

ADDENDUM

Borrower: N/A

File No.: 14R11054

Property Address: Hickory Ct & Waterwood Bay Rd

Case No.: Russell

City: Huntsville

State: TX

Zip: 77340

Lender: George Russell

Additional Comments

SCOPE OF THE APPRAISAL: This is a Restricted Appraisal Report intended to comply with the reported requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Restricted Appraisal Report. As such, it does not present discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The appraiser is not responsible for unauthorized use of this report. The sales comparison approach is considered the most reliable method for the valuation of vacant land, and has been developed. The cost and income approaches are not applicable to this assignment, and have not been developed.

PURPOSE OF THE APPRAISAL: To conclude the market value of the above referenced property.

INTENDED USE/USER OF REPORT: For the sole purpose of assisting the Client and their representatives with asset valuation.

PROPERTY INTEREST APPRAISED: Fee simple estate.

Highest & Best Use:

The lot size and shape allows for construction of different types of improvements. Based upon current market conditions, the highest and best use is concluded to be a single family use.

Sales/Listing History

No prior sales or transfers in ownership have been noted or reported for the subject within the past 36 months, per MLS/CAD. No prior sales were noted for the comparables within the past 12 months of their respective close dates, per MLS.

Prior Services

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.

Exposure Time

The subjects estimated exposure time is considered to be between 3-12 months.

Extraordinary Assumptions

The value estimate herein is based on the premise that the lot condition is average with no detrimental conditions present. Use of an extraordinary assumption can affect the results of the assignment if found to be inaccurate.

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 considers his 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 LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following 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. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report 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 the appraisal report whether 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.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, 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 normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. 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, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. 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 completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.


APPRAISERS CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to 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 the estimate of market value in the appraisal report on the race, color, religion, sex, 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.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity 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 as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of 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 the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: Hickory Ct & Waterwood Bay Rd, Huntsville

APPRAISER:

Signature: 
Name: Malcolm W. Willey
Date Signed: 12/26/2014
State Certification #: 1329116-G
or State License #: TX
State: TX
Expiration Date of Certification or License: 12/31/2015

SUPERVISORY APPRAISER (only if required)

Signature: _____
Name: _____
Date Signed: _____
State Certification #: _____
or State License #: _____
State: _____
Expiration Date of Certification or License: _____

