

Restricted  
DESKTOP APPRAISAL

Loan # N/A  
File # 14R11049  
Russell

Single Unit Residential Form

Restricted Use Appraisal Report

No Hit - Check Reason Below  
 2-4 Units     Commercial     Acreage (5+)     Mobile/Mfg. Home     Vacant Land     Other \_\_\_\_\_  
 Insufficient/inadequate subject data information     insufficient/inadequate closed comparable sales inventory

**SUBJECT and CLIENT INFORMATION**

Property Address Lot 4, Bay Hill Road    Unit # \_\_\_\_\_    City Huntsville    State TX    Zip Code 77340  
 County San Jacinto    R.E. Taxes \$ 4,012.69    Owner The Ethician Foundation  
 Legal Description Waterwood - Bay Hill Point, Lot 4    Tax ID #/APN# 2990-000-0040  
 Property Rights Appraised     Fee Simple     Leasehold  
 Property Type     SFR/PUD     Condo     Attached     Detached  
 Assignment Type     Loan Service/Default     Other Asset valuation  
 Lender/Client George Russell

**HIGHEST and BEST USE**

Is the Highest and Best Use of the subject property as improved (based on the improvements description provided by the various data sources available) the present use?     Yes     No  
 If no, describe. The relevant legal, physical, and economic factors were analyzed to the extent necessary and resulted in a conclusion that the current use of the subject property as single family residential is the highest and best use.

**MARKET AREA ANALYSIS**

One Unit Housing Trends			One Unit Housing		
			PRICE \$(000)		AGE (yrs)
Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	<u>17</u> Low	<u>0</u>
Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply	<u>728</u> High	<u>30</u>
Marketing Time	<input type="checkbox"/> Under 3 mths	<input checked="" type="checkbox"/> 3-6 mths	<input type="checkbox"/> Over 6 mths	<u>74</u> Pred.	<u>15</u>

Market Comments: The current market in the Huntsville/Waterwood area is considered stable with supply/demand generally in balance. Various types of financing are available at acceptable rates. Seller concessions of up to 3% are typical in all but the upper market segments. The estimated marketing time is not expected to exceed six months at the value estimate provided.

**SALES COMPARISON ANALYSIS**

Property Features	Subject	Comparable #1	Comparable #2	Comparable #3
Address	Lot 4, Bay Hill Road Huntsville	20341 Bay Hill Road Huntsville	20357 Bay Hill Road Huntsville	22409 Augusta Ct Huntsville
Proximity		0.15 Miles W	0.05 Miles W	0.6 Miles W
Data Sources	Walker CAD	MLS, CAD	MLS, CAD	MLS, CAD
MLS# / DOM		76746640   1	33892684   70	61164747   88
List Price	\$	\$ 529,000	\$ 350,000	\$ 299,900
Sale Price	\$	\$ 523,000	\$ 342,500	\$ 272,500
Sale Date		12/06/2013	10/03/2014	09/19/2014
Sale Price/Gross Liv. Area	\$ 0.00 /sq.ft.	\$ 232.44 /sq.ft.	\$ 166.75 /sq.ft.	\$ 80.15 /sq.ft.
Location	Waterwood	Waterwood	Waterwood	Waterwood
View	Residential	Residential	Residential	Residential
Site Area	7,840 SF / Lake	20,129 SF / Lake	10,159 SF / Lake	12,000 SF / Golf
Actual Age (years)	36+/-	9+/-	36+/-	16+/-
Condition	Average	Average	Average	Average
Above Grade	Total   Bdrms   FB / HB	Total   Bdrms   FB / HB	Total   Bdrms   FB / HB	Total   Bdrms   FB / HB
Room Count	9   4   3   0	8   3   2   0	7   3   2   0	9   4   3   0
Gross Living Area (GLA)	2,848 sq.ft.	2,250 sq.ft.	2,054 sq.ft.	3,400 sq.ft.
Basement	None	None	None	None
Garage / Carport	2 Car Carport	2 Car Garage	2 Car Garage	2 Car Garage
Pool	None	None	None	None
Other	Boathouse/Pier/Deck	Lg Bths/Pier/Deck, Qtrs	Pier	None
Overall Comparison to the Subject Property		<input checked="" type="checkbox"/> Superior <input type="checkbox"/> Similar <input type="checkbox"/> Inferior	<input type="checkbox"/> Superior <input type="checkbox"/> Similar <input checked="" type="checkbox"/> Inferior	<input type="checkbox"/> Superior <input type="checkbox"/> Similar <input checked="" type="checkbox"/> Inferior

