Summary Appraisal Report

Uniform Residential Appraisal Report

File # 12-01650153-A

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 1887 Fort Harrods Dr | City Lexington | State KY | Zip Code 40503

Borrower STEVEN M JENNINGS | Owner of Public Record STEVEN M & T J JENNINGS | County FAYETTE

Legal Description DB 1810 PG 144; LOT 15 RABBIT RUN SUBDIVISION

Assessor's Parcel # 19300970 | Tax Year 2013 | R.E. Taxes $ 2,786

Neighborhood Name RABBIT RUN | Map Reference 30460 | Census Tract 0036.00

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 JP Morgan Chase Bank, NA | Address 1111 Polaris Parkway 4th Floor, Columbus, OH 43240

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). LBAR MLS/INSPECTION

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)

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.

NEIGHBORHOOD

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

Neighborhood Characteristics				One-Unit Housing Trends				One-Unit Housing			Present Land Use %	
Location	☐ Urban	☒ Suburban	☐ Rural	Property Values	☐ Increasing	☒ Stable	☐ Declining	PRICE	AGE		One-Unit	90 %
Built-Up	☒ Over 75%	☐ 25-75%	☐ Under 25%	Demand/Supply	☐ Shortage	☒ In Balance	☐ Over Supply	$ (000)	(yrs)		2-4 Unit	%
Growth	☐ Rapid	☒ Stable	☐ Slow	Marketing Time	☒ Under 3 mths	☐ 3-6 mths	☐ Over 6 mths	220	Low	10	Multi-Family	%
Neighborhood Boundaries	NORTH: PARKERS MILL RD			SOUTH: MAN O' WAR BLVD.				475	High	55	Commercial	10 %
EAST: CLAYS MILL RD				WEST: BOWMAN MILL RD				330	Pred.	20	Other	%

Neighborhood Description THE SUBJECT NEIGHBORHOOD IS LOCATED IN A SUBURBAN AREA OF SOUTHWEST FAYETTE COUNTY IN HARRODS HILL SUBDIVISION WHICH IS WITHIN 2 MILES OF LOCAL SHOPPING, SCHOOLS, RESTAURANTS, RECREATIONAL FACILITIES AND HARRODSBURG RD. THAT ALLOWS INGRESS AND EGRESS FOR SHOPPING AND EMPLOYMENT.

Market Conditions (including support for the above conclusions) THE DEMAND/SUPPLY OF THE SUBJECT REAL ESTATE MARKET APPEARS TO BE IN BALANCE. THE SUBJECT IS IN A SUBURBAN AREA OF FAYETTE COUNTY AND PER THE ATTACHED 1004MC ADDENDUM, THE SUBJECT MARKET IS MOSTLY STABLE. A REASONABLE MARKET EXPOSURE FOR THE SUBJECT IS 0-3 MONTHS.

SITE

Dimensions IRREGULAR (SEE ATTACHED PLAT) | Area 27920 sf | Shape IRREGULAR | View N;Res;

Specific Zoning Classification R-1C | Zoning Description SINGLE FAMILY RESIDENTIAL

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 # 2100670118D | FEMA Map Date 09/17/2008

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

NO SURVEY PROVIDED TO THE APPRAISER. THE SUBJECT LOT SIZE TAKEN FROM PUBLIC RECORDS. SEE ATTACHED PLAT FOR SPECIFIC DIMENSIONS. THE SUBJECT SITE HAS UTILITY EASEMENTS WHICH ARE TYPICAL FOR HOMES IN THE NEIGHBORHOOD.

IMPROVEMENTS

General Description	Foundation	Exterior Description materials/condition	Interior materials/condition
Units ☒ One ☐ One with Accessory Unit	☐ Concrete Slab ☐ Crawl Space	Foundation Walls P.CONCRETE/AVG.	Floors WD,TILE,CPT/GOOD
# of Stories 2	☒ Full Basement ☐ Partial Basement	Exterior Walls BRICK,VINYL/AVG.	Walls DRYWALL/GOOD
Type ☒ Det. ☐ Att. ☐ S-Det./End Unit	Basement Area 1,046 sq.ft.	Roof Surface SHINGLES/GOOD	Trim/Finish WOOD/GOOD
☒ Existing ☐ Proposed ☐ Under Const.	Basement Finish 100 %	Gutters & Downspouts ALUMINUM/AVG.	Bath Floor CERM.TILE/GOOD
Design (Style) MODERN	☒ Outside Entry/Exit ☐ Sump Pump	Window Type DBL.HUNG/AVG.	Bath Wainscot FIBERGLASS/GOOD
Year Built 1995	Evidence of ☐ Infestation	Storm Sash/Insulated THERMOPANE/AVG.	Car Storage ☐ None
Effective Age (Yrs) 10	☐ Dampness ☐ Settlement	Screens SCREENS/AVG.	☒ Driveway # of Cars 2
Attic ☐ None	Heating ☒ FWA ☐ HWBB ☐ Radiant	Amenities ☐ Woodstove(s) # 0	Driveway Surface CONCRETE
☐ Drop Stair ☐ Stairs	☐ Other Fuel GAS	☒ Fireplace(s) # 1 ☒ Fence WOOD	☒ Garage # of Cars 2
☐ Floor ☒ Scuttle	Cooling ☒ Central Air Conditioning	☒ Patio/Deck BOTH ☒ Porch PORCH	☐ Carport # of Cars 0
☐ Finished ☐ Heated	☐ Individual ☐ Other	☒ Pool INGROUND ☐ Other NONE	☒ Att. ☐ Det. ☐ Built-in