Did Did Not Inspect Property

LOCATION MAP

Borrower: N/A

File No.: 14R11054

Property Address: Hickory Ct & Waterwood Bay Rd

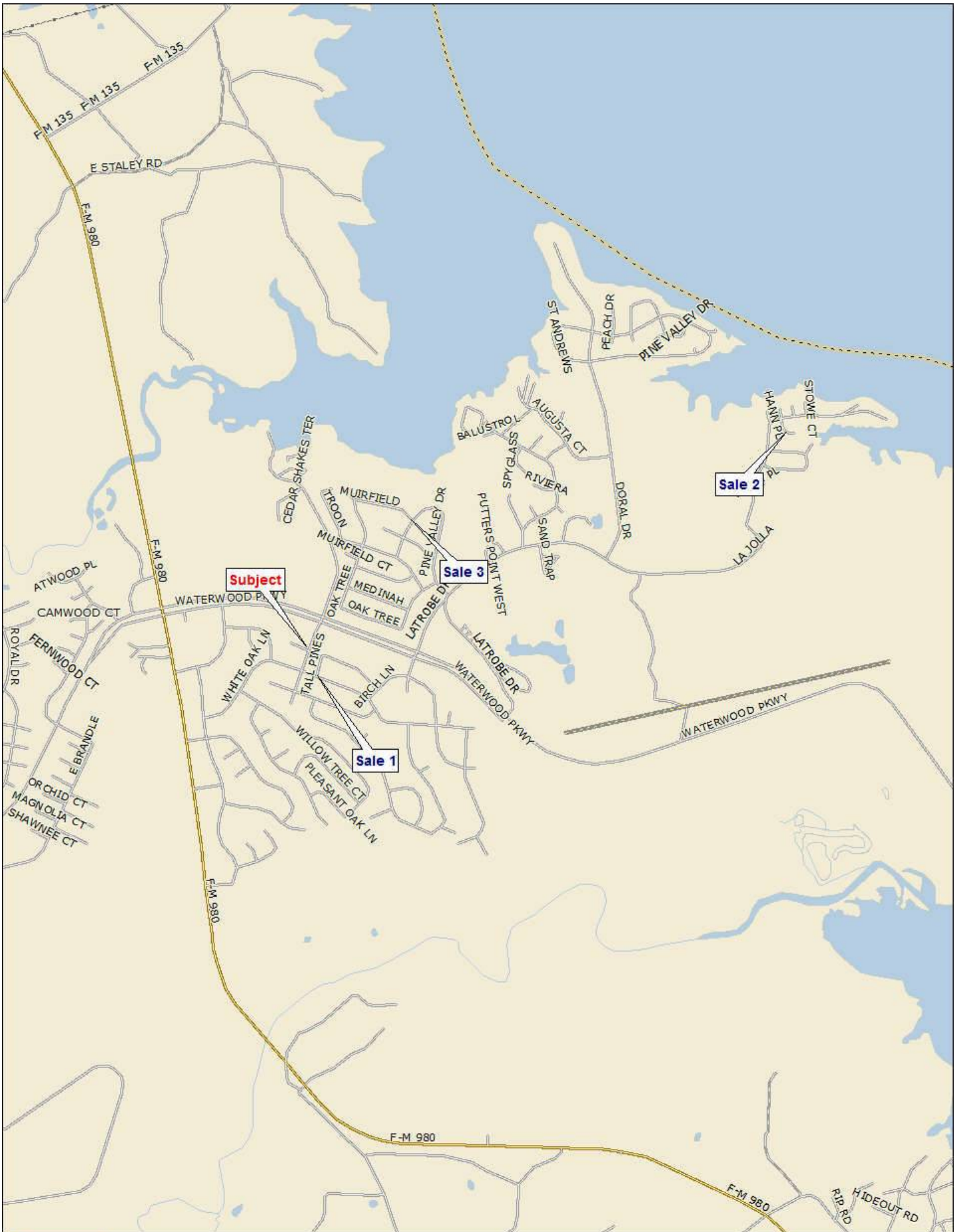
Case No.: Russell

City: Huntsville

State: TX

Zip: 77340

Lender: George Russell



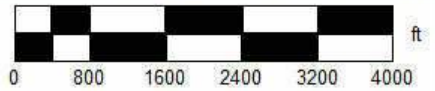
Data use subject to license.

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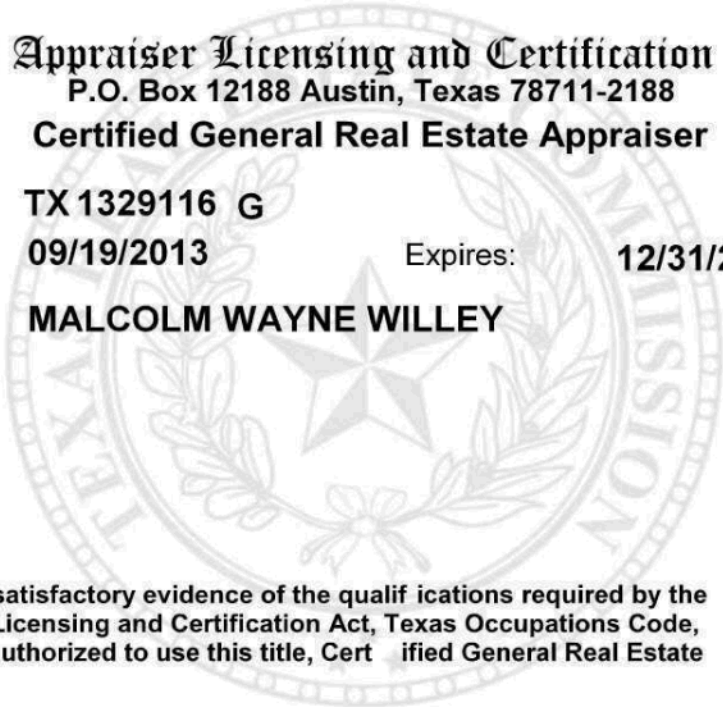
Data Zoom 13-0

Appraiser Certification

Borrower: N/A	File No.: 14R11054	
Property Address: Hickory Ct & Waterwood Bay Rd	Case No.: Russell	
City: Huntsville	State: TX	Zip: 77340
Lender: George Russell		

Texas Appraiser Licensing and Certification Board
P.O. Box 12188 Austin, Texas 78711-2188
Certified General Real Estate Appraiser

Number: **TX 1329116 G**
Issued: **09/19/2013** Expires: **12/31/2015**
Appraiser: **MALCOLM WAYNE WILLEY**



Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Texas Occupations Code, Chapter 1103, is authorized to use this title, Certified General Real Estate Appraiser.


Douglas E. Oldmixon
Commissioner

Subject CAD Record

Borrower: N/A	File No.: 14R11054
Property Address: Hickory Ct & Waterwood Bay Rd	Case No.: Russell
City: Huntsville	State: TX Zip: 77340
Lender: George Russell	

Property

Account

Property ID:	67486	Legal Description:	Waterwood - Park Forest Village, Block 2, Lot 8, Acres .2563
Geographic ID:	3080-002-0080	Agent Code:	
Type:	Real		
Property Use Code:			
Property Use Description:			

Location

Address:	Hickory Ct & Waterwood Bay Rd Huntsville, TX	Mapsc0:	
Neighborhood:		Map ID:	13.3
Neighborhood CD:			

Owner

Name:	Russell George	Owner ID:	68566
Mailing Address:	1401 19th ST Huntsville, TX 77340	% Ownership:	100.0000000000%
		Exemptions:	

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$0	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$1,680	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$0	\$0
(+) Timber Market Valuation:	+	\$0	\$0
<hr/>			
(=) Market Value:	=	\$1,680	
(-) Ag or Timber Use Value Reduction:	-	\$0	
<hr/>			
(=) Appraised Value:	=	\$1,680	
(-) HS Cap:	-	\$0	
<hr/>			
(=) Assessed Value:	=	\$1,680	

Taxing Jurisdiction

Owner:	Russell George
% Ownership:	100.0000000000%
Total Value:	\$1,680

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax	
CAD	Appraisal Dist	0.000000	\$1,680	\$1,680	\$0.00	
CP4	County Commissioner's Precinct 4	0.000000	\$1,680	\$1,680	\$0.00	
GSI	San Jacinto County	0.483500	\$1,680	\$1,680	\$8.12	
MUD2	Waterwood MUD	0.890000	\$1,680	\$1,680	\$14.95	
RDB	Special Road and Bridge	0.045900	\$1,680	\$1,680	\$0.77	
RLR	Lateral Road	0.118600	\$1,680	\$1,680	\$1.99	
SCS	Coldspring-Oakhurst CISD	1.095000	\$1,680	\$1,680	\$18.39	
Total Tax Rate:		2.633000				
					Taxes w/Current Exemptions:	\$44.22
					Taxes w/o Exemptions:	\$44.23

Improvement / Building

No improvements exist for this property.

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	IL	Interior lot	0.2563	11164.00	0.00	0.00	\$1,680	\$0

Subject CAD Record

Borrower: N/A	File No.: 14R11054
Property Address: Hickory Ct & Waterwood Bay Rd	Case No.: Russell
City: Huntsville	State: TX
Lender: George Russell	Zip: 77340

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2015	N/A	N/A	N/A	N/A	N/A	N/A
2014	\$0	\$1,680	0	1,680	\$0	\$1,680
2013	\$0	\$1,680	0	1,680	\$0	\$1,680
2012	\$0	\$1,680	0	1,680	\$0	\$1,680
2011	\$0	\$1,680	0	1,680	\$0	\$1,680
2010	\$0	\$1,680	0	1,680	\$0	\$1,680
2009	\$0	\$1,680	0	1,680	\$0	\$1,680
2008	\$0	\$1,680	0	1,680	\$0	\$1,680
2007	\$0	\$1,680	0	1,680	\$0	\$1,680
2006	\$0	\$5,000	0	5,000	\$0	\$5,000
2005	\$0	\$2,000	0	2,000	\$0	\$2,000
2004	\$0	\$2,000	0	2,000	\$0	\$2,000
2003	\$0	\$2,000	0	2,000	\$0	\$2,000
2002	\$0	\$2,000	0	2,000	\$0	\$2,000
2001	\$0	\$2,000	0	2,000	\$0	\$2,000
2000	\$0	\$2,000	0	2,000	\$0	\$2,000
1999	\$0	\$2,000	0	2,000	\$0	\$2,000

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	8/25/2010	CSD	Constables Deed	Flynn Delton & Florence Living Trust	Russell George		18196	10-4501
2	12/31/1998	WD	Warranty Deed	FLYNN DELTON	Flynn Delton & Florence Living Trust	298	43	

Subject CAD Record

Borrower: N/A	File No.: 14R11054
Property Address: Hickory Ct & Waterwood Bay Rd	Case No.: Russell
City: Huntsville	State: TX Zip: 77340
Lender: George Russell	

Property

Account

Property ID:	67487	Legal Description:	Waterwood - Park Forest Village, Block 2, Lot 9, Acres .2296
Geographic ID:	3080-002-0090	Agent Code:	
Type:	Real		
Property Use Code:			
Property Use Description:			

Location

Address:	Hickory Ct Huntsville, TX	Mapsc0:	
Neighborhood:		Map ID:	13.3
Neighborhood CD:			

Owner

Name:	Russell George	Owner ID:	68566
Mailing Address:	1401 19th ST Huntsville, TX 77340	% Ownership:	100.000000000000%
		Exemptions:	

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$0	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$1,500	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$0	\$0
(+) Timber Market Valuation:	+	\$0	\$0
<hr/>			
(=) Market Value:	=	\$1,500	
(-) Ag or Timber Use Value Reduction:	-	\$0	
<hr/>			
(=) Appraised Value:	=	\$1,500	
(-) HS Cap:	-	\$0	
<hr/>			
(=) Assessed Value:	=	\$1,500	

Taxing Jurisdiction

Owner: Russell George
 % Ownership: 100.000000000000%
 Total Value: \$1,500

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax	
CAD	Appraisal Dist	0.000000	\$1,500	\$1,500	\$0.00	
CP4	County Commissioner's Precinct 4	0.000000	\$1,500	\$1,500	\$0.00	
GSI	San Jacinto County	0.483500	\$1,500	\$1,500	\$7.25	
MUD2	Waterwood MUD	0.890000	\$1,500	\$1,500	\$13.35	
RDB	Special Road and Bridge	0.045900	\$1,500	\$1,500	\$0.69	
RLR	Lateral Road	0.118600	\$1,500	\$1,500	\$1.78	
SCS	Coldspring-Oakhurst CISD	1.095000	\$1,500	\$1,500	\$16.43	
Total Tax Rate:		2.633000				
					Taxes w/Current Exemptions:	\$39.50
					Taxes w/o Exemptions:	\$39.50

Improvement / Building

No improvements exist for this property.

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	IL	Interior lot	0.2296	10000.00	0.00	0.00	\$1,500	\$0

Subject CAD Record

Borrower: N/A		File No.: 14R11054
Property Address: Hickory Ct & Waterwood Bay Rd		Case No.: Russell
City: Huntsville	State: TX	Zip: 77340
Lender: George Russell		

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2015	N/A	N/A	N/A	N/A	N/A	N/A
2014	\$0	\$1,500	0	1,500	\$0	\$1,500
2013	\$0	\$1,500	0	1,500	\$0	\$1,500
2012	\$0	\$1,500	0	1,500	\$0	\$1,500
2011	\$0	\$1,500	0	1,500	\$0	\$1,500
2010	\$0	\$1,500	0	1,500	\$0	\$1,500
2009	\$0	\$1,500	0	1,500	\$0	\$1,500
2008	\$0	\$1,500	0	1,500	\$0	\$1,500
2007	\$0	\$1,500	0	1,500	\$0	\$1,500
2006	\$0	\$5,000	0	5,000	\$0	\$5,000
2005	\$0	\$2,000	0	2,000	\$0	\$2,000
2004	\$0	\$2,000	0	2,000	\$0	\$2,000
2003	\$0	\$2,000	0	2,000	\$0	\$2,000
2002	\$0	\$2,000	0	2,000	\$0	\$2,000
2001	\$0	\$2,000	0	2,000	\$0	\$2,000
2000	\$0	\$2,000	0	2,000	\$0	\$2,000
1999	\$0	\$2,000	0	2,000	\$0	\$2,000

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
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2	12/31/1998	WD	Warranty Deed	FLYNN DELTON	Flynn Delton & Florence Living Trust	298	43	