**LISTING and TRANSFER HISTORY**

The Appraiser has researched and analyzed the listing history of the subject property for the last 12 months.  
 Subject Property     Currently Listed     Listed in the past 12 months     Not Listed in past 12 months  
**Listing History**    List Date    List Price    Days on Market (DOM)  
N/A    \$ \_\_\_\_\_    \_\_\_\_\_

The Appraiser has researched and analyzed a 3 year transfer history of the subject property/1 year history for the comparables.  
**Transfer History**    Subject    Comp. 1    Comp. 2    Comp. 3  
 Date / Amount    08/04/2014 \$ 0    05/31/2013 \$ 495,000    N/A    \$ \_\_\_\_\_    N/A    \$ \_\_\_\_\_  
 \_\_\_\_\_ \$ \_\_\_\_\_    \_\_\_\_\_ \$ \_\_\_\_\_    \_\_\_\_\_ \$ \_\_\_\_\_    \_\_\_\_\_ \$ \_\_\_\_\_

(Use the Summary section below if additional room is needed.)

**SUMMARY**

COMMENTS (Including reconciliation of sales comparison data and comments on listing and transfer history(s).)  
No listing was noted for the subject in the past 12 months. The subject transferred ownership in August 2014 via Gift Deed, this was not a sale. No other sales/transfers were noted for the subject in the past 36 months. Sale 1 sold previously, as shown above.

The sales presented reflect the most recent, similar, and proximate data currently available. Sales 1 and 2 are given the most weight as they are waterfront homes in the immediate vicinity. Sale 3 is a golf course home, and therefore given less weight. No superior sales were found following a thorough search of local data sources. The scope of work for this assignment is amended to exclude the presentation of a current active listing or pending sale, due to the lack of any similar active listings or pending sales in the subject subdivision at this time. The value estimate is subject to completion of any current renovations.

Opinion of Market Value    \$ 360,000    as of    12/15/2014

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SALES COMPARISON ANALYSIS													
Property Features	Subject	Comparable #4			Comparable #5			Comparable #6					
Address	Lot 4, Bay Hill Road Huntsville												
Proximity													
Data Sources	Walker CAD												
MLS# / DOM													
List Price	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Sale Price	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Sale Date													
Sale Price/Gross Liv. Area	\$ 0.00 /sq.ft.	\$	/sq.ft.	\$	/sq.ft.	\$	/sq.ft.	\$	/sq.ft.	\$	/sq.ft.	\$	/sq.ft.
Location	Waterwood												
View	Residential												
Site Area	7,840 SF / Lake												
Actual Age (years)	36+/-												
Condition	Average												
Above Grade	Total Bdrms FB / HB	Total	Bdrms	FB / HB	Total	Bdrms	FB / HB	Total	Bdrms	FB / HB	Total	Bdrms	FB / HB
Room Count	9 4 3 0												
Gross Living Area (GLA)	2,848 sq.ft.												
Basement	None												
Garage / Carport	2 Car Carport												
Pool	None												
Other	Boathouse/Pier/Deck												
Overall Comparison to the Subject Property		<input type="checkbox"/> Superior <input type="checkbox"/> Similar <input type="checkbox"/> Inferior			<input type="checkbox"/> Superior <input type="checkbox"/> Similar <input type="checkbox"/> Inferior			<input type="checkbox"/> Superior <input type="checkbox"/> Similar <input type="checkbox"/> Inferior					

TRANSFER HISTORY				
The Appraiser has researched and analyzed a 3 year transfer history of the subject property/1 year history for the comparables.				
Transfer History	Subject	Comp. 4	Comp. 5	Comp. 6
Date / Amount	08/04/2014 \$ 0	\$	\$	\$
	\$	\$	\$	\$

This form is designed to report an appraisal of a one-unit residential property. This form is not to be used when appraising the following types of properties: 2-4 residential units, commercial properties, manufactured/mobile homes, co-operative units, vacant land, properties with more than 5 acres, and properties with other than a Fee Simple or Leasehold interest. This report form can only be completed when Multiple Listing Service (MLS) data is used as the primary data source for the sales comparables.

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, statement of assumptions and limiting conditions, and certifications are not permitted without express authorization by the client. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Additional certifications that do not constitute material alterations to this appraisal report are permitted.

**PURPOSE:**

The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report based on a sales comparison analysis solely for the use by the lender/client identified in the report.

**INTENDED USE:**

The intended use of this appraisal report is for internal asset evaluation by the lender/client. This report is not intended for any other use.

**INTENDED USER:**

The intended user of this appraisal report is limited solely to the identified lender/client. This is a Restricted Use Appraisal Report and the appraiser's opinions and conclusions set forth in the report may not be understood properly without additional information in the appraiser's workfile.

**DEFINITION OF MARKET VALUE:**

Market value means 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 and 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 acting in what they consider their own best interests;
- (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.

Source of Definition: 12 C.F.R., part 34, subpart C-Appraisals, 34.42 Definitions (F)

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## SCOPE OF WORK:

The scope of work for the appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the cited definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) identify the characteristics of the subject property that are relevant to the purpose and intended use of the appraisal, (2) research, verify, and analyze data from reliable public and/or private sources (3) use Multiple Listing Service (MLS) to identify comparable sales used to value the subject property, (4) include a minimum of 3 closed comparable sales and at least 1 comparable active listing or pending sale, (5) report his or her analysis, opinions, and conclusions in this appraisal report.

Unless otherwise noted, the appraiser has not physically inspected the subject property. In developing this appraisal, the appraiser has incorporated only the Sales Comparison Approach. The appraiser has excluded the Cost and Income Approaches to value, due to being inapplicable given the limited scope of the appraisal. The appraiser has determined that his or her appraisal process is not so limited that the results of the assignment are no longer credible, and the client agrees that the limited scope of analysis is appropriate given the intended use. The appraiser was able to obtain sufficient information about the subject's physical characteristics (such as room count, gross living area (GLA), site size, etc.) from his or her own research using public and private data sources deemed reliable to develop a credible opinion of value. These sources include, but are not limited to, tax and assessment records, Multiple Listing Service(s) (MLS), aerial mapping programs, prior appraisal files, etc.

## EXTRAORDINARY ASSUMPTIONS:

At the client's request, and unless otherwise noted in the report, the following Extraordinary Assumptions have been made: (1) The subject is considered to be in average overall condition, and (2) There are no adverse environmental conditions (hazardous wastes, toxic substances, etc.) in, on or in the immediate vicinity of the subject property, and (3) The subject's projected use is not intended to change, and (4) There are no significant discrepancies between the subject's public record information or other data source(s) and the existing site or improvements. **The use of any Extraordinary Assumptions might have affected the assignment results.**

## APPRAISER'S CERTIFICATION

The appraiser certifies and agrees that to the best of his or her knowledge and belief:

1. The facts and data reported by the appraiser and used in the appraisal process are true and correct.
2. The analyses, opinions, and conclusions in this report are limited only by the assumptions and limiting conditions stated in this report and are my personal, impartial, and unbiased professional analysis, opinions, and conclusions.
3. I have no (or the specified) present or prospective interest in the real property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
4. I have no bias with respect to the real property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the clause 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.
7. My analyses, opinions, and conclusions were developed and this report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
8. I, nor anyone else that signed this certification, did not inspect the interior or exterior of the subject real property of the report unless otherwise noted.
9. No one provided significant real property appraisal assistance to the person signing this report unless otherwise noted. Any individuals who provided significant real property appraisal assistance are identified in this report along with a description of the assistance provided.
10. I  have  have not performed other services, as an appraiser or in any other capacity, regarding the property that is the subject of the work under review within the three-year period immediately preceding acceptance of this assignment

**STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS:** The appraiser's certification in this report is subject to the following assumptions and limiting conditions and to such other specific and limiting conditions as set forth in the report.

1. The appraiser assumes no responsibility for matters of a legal nature affecting the real property that is the subject of this or the title thereto, nor does the appraiser render any opinions as to the title, which is assumed to be good and marketable. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser is not required to give testimony or appear in court because of having provided the report, unless arrangements have been previously made thereof.
3. The appraiser has noted in the appraisal report any adverse conditions observed during the analysis of the subject real 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 real property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the real property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, expressed 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 real property.
4. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
5. Disclosure of the contents of the appraisal report is governed by the Uniform Standards of Professional Appraisal Practice (USPAP).
6. Neither all, nor any part of the content of the report, or copy thereof (including the conclusions of the appraisal, the identity of the appraiser, professional designations, reference to professional appraisal organizations, or the firm with which the appraiser is connected) shall be used for any purposes by anyone but the lender/client specified in the report.
7. No change of any item in the report shall be made by anyone other than the appraiser and the appraiser shall have no responsibility for any such unauthorized change.

## APPRAISER

Signature: Malcolm W. Willey  
 Name: Malcolm W. Willey  
 Company Name: Alliance Realty Advisors  
 Company Address: 3828 W. Davis, Suite 314  
Conroe TX 77304  
 Date of Signature and Report: 12/26/2014  
 State Certification #: 1329116-G  
 or State License #: \_\_\_\_\_  
 State: TX  
 Expiration Date of Certification or License: 12/31/2015

## ADDRESS OF PROPERTY APPRAISED

Lot 4, Bay Hill Road  
Huntsville TX 77340

APPRAISED VALUE OF SUBJECT PROPERTY \$ 360,000  
 EFFECTIVE DATE OF APPRAISAL 12/15/2014

## CLIENT

Name: George Russell  
 Company Address: 1401 19th Street  
Huntsville TX 77340

LOCATION MAP

Borrower: N/A

File No.: 14R11049

Property Address: Lot 4, Bay Hill Road

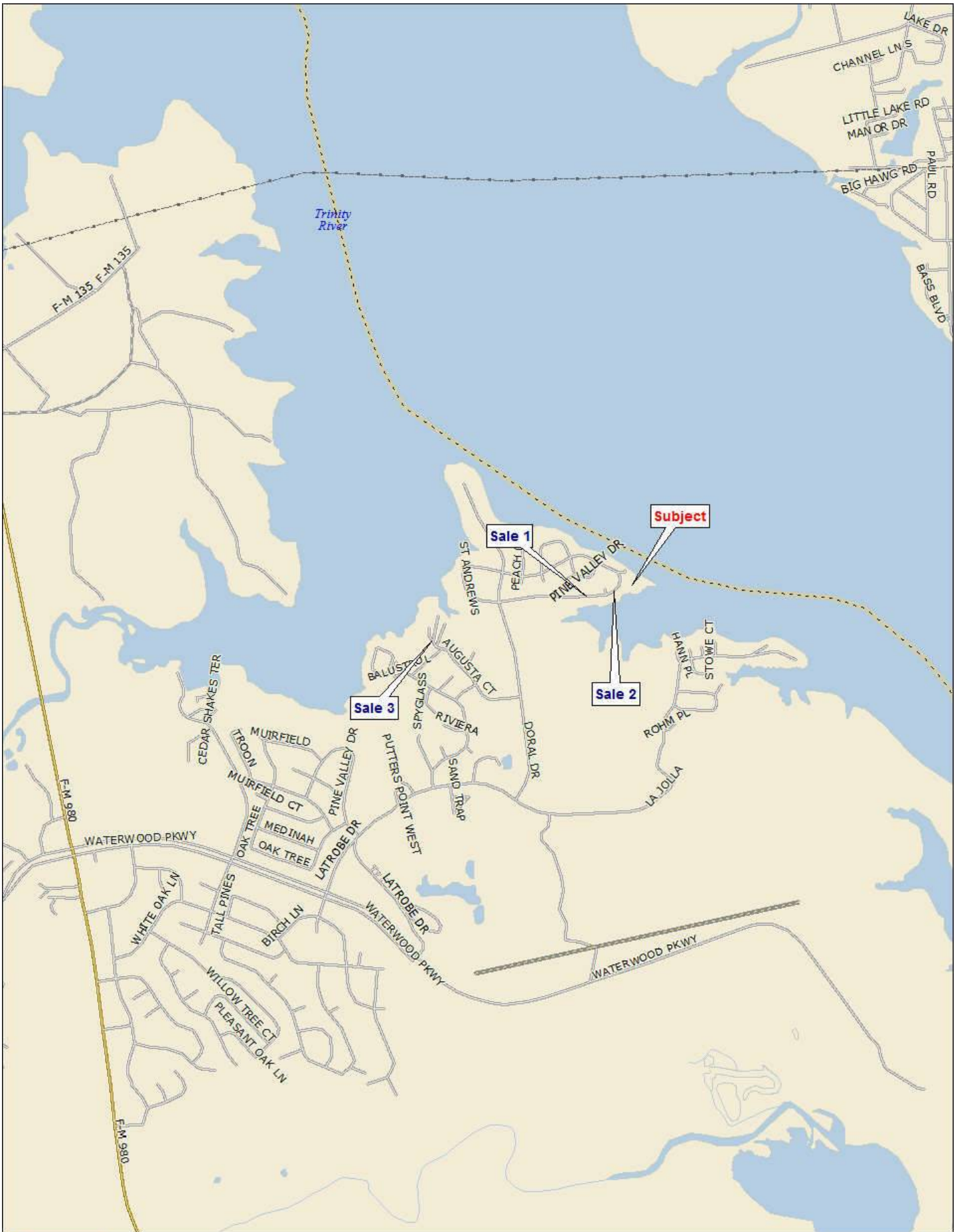
Case No.: Russell

City: Huntsville

State: TX

Zip: 77340

Lender: George Russell



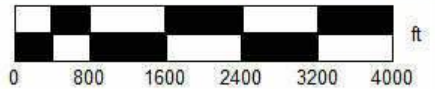
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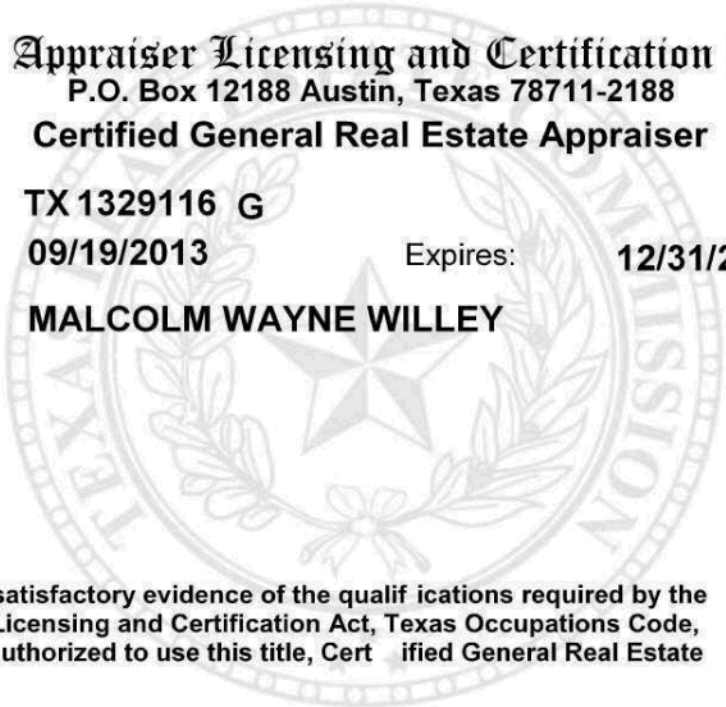
Data Zoom 13-0

**Appraiser Certification**

Borrower: N/A	File No.: 14R11049	
Property Address: Lot 4, Bay Hill Road	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.: 14R11049
Property Address: Lot 4, Bay Hill Road	Case No.: Russell
City: Huntsville	State: TX Zip: 77340
Lender: George Russell	

Account

Property ID: 67329      Legal Description: Waterwood - Bay Hill Point, Lot 4, Acres .18  
 Geographic ID: 2990-000-0040      Agent Code:  
 Type: Real  
 Property Use Code:  
 Property Use Description:

Location

Address: Bay Hill Rd      Mapsco:  
 Huntsville, TX 77340  
 Neighborhood:      Map ID: 13.2  
 Neighborhood CD:

Owner

Name: Russell George H & Suzanne      Owner ID: 66683  
 Mailing Address: 1401 19th St      % Ownership: 100.0000000000%  
 Huntsville, TX 77340

[Exemptions:](#)

▼ Values

(+) Improvement Homesite Value: + \$0  
 (+) Improvement Non-Homesite Value: + \$104,950  
 (+) Land Homesite Value: + \$0  
 (+) Land Non-Homesite Value: + \$47,450      Ag / Timber Use Value  
 (+) Agricultural Market Valuation: + \$0      \$0  
 (+) Timber Market Valuation: + \$0      \$0  
 -----  
 (=) Market Value: = \$152,400  
 (-) Ag or Timber Use Value Reduction: - \$0  
 -----  
 (=) Appraised Value: = \$152,400  
 (-) HS Cap: - \$0  
 -----  
 (-) Assessed Value: = \$152,400

▼ Taxing Jurisdiction

Owner: Russell George H & Suzanne  
 % Ownership: 100.0000000000%  
 Total Value: \$152,400

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimate
CAD	Appraisal Dist	0.000000	\$152,400	\$152,400	\$0.00
CP4	County Commissioner's Precinct 4	0.000000	\$152,400	\$152,400	\$0.00
GSJ	San Jacinto County	0.483500	\$152,400	\$152,400	\$736.85
MUD2	Waterwood MUD	0.890000	\$152,400	\$152,400	\$1,356.36
RDB	Special Road and Bridge	0.045900	\$152,400	\$152,400	\$69.95
RLR	Lateral Road	0.118600	\$152,400	\$152,400	\$180.74
SCS	Coldspring-Oakhurst CISD	1.095000	\$152,400	\$152,400	\$1,668.78

Subject CAD Record

Borrower: N/A	File No.: 14R11049
Property Address: Lot 4, Bay Hill Road	Case No.: Russell
City: Huntsville	State: TX Zip: 77340
Lender: George Russell	

Taxes w/Current Exemptions: \$4,012.68

Taxes w/o Exemptions: \$4,012.69

Improvement / Building

Improvement #1: Residential State Code: A1 Living Area: 2848.0 sqft Value: \$102,060

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
MA	Main area	A+ - VS	VS	1978	2514.0
MA2	Main area 2nd floor	A+ - VS		1978	334.0
121	Open Masonry Porch	A+ - VS		1978	230.0
130	Carport	A+ - WS		1978	400.0
XSTOR	Storage, exterior	A+ - WS		1978	120.0
131	Wood Deck	A - TR		1978	928.0

Improvement #2: Misc. Improvement State Code: A1 Living Area: 300.0 sqft Value: \$2,890

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
BOATHSE	Boat house	A - WPCMP		1978	300.0
BHPIER	Boat house, pier	A - TR		1978	392.0
DD	Detached deck	A - TR		1978	90.0

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	WFB	Waterfront, bulkheaded lot	0.1800	7840.00	73.00	0.00	\$47,450	\$0

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	8/4/2014	GD	Gift Deed	Russell George H & Suzanne	The Ethician Foundation		18108	2014004396
2	12/1/2003	GW VL	General Warranty Deed With Vendors Lein	BIRDWELL CODY S ETUX	Russell George H & Suzanne			03-8033