Appliances ☐ Refrigerator ☒ Range/Oven ☒ Dishwasher ☒ Disposal ☒ Microwave ☐ Washer/Dryer ☐ Other (describe)

Finished area **above** grade contains: 8 Rooms | 4 Bedrooms | 2.1 Bath(s) | 2,575 Square Feet of Gross Living Area Above Grade

Additional features (special energy efficient items, etc.). See attached addenda.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C3;Kitchen-remodeled-one to five years ago;Bathrooms-updated-one to five years ago;THE SUBJECT HAS NORMAL PHYSICAL DEPRECIATION DUE TO AGE. FLOOR PLAN IS FUNCTIONAL AND TYPICAL OF SIMILAR STYLE HOMES IN THE AREA. SUBJECT HAS FUNCTIONAL OBSOLESCENCE DUE TO COST OF INGROUND POOL VERSUS ITS CONTRIBUTION TO MARKET VALUE. NO EXTERNAL OBSOLESCENCE NOTED. ALL UTILITIES WERE ON AND FUNCTIONAL AT INSPECTION.

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

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 2 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 335,000 to $ 367,500 .

There are 14 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 247,000 to $ 425,000 .

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	1887 Fort Harrods Dr Lexington, KY 40503	764 Wellington Way Lexington, KY 40503		837 Meadowbrook Dr Lexington, KY 40503		808 Turtle Cir Lexington, KY 40503	
Proximity to Subject		0.08 miles E		0.18 miles W		0.17 miles NE	
Sale Price	$		$ 294,900		$ 335,000		$ 425,000
Sale Price/Gross Liv. Area	$ sq.ft.	$ 102.22 sq.ft.		$ 129.24 sq.ft.		$ 118.91 sq.ft.	
Data Source(s)		LBAR MLS #1304565;DOM 3		LBAR MLS #1218413;DOM 10		LBAR MLS #1223095;DOM 21	
Verification Source(s)		AGENT/EXT. INSPECTION		AGENT/EXT. INSPECTION		AGENT/EXT. INSPECTION	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sales or Financing Concessions		ArmLth Conv;0		ArmLth Conv;0		ArmLth Conv;0	
Date of Sale/Time		s04/13;c03/13		s11/12;c10/12		s02/13;c01/13	
Location	N;Res;	N;Res;		N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	27920 sf	15,246 sf	+5,000	10,624 sf	+5,000	18,295 sf	0
View	N;Res;	N;Res;		N;Res;		N;Res;	
Design (Style)	MODERN	MODERN		MODERN		MODERN	
Quality of Construction	Q4	Q4		Q4		Q4	
Actual Age	18	22	0	16	0	23	0
Condition	C3	C3		C3		C3	
Above Grade Room Count (Total / Bdrms. / Baths)	8 / 4 / 2.1	9 / 5 / 2.1	0	8 / 4 / 3.1	-4,000	8 / 4 / 3.1	-4,000
Gross Living Area	2,575 sq.ft.	2,885 sq.ft.	-9,300	2,592 sq.ft.	0	3,574 sq.ft.	-30,000
Basement & Finished Rooms Below Grade	1046sf1046sfwo 1rr0br1.0ba1o	1296sf0sfwo	-2,500 +20,900	1163sf1163sfwo 1rr1br1.0ba0o	-1,200 -2,400	2068sf1250sfwo 1rr1br1.0ba0o	-10,200 -4,100
Functional Utility	AVERAGE	AVERAGE		AVERAGE		AVERAGE	
Heating/Cooling	FA/CAC	FA/CAC		FA/CAC		FA/CAC	
Energy Efficient Items	THERMOPANE	THERMOPANE		THERMOPANE		THERMOPANE	
Garage/Carport	2 Car Att. Garage	2 Car Att. Garage		2 Car Att. Garage		2 Car Att/2C Bsmt.Gr	-5,000
Porch/Patio/Deck	Decks,Patio,Porch	Patio/Inferior	+5,000	Patio/Inferior	+5,000	Decks,Patio	0
Miscellaneous	INGROUND POOL	NONE	+20,000	NONE	+20,000	NONE	+20,000
Fireplaces	1 FIREPLACE	1 FIREPLACE		1 FIREPLACE		1 FIREPLACE	
Fence	FENCE	FENCE		NONE	+2,000	NONE	+2,000
Net Adjustment (Total)		☒ + ☐ -	$ 39,100	☒ + ☐ -	$ 24,400	☐ + ☒ -	$ -31,300
Adjusted Sale Price of Comparables		Net Adj. 13.3 % Gross Adj. 21.3 %	$ 334,000	Net Adj. 7.3 % Gross Adj. 11.8 %	$ 359,400	Net Adj. 7.4 % Gross Adj. 17.7 %	$ 393,700

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) PVA

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) PVA

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				
Price of Prior Sale/Transfer				
Data Source(s)	PVA	PVA	PVA	PVA
Effective Date of Data Source(s)	10/15/2013	10/15/2013	10/15/2013	10/15/2013

Analysis of prior sale or transfer history of the subject property and comparable sales THE SUBJECT HAS NOT SOLD WITHIN THE PAST 3 YEARS PER PVA INFORMATION.

Summary of Sales Comparison Approach See attached addenda.

Indicated Value by Sales Comparison Approach $ 360,000

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 360,000 **Cost Approach (if developed) $** 365,208 **Income Approach (if developed) $**

NO INCOME APPROACH TO VALUE PURSUED SINCE PROPERTIES LIKE THE SUBJECT ARE TYPICALLY PURCHASED FOR USE RATHER THAN INCOME PRODUCTION. EMPHASIS WAS PLACED ON THE SALES COMPARISON APPROACH WITH SUPPORT FROM THE COST APPROACH TO VALUE.

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 $ 360,000 **, as of** 10/15/2013 **, which is the date of inspection and the effective date of this appraisal.**

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ADDITIONAL COMMENTS

PURPOSE AND FUNCTION OF APPRAISAL:
THE PURPOSE OF THIS APPRAISAL IS TO ESTIMATE THE FAIR MARKET VALUE OF THE SUBJECT PROPERTY AS DEFINED HEREIN. THE FUNCTION OF THIS APPRAISAL IS TO ASSIST THE LENDER IN EVALUATING THE SUBJECT PROPERTY FOR MORTGAGE LOAN PURPOSES.
SCOPE OF APPRAISAL:
THE SCOPE IS TO CONSIDER THE EXTENT OF THE DATA COLLECTION PROCESS. THE INFORMATION CONSIDERED INCLUDES AN EXTERIOR AND/OR INTERIOR INSPECTION OF THE PROPERTY, CONSIDERATION OF THE NEIGHBORHOOD, HISTORICAL SALES DATA AND ANALYSIS OF THE HIGHEST AND BEST USE MEASURING THE EFFECT OF THE ECONOMIC FACTORS FROM THE MARKET AREA AND THE NEIGHBORHOOD THAT IMPACTS THE PROPERTY. THE APPRAISER'S COMPETENCY TO APPRAISE THIS TYPE OF PROPERTY IS BASED ON PRIOR EXPERIENCE AND CURRENT MARKET DATA AS USED IN THIS REPORT. PERTINENT INFORMATION WAS OBTAINED FROM BUYERS, SELLERS, OWNERS, BROKERS, LEASING AGENTS, PROPERTY MANAGERS, LOCAL PVA AND COUNTY CLERKS' OFFICES, AND OTHER PARTIES THAT HAVE BEEN INVOLVED IN TRANSACTIONS RELEVANT TO THIS REPORT. THE INFORMATION FROM THESE VARIOUS SOURCES IS ASSUMED TO BE TRUE AND CORRECT. THE COST, SALES COMPARISON AND INCOME APPROACHES WERE CONSIDERED AND ONLY THOSE RELEVANT APPROACHES WERE PURSUED.
COMPLETE/SUMMARY APPRAISAL REPORT:
THIS IS A SUMMARY APPRAISAL REPORT WHICH IS INTENDED TO COMPLY WITH REPORTING REQUIREMENTS SET FORTH UNDER STANDARDS RULE 2-2(B) OF THE USPAP FOR SUMMARY APPRAISAL REPORTS. AS SUCH IT PROVIDES ONLY SUMMARY DISCUSSIONS OF THE DATA, REASONING AND ANALYSES EMPLOYED TO DEVELOP THE APPRAISER'S VALUE OPINION. THE DEPTH OF DISCUSSION CONTAINED IN THIS REPORT IS SPECIFIC TO THE NEEDS OF THE CLIENT. THE APPRAISER IS NOT RESPONSIBLE FOR UNAUTHORIZED USE OF THIS REPORT.
THE INTENDED USER OF THIS APPRAISAL REPORT IS THE LENDER/CLIENT AND HUD/FHA. 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.

NO EMPLOYEE, DIRECTOR, OFFICER, OR AGENT OF THE LENDER, OR ANY OTHER THIRD PARTY ACTING AS A JOINT VENTURE PARTNER, INDEPENDENT CONTRACTOR, APPRAISAL MANAGEMENT COMPANY, OR PARTNER ON BEHALF OF THE LENDER HAS INFLUENCED OR ATTEMPTED TO INFLUENCE THE DEVELOPMENT, REPORTING, RESULT, OR REVIEW OF THIS ASSIGNMENT THROUGH COERCION, EXTORTION, COLLUSION, COMPENSATION, INSTRUCTION, INDUCEMENT, INTIMIDATION, BRIBERY OR IN ANY OTHER MANNER. I HAVE NOT BEEN CONTACTED BY ANYONE OTHER THAN THE INTENDED USER (LENDER/CLIENT AS IDENTIFIED ON THE FIRST PAGE OF THE REPORT), BORROWER, OR DESIGNATED CONTACT TO MAKE AN APPOINTMENT TO PROPERTY. I AGREE TO IMMEDIATELY REPORT ANY UNAUTHORIZED CONTACTS EITHER PERSONALLY OR ELECTRONICALLY TO THE CLIENT OF THIS REPORT.

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.

A REASONABLE EXPOSURE TIME FOR THE SUBJECT IS 0-3 MONTHS BASED ON MLS ANALYSIS OF COMPETING CLOSED SALES AND LISTINGS IN THE SUBJECT MARKET.

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 SITE VALUE IS BASED ON REVIEW OF LAND SALES IN THE AREA. COST ESTIMATE DEVELOPED FROM MARSHALL/SWIFT COST SERVICE AS WELL AS APPRAISER'S FILE AND LOCAL COST DATA PROVIDED BY BUILDERS.

ESTIMATED ☐ REPRODUCTION OR ☒ REPLACEMENT COST NEW
Source of cost data M&S HANDBOOK/LOCAL
Quality rating from cost service GOOD Effective date of cost data 09/01/2013
Comments on Cost Approach (gross living area calculations, depreciation, etc.)
THE SITE VALUE IS BASED ON REVIEW OF RECENT LAND SALES IN THE AREA. COST ESTIMATE DEVELOPED FROM MARSHALL/SWIFT AND LOCAL COST DATA PROVIDED BY BUILDERS. THE SUBJECT PROPERTY HAS PHYSICAL DEPRECIATION DUE TO AGE. FUNCTIONAL OBSOLESCENCE DUE TO COST OF INGROUND POOL VERSUS CONTRIBUTION TO MARKET VALUE. NO EXTERNAL OBSOLESCENCE NOTED.

OPINION OF SITE VALUE				=$ 75,000
DWELLING	2,575 Sq.Ft. @ $	84.00		=$ 216,300
	1,046 Sq.Ft. @ $	20.00		=$ 20,920
ADDITIONAL FEATURES				=$ 95,000
Garage/Carport	460 Sq.Ft. @ $	24.00		=$ 11,040
Total Estimate of Cost-New				=$ 343,260
Less Depreciation	Physical 49,052	Functional 10,000	External	=$(59,052)
Depreciated Cost of Improvements				=$ 284,208
"As-is" Value of Site Improvements				=$ 6,000
INDICATED VALUE BY COST APPROACH				**=$** 365,208

Estimated Remaining Economic Life (HUD and VA only) 60 Years

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent $ X Gross Rent Multiplier = $ Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM)

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.

Uniform Residential Appraisal Report

File # 12-01650153-A

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 R. Vaughn Haney
Name VAUGHN HANEY
Company Name KENTUCKY RESIDENTIAL APPRAISAL
Company Address 107 Candlewood Dr.
Winchester, KY 40391
Telephone Number (859) 737-3571
Email Address vhaney@roadrunner.com
Date of Signature and Report 10/21/2013
Effective Date of Appraisal 10/15/2013
State Certification # 1788
or State License #
or Other (describe) State #
State KY
Expiration Date of Certification or License 06/30/2014

ADDRESS OF PROPERTY APPRAISED
1887 Fort Harrods Dr
Lexington, KY 40503
APPRAISED VALUE OF SUBJECT PROPERTY $ 360,000

LENDER/CLIENT
Name SOLUTIONSTAR
Company Name JP Morgan Chase Bank, NA
Company Address 1111 Polaris Parkway 4th Floor, Columbus, OH 43240
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

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Uniform Residential Appraisal Report

File # 12-01650153-A

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE #4		COMPARABLE SALE #5		COMPARABLE SALE #6	
Address	1887 Fort Harrods Dr Lexington, KY 40503	805 Comanche Cir Lexington, KY 40503		3213 Mantilla Dr Lexington, KY 40513		3172 Blenheim Way Lexington, KY 40503	
Proximity to Subject		0.13 miles NE		0.73 miles N		0.18 miles NE	
Sale Price	$		$ 367,500		$ 335,000		$ 400,000
Sale Price/Gross Liv. Area	$ sq.ft.	$ 135.26 sq.ft.		$ 131.94 sq.ft.		$ 133.16 sq.ft.	
Data Source(s)		LBAR MLS #1320157;DOM 14		LBAR MLS #1319325;DOM 134		LBAR MLS #1106003;DOM 151	
Verification Source(s)		AGENT/EXT. INSPECTION		AGENT/EXT. INSPECTION		AGENT/EXT. INSPECTION	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sales or Financing Concessions		Listing		Listing		ArmLth Conv;0	
Date of Sale/Time		Active	-18,400	Active	-16,800	s09/11;c08/11	
Location	N;Res;	N;Res;		N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	27920 sf	20865 sf	0	8400 sf	+5,000	12,589 sf	+5,000
View	N;Res;	N;Res;		N;Res;		N;Res;	
Design (Style)	MODERN	MODERN		MODERN		MODERN	
Quality of Construction	Q4	Q4		Q4		Q4	
Actual Age	18	20	0	16	0	22	0
Condition	C3	C3		C3		C3	
Above Grade Room Count (Total / Bdrms. / Baths)	8 / 4 / 2.1	8 / 4 / 3.1	-4,000	8 / 4 / 2.1		8 / 4 / 3.0	-2,000
Gross Living Area	2,575 sq.ft.	2,717 sq.ft.	-4,300	2,539 sq.ft.	0	3,004 sq.ft.	-12,900
Basement & Finished	1046sf1046sfwo	1665sf1049sfwo	-6,200	1254sf0sfwo	-2,100	1607sf627sfwo	-5,600
Rooms Below Grade	1rr0br1.0ba1o	1rr0br0.1ba2o	0		+20,900	1rr0br0.1ba0o	+8,400
Functional Utility	AVERAGE	AVERAGE		AVERAGE		AVERAGE	
Heating/Cooling	FA/CAC	FA/CAC		FA/CAC		FA/CAC	
Energy Efficient Items	THERMOPANE	THERMOPANE		THERMOPANE		THERMOPANE	
Garage/Carport	2 Car Att. Garage	2 Car Bsmt. Garage	+2,000	2 Car Att. Garage		2 Car Att. Garage	
Porch/Patio/Deck	Decks,Patio,Porch	Deck/Inferior	+5,000	PATIO,DECK/INF.	+2,500	PATIO,DECK/INF.	+2,500
Miscellaneous	INGROUND POOL	NONE	+20,000	NONE	+20,000	INGROUND POOL	
Fireplaces	1 FIREPLACE	2 FIREPLACES	-1,000	1 FIREPLACE		2 FIREPLACES	-1,000
Fence	FENCE	FENCE		NONE	+1,500	FENCE	
Net Adjustment (Total)		☐ + ☒ -	$ -6,900	☒ + ☐ -	$ 31,000	☐ + ☒ -	$ -5,600
Adjusted Sale Price of Comparables		Net Adj. 1.9 % Gross Adj. 16.6 %	$ 360,600	Net Adj. 9.3 % Gross Adj. 20.5 %	$ 366,000	Net Adj. 1.4 % Gross Adj. 9.3 %	$ 394,400

SALE HISTORY

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				
Price of Prior Sale/Transfer				
Data Source(s)	PVA	PVA	PVA	PVA
Effective Date of Data Source(s)	10/15/2013	10/15/2013	10/15/2013	10/15/2013

Analysis of prior sale or transfer history of the subject property and comparable sales

ANALYSIS / COMMENTS

Analysis/Comments COMPARABLE 4 IS AN ACTIVE LISTING LOCATED IN THE SUBJECT DOWNWARD 5% ADJUSTMENTS TO REFLECT THE TYPICAL SALE PRICE/LIST PRICE RATIO OF CLOSED SALES IN THE MARKET. COMPARABLE 6 CLOSED MORE THAN 1 YEAR AGO AND WAS RETAINED IN ORDER TO PROVIDE A CLOSED SALE WITH AN INGROUND POOL. ALL ADJUSTMENTS TO COMPARABLES 4-6 ARE WITHIN GUIDELINES.

Supplemental Addendum

File No. 12-01650153-A

Borrower	STEVEN M JENNINGS						
Property Address	1887 Fort Harrods Dr						
City	Lexington	County	FAYETTE	State	KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA						

• URAR : Additional Features

COVERED FRONT PORCH, COVERED REAR DECK AND UNCOVERED REAR DECKS, 16 X 36 INGROUND POOL WITH CONCRETE APRON, 49 X 30 PATIO FOR BASKETBALL/RECREATION, PRIVACY FENCE, FINISHED BASEMENT HAS REC/TV ROOM, FULL BATH AND LAUNDRY ROOM (FLOOR IS BEING REMODELED AND WAS CONCRETE AT INSPECTION), KITCHEN APPLIANCES, CENTRAL AIR

• URAR : Sales Comparison Comments

COMPARABLES 1-3 ARE CLOSED SALES LOCATED WITHIN THE SUBJECT NEIGHBORHOOD BOUNDARIES AND ARE SIMILAR IN UTILITY, DESIGN, AND APPEAL. THE SEARCH PARAMETERS FOR THIS REPORT WERE AS FOLLOWS: AN LBAR MLS & PVA DATABASE SEARCH WAS MADE WITHIN THE SUBJECT NEIGHBORHOOD AND WITHIN A 1 MILE RADIUS FOR CLOSED SALES WITHIN THE PAST 12 MONTHS AND ACTIVE LISTINGS OF HOMES FROM 2000-6000 SQ. FT, AND FROM 5-30 YEARS OLD, AND OF SIMILAR QUALITY OF CONSTRUCTION AND APPEAL IN THE MARKET. COMPARABLE 2 WAS GIVEN MOST WEIGHT DUE TO ITS REQUIRING THE FEWEST GROSS PERCENTAGE ADJUSTMENTS. COMPARABLE 3 WAS GIVEN 2ND MOST WEIGHT AND COMPARABLE 2 WAS GIVEN THE LEAST WEIGHT. ALL ADJUSTMENTS ARE WITHIN GUIDELINES. THE COMPARABLES CLOSED MORE THAN 6 MONTHS AGO, HOWEVER ADDITIONAL CLOSED SALES WHICH WERE MORE REASONABLY COMPARABLE TO THE SUBJECT AND WHICH HAD MORE RECENT CLOSING DATES WERE NOT AVAILABLE. THE COMPARABLES DO NOT BRACKET THE GLA OF THE SUBJECT, HOWEVER COMPARABLE 2 DIFFERS BY ONLY 17 SQ. FT., AND REQUIRED NO ADJUSTMENT FOR ITS DIFFERING GLA. THE SUBJECT GLA IS NOT UNUSUAL FOR THE MARKET. COMPARABLE 2 WAS GIVEN 2ND MOST WEIGHT AND COMPARABLE 1 WAS GIVEN LEAST WEIGHT OF SALES 1-3. UPWARD ADJUSTMENTS WERE NECESSARY TO SALES 1 & 2 AND 4-6 FOR THE SUBJECT FRONT PORCH, LARGE REAR PATIO, AND DECKS. SALE 3 HAD SIMILAR PORCH,PATIO,DECKS AND REQUIRED NO ADJUSTMENT. ADJUSTMENTS FOR DIFFERING AMENITIES AND SITE DIFFERENCES WERE MADE BASED ON PAIRED SALES ANALYSES. THE EFFECTIVE AGES OF THE COMPARABLES WERE CONSIDERED EQUAL AND NO AGE ADJUSTMENTS WERE MADE. THE SUBJECT VALUE EXCEEDS THE PREDOMINANT PRICE OF HOMES IN THE NEIGHBORHOOD WHICH IS LIKELY DUE TO ITS INGROUND POOL AND ITS LARGER SITE. COMPARABLE 5 IS LOCATED ACROSS HARRODSBURG FROM THE SUBJECT IN A COMPETING SUBDIVISION OF SIMILAR PRICED LOTS AND ITS LOCATION ACROSS HARRODSBURG ROAD IS NOT A DETERMINING FACTOR FOR VALUES IN THE SUBJECT MARKET.

Market Conditions Addendum to the Appraisal Report

File No. 12-01650153-A

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 1887 Fort Harrods Dr City Lexington State KY ZIP Code 40503

Borrower STEVEN M JENNINGS

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.

MARKET RESEARCH & ANALYSIS

Inventory Analysis	Prior 7–12 Months	Prior 4–6 Months	Current – 3 Months	Overall Trend
Total # of Comparable Sales (Settled)	8	4	2	☐ Increasing ☒ Stable ☐ Declining
Absorption Rate (Total Sales/Months)	1.33	1.33	0.67	☐ Increasing ☒ Stable ☐ Declining
Total # of Comparable Active Listings	8	4	2	☒ Declining ☐ Stable ☐ Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	6.0	3.0	3.0	☐ Declining ☒ Stable ☐ 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	328,050	266,000	331,750	☐ Increasing ☒ Stable ☐ Declining
Median Comparable Sales Days on Market	16	2	53	☐ Declining ☒ Stable ☐ Increasing
Median Comparable List Price	287,200	297,450	351,200	☒ Increasing ☐ Stable ☐ Declining
Median Comparable Listings Days on Market	16	34	20	☐ Declining ☒ Stable ☐ Increasing
Median Sale Price as % of List Price	98.22	100.00	96.14	☐ Increasing ☒ Stable ☐ Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent? ☐ Yes ☒ No				☐ Declining ☒ Stable ☐ 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.). SELLER CONCESSIONS ARE TYPICALLY 3-5% WITHIN THE SUBJECT MARKET AND NO INCREASE IN THE USE OF BUYDOWNS OR OTHER FEES HAS BEEN NOTED WITHIN THE PAST YEAR.

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).

FORECLOSURE SALES ARE PRESENT IN THE OVERALL MARKET AND ANY CLOSED SALES OR ACTIVE LISTINGS OF HOMES WHICH ARE CONSIDERED DIRECTLY COMPETITIVE WITH THE SUBJECT WERE CONSIDERED FOR THIS REPORT.

Cite data sources for above information. DATA USED IN THIS ANALYSIS WAS OBTAINED FROM LOCAL MLS SYSTEM, WHICH IS RAPATTONI MLS THROUGH THE LEXINGTON BLUEGRASS ASSOCIATION OF REALTORS (LBAR) AND CROSS REFERENCED WITH THE FAYETTE COUNTY PVA OFFICE AND ANY RELEVANT OFFICE FILES INFORMATION AVAILABLE.

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.

THE ABOVE DATA WAS TAKEN USING A RADIUS SEARCH WITHIN 1 MILE OF THE SUBJECT AND WITHIN THE IMMEDIATE NEIGHBORHOOD THROUGH THE MLS SYSTEM FOR ALL CLOSED SALES AND ACTIVE LISTINGS WITHIN THE PAST YEAR WHICH WOULD BE CONSIDERED BY POTENTIAL BUYERS OF THE SUBJECT. THE VALUE TREND HAS FLUCTUATED OVER THE PAST YEAR AND IS CONSIDERED MOSTLY STABLE BASED ON BOTH THE ACTIVE LISTINGS AND CLOSED SALES OVER THE PAST YEAR.

CONDO/CO-OP PROJECTS

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)				☐ Increasing ☐ Stable ☐ Declining
Absorption Rate (Total Sales/Months)				☐ Increasing ☐ Stable ☐ Declining
Total # of Active Comparable Listings				☐ Declining ☐ Stable ☐ Increasing
Months of Unit Supply (Total Listings/Ab.Rate)				☐ Declining ☐ Stable ☐ 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.

APPRAISER

Signature R. Vaughn Haney	Signature
Appraiser Name VAUGHN HANEY	Supervisory Appraiser Name
Company Name KENTUCKY RESIDENTIAL APPRAISAL	Company Name
Company Address 107 Candlewood Dr., Winchester, KY 40391	Company Address
State License/Certification # 1788 State KY	State License/Certification # State
Email Address vhaney@roadrunner.com	Email Address

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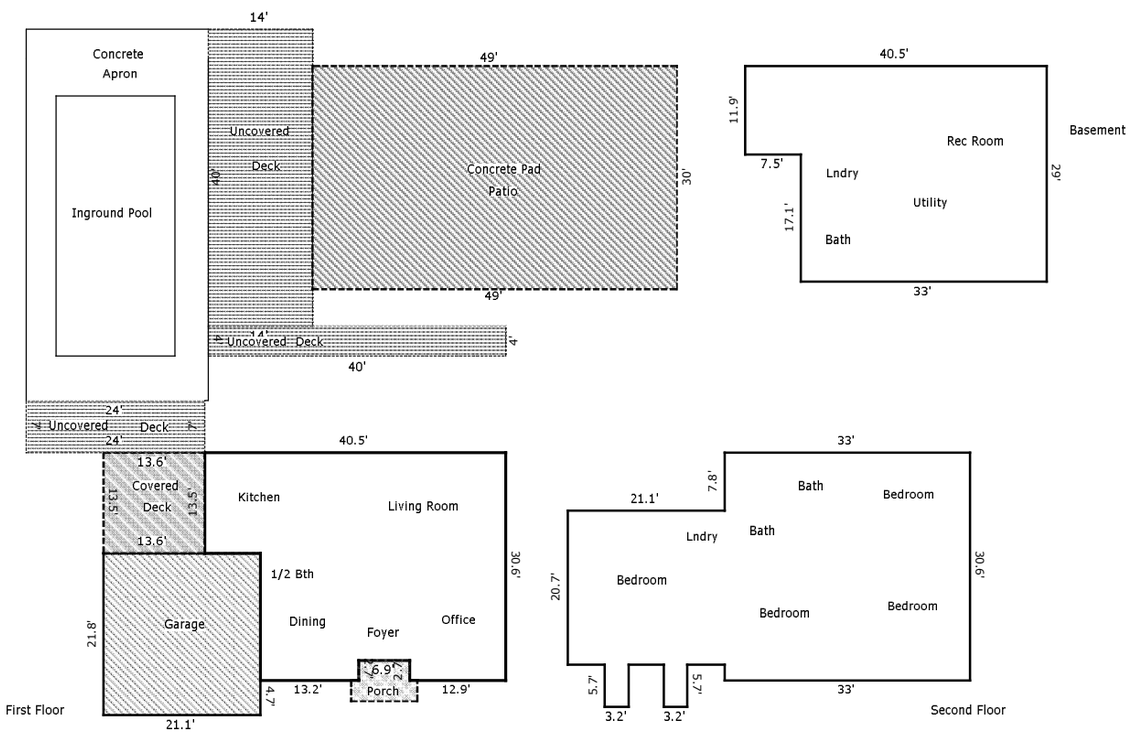
Building Sketch

Borrower	STEVEN M JENNINGS						
Property Address	1887 Fort Harrods Dr						
City	Lexington	County	FAYETTE	State	KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA						



TOTAL Sketch by a la mode, inc.

Area Calculations Summary

Living Area	
First Floor	1092.42 Sq ft
Second Floor	1483.05 Sq ft
Total Living Area (Rounded):	**2575 Sq ft**
Non-living Area	
2 Car Attached	459.98 Sq ft
Porch	43.55 Sq ft
Covered Deck	183.6 Sq ft
Uncovered Deck	168 Sq ft
Patio	1470 Sq ft
Uncovered Deck	160 Sq ft
Basement	1046.25 Sq ft
Uncovered Deck	560 Sq ft

Building Sketch

Borrower	STEVEN M JENNINGS						
Property Address	1887 Fort Harrods Dr						
City	Lexington	County	FAYETTE	State	KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA						

Living Area		Calculation Details	
First Floor	1092.42 Sq ft	13.5 × 7.5	= 101.25
		33 × 27.9	= 920.7
		2.7 × 13.2	= 35.64
		2.7 × 12.9	= 34.83
Second Floor	1483.05 Sq ft	3.2 × 5.7	= 18.24
		3.2 × 5.7	= 18.24
		30.6 × 33	= 1009.8
		20.7 × 21.1	= 436.77
Total Living Area (Rounded):	**2575 Sq ft**		
Non-living Area			
2 Car Attached	459.98 Sq ft	21.1 × 21.8	= 459.98
Porch	43.55 Sq ft	8.9 × 2.8	= 24.92
		6.9 × 2.7	= 18.63
Covered Deck	183.6 Sq ft	13.5 × 13.6	= 183.6
Uncovered Deck	168 Sq ft	24 × 7	= 168
Patio	1470 Sq ft	30 × 49	= 1470
Uncovered Deck	160 Sq ft	40 × 4	= 160
Basement	1046.25 Sq ft	29 × 33	= 957
		11.9 × 7.5	= 89.25
Uncovered Deck	560 Sq ft	40 × 14	= 560

Subject Photos

Borrower	STEVEN M JENNINGS						
Property Address	1887 Fort Harrods Dr						
City	Lexington	County	FAYETTE	State	KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA						



Subject Front

1887 Fort Harrods Dr	
Sales Price	
Gross Living Area	2,575
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	2.1
Location	N;Res;
View	N;Res;
Site	27920 sf
Quality	Q4
Age	18



Subject Rear



Subject Street

Subject Photo Page

Borrower	STEVEN M JENNINGS						
Property Address	1887 Fort Harrods Dr						
City	Lexington	County	FAYETTE	State	KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA						



Subject Side

1887 Fort Harrods Dr

Sales Price	
Gross Living Area	2,575
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	2.1
Location	N;Res;
View	N;Res;
Site	27920 sf
Quality	Q4
Age	18



Subject Side



Inground Pool

Subject Photo Page

Borrower	STEVEN M JENNINGS						
Property Address	1887 Fort Harrods Dr						
City	Lexington	County	FAYETTE	State	KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA						



Patio/Play Area

1887 Fort Harrods Dr	
Sales Price	
Gross Living Area	2,575
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	2.1
Location	N;Res;
View	N;Res;
Site	27920 sf
Quality	Q4
Age	18



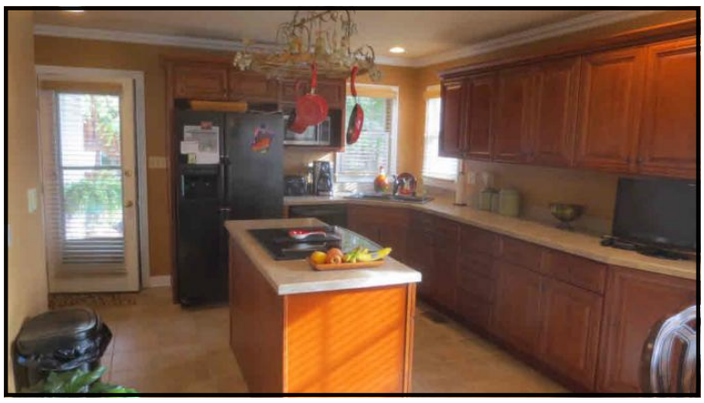
Subject Interior Photo Page

Borrