

Borrower/Client Nancy Westerling			
Property Address 4746 Driftwood Lane			
City Louisville	County Blount	State TN	Zip Code 37777-3047
Lender individual			

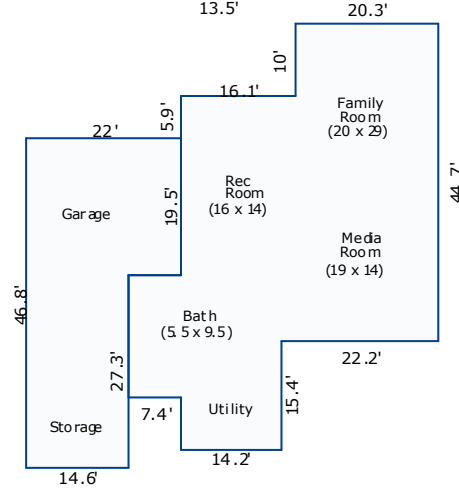
1st Level



2nd Level



Basement



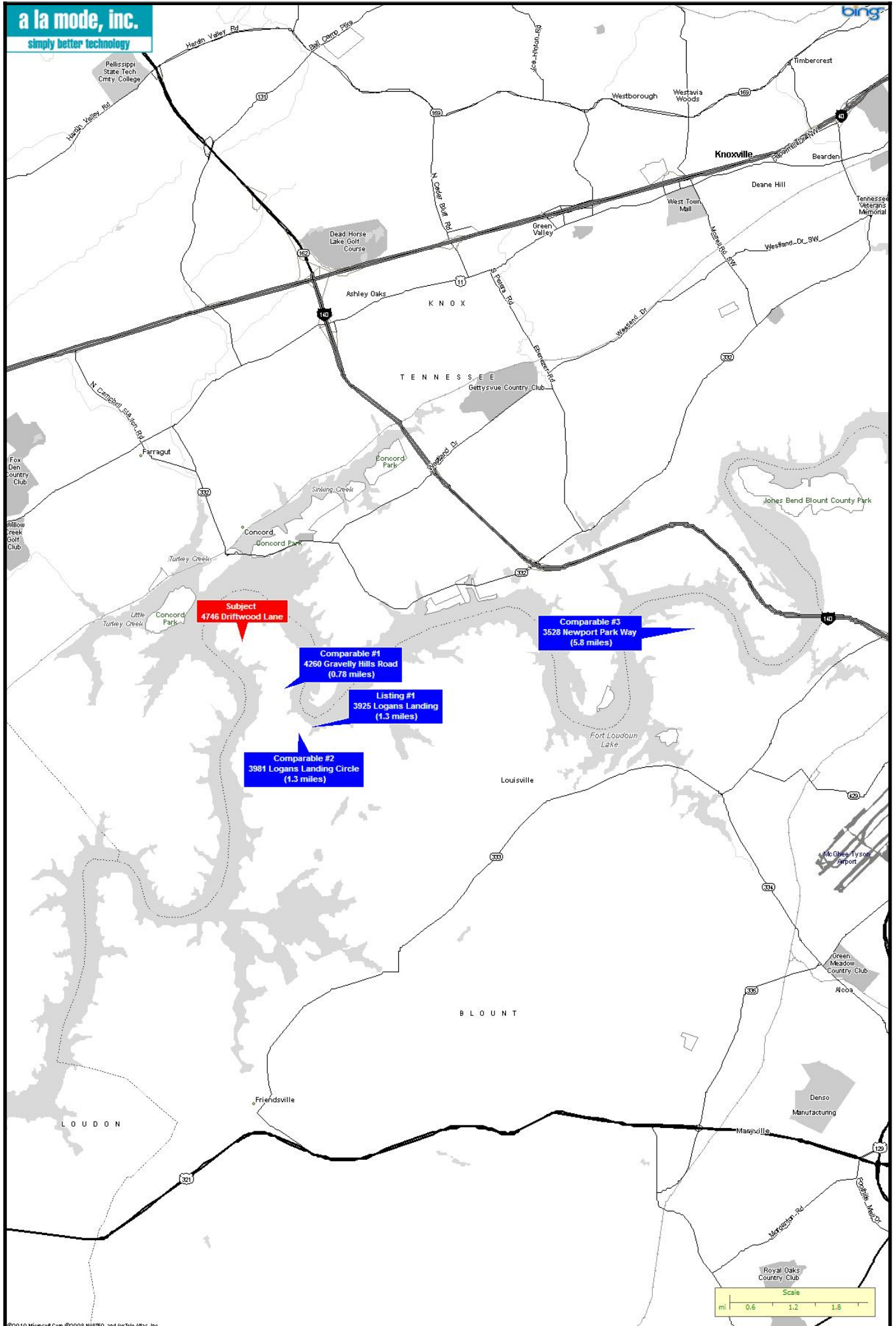
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	2640.4	2640.4
GLA2	Second Floor	1128.8	1128.8
BSMT	Unfinished Basement	827.6	
	Basement	1812.8	2640.4
P/P	Screen Porch	301.4	
	Deck	481.3	782.7
GAR	Garage	725.9	725.9
Net LIVABLE Area		(rounded)	3769

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
22.0	x	36.8	809.6
10.0	x	14.6	146.0
20.3	x	44.7	907.4
14.2	x	50.1	711.4
1.9	x	34.7	65.9
Second Floor			
3.6	x	5.0	18.0
3.5	x	3.6	12.6
14.6	x	16.0	233.6
3.6	x	4.6	16.6
14.5	x	14.9	216.8
12.0	x	21.1	253.2
3.0	x	14.1	42.3
2.5	x	10.1	25.3
13.5	x	23.0	310.5
14 Items			(rounded) 3769

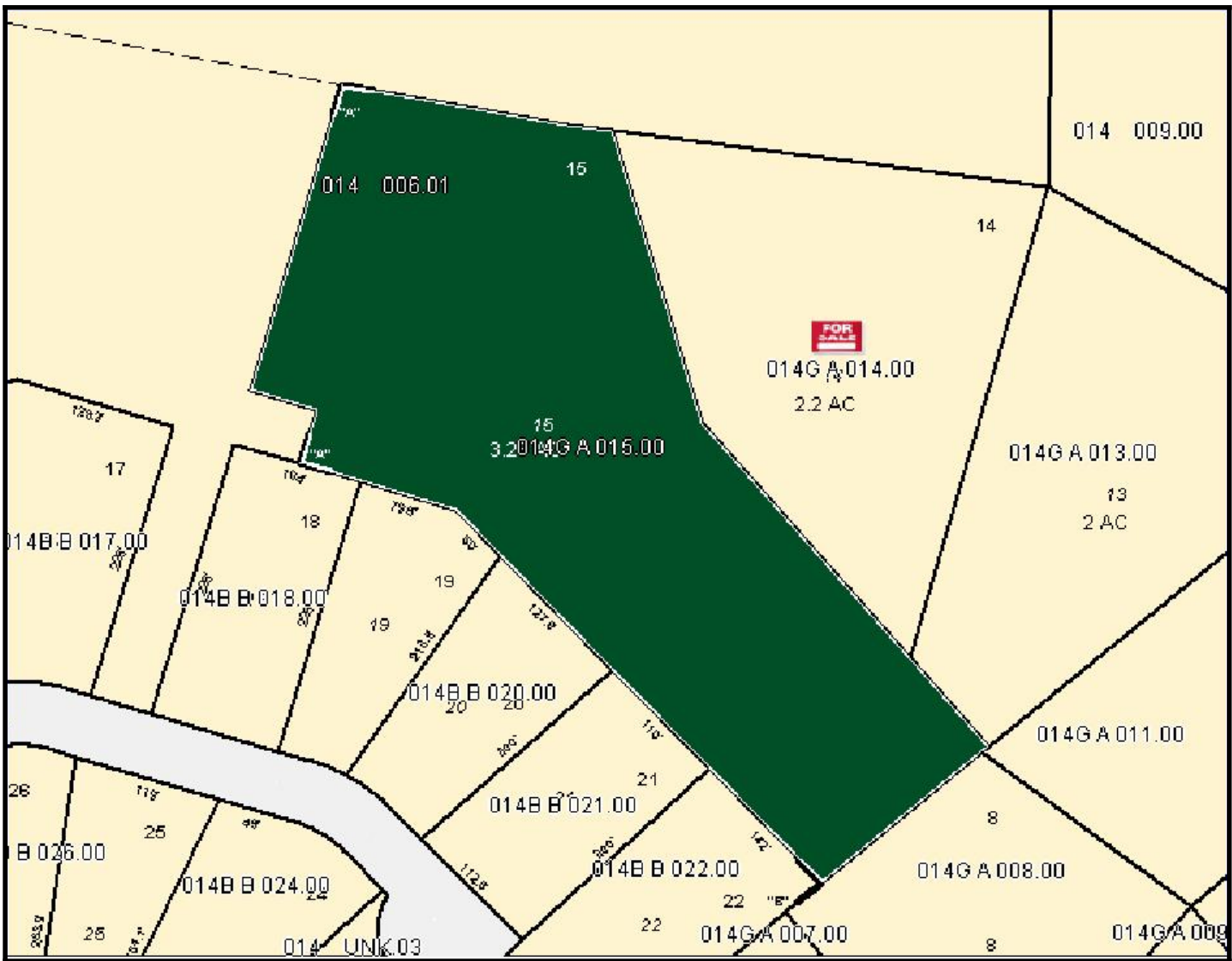
Location Map

Borrower/Client Nancy Westerling			
Property Address 4746 Driftwood Lane			
City Louisville	County Blount	State TN	Zip Code 37777-3047
Lender individual			



Plat Map

Borrower/Client Nancy Westerling			
Property Address 4746 Driftwood Lane			
City Louisville	County Blount	State TN	Zip Code 37777-3047
Lender individual			



Subject Photo Page

Borrower/Client Nancy Westerling			
Property Address 4746 Driftwood Lane			
City Louisville	County Blount	State TN	Zip Code 37777-3047
Lender individual			



Subject Front

4746 Driftwood Lane
 Sales Price n/a
 Gross Living Area 3,769
 Total Rooms 9
 Total Bedrooms 4
 Total Bathrooms 3
 Location suburban/good
 View lake/good
 Site 3.23 acres +/-
 Quality stucco/stn/good
 Age a5/e2



Subject Rear



Subject Street

Photograph Addendum

Borrower/Client	Nancy Westerling				
Property Address	4746 Driftwood Lane				
City	Louisville	County	Blount	State	TN
Zip Code	37777-3047				
Lender	individual				



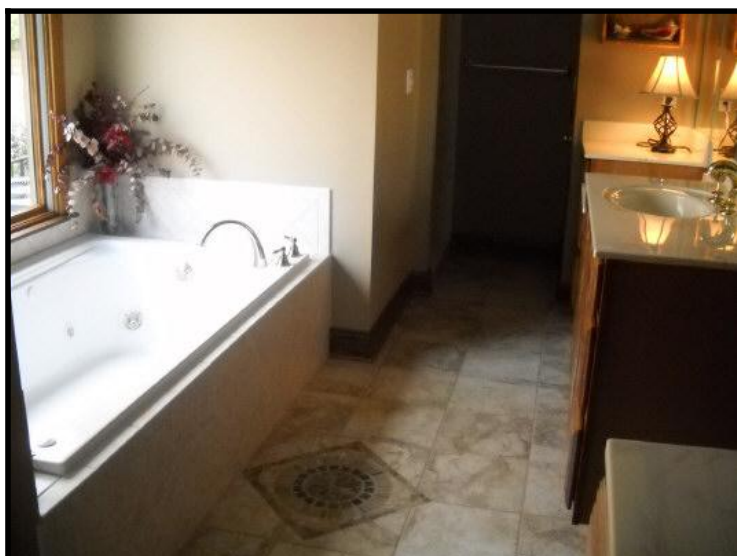
Kitchen



Living Room



Office



Bath



Subject View



Subject Docks

Comparable Photo Page

Borrower/Client Nancy Westerling			
Property Address 4746 Driftwood Lane			
City Louisville	County Blount	State TN	Zip Code 37777-3047
Lender individual			

**Comparable 1**

4260 Gravelly Hills Road
 Prox. to Subject 0.78 miles
 Sale Price 625,000
 Gross Living Area 3,689
 Total Rooms 9
 Total Bedrooms 3
 Total Bathrooms 3.5
 Location suburban/good
 View lake/good
 Site 1.95 ac/inf val
 Quality brick/good
 Age a11/e5

**Comparable 2**

3981 Logans Landing Circle
 Prox. to Subject 1.33 miles
 Sale Price 750,000
 Gross Living Area 3,625
 Total Rooms 10
 Total Bedrooms 4
 Total Bathrooms 3.5
 Location suburban/good
 View lake/good
 Site 1.00 ac/inf val
 Quality brick/good
 Age a8/e2

**Comparable 3**

3528 Newport Park Way
 Prox. to Subject 5.76 miles
 Sale Price 740,000
 Gross Living Area 3,913
 Total Rooms 9
 Total Bedrooms 3
 Total Bathrooms 3f2h
 Location suburban/good
 View lake/good
 Site 0.63 ac/inf val
 Quality brk/stone/good
 Age a3/e2

Listing Photo Page

Borrower Nancy Westerling			
Property Address 4746 Driftwood Lane			
City Louisville	County Blount	State TN	Zip Code 37777-3047
Lender individual			



Listing 1

3925 Logans Landing
 Proximity to Subject 1.33 miles
 List Price 698,600
 Days on Market 355
 Gross Living Area 3,798
 Total Rooms 8
 Total Bedrooms 3
 Total Bathrooms 3.5
 Age/Year Built a7/e2

Listing 2

Proximity to Subject
 List Price
 Days on Market
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Age/Year Built

Listing 3

Proximity to Subject
 List Price
 Days on Market
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Age/Year Built

FIRREA / USPAP ADDENDUM

Borrower Nancy Westerling

Property Address 4746 Driftwood Lane

City Louisville

County Blount

State TN

Zip Code 37777-3047

Lender/Client individual

Purpose

To develop an opinion of value of the subject property for listing purposes.. The client named in the report is the intended user & sole client of Advanced Appraisal Services regardless of who paid for the appraisal. This report may not be appropriate for any other use.

Scope

This report is a complete appraisal reported in a summary report format. The scope and valuation process may be insufficient for uses other than the intended purpose (listing purposes). The appraiser has made an inspection of the subject property and neighborhood. The process of developing an opinion of value includes three approaches to value unless otherwise noted in this report. The market information used in this report is based on market information obtained from public records and local multiple listing services. These data sources are deemed reliable however are not guaranteed. When conflicting information was provided, the source deemed most reliable has been used. Data believed to be unreliable was not included nor used as a basis for the value conclusions. The extent of analysis applied to this assignment may be further imparted within the report, the Appraisers Certification and any other statement of limiting conditions when applicable.

Intended Use / Intended User

The Intended User of this appraisal report is the client. The Intended Use is to evaluate the property that is the subject of this appraisal for listing purposes, 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, nor were they identified by the intended user.

History of Property

Current listing information: As of 03/23/10, the subject has not been listed within the past one year.

Prior sale: The subject has not sold in the past three years.

Exposure Time / Marketing Time

A reasonable marketing time based on marketing conditions pertinent to the appraisal assignment is 90-120 days.

Personal (non-realty) Transfers

No personal property is considered in the valuation process.

Additional Comments

This appraiser is not a home inspector, nor was a "home inspection: performed where components and the structure of the home are evaluated or tested.

I certify, 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 analysis, opinions and conclusions. 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 stated within the report. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment. My engagement in this assignment was 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. No one provided significant professional assistance to the person signing this report.

Certification Supplement

1. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or an approval of a loan.
 2. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.
- I, Chris Skalet, have made a personal inspection of the property that is the subject of this report.



Appraiser(s): Chris Skalet

Supervisory Appraiser(s):

Effective date / Report date: 03/23/10

Effective date / Report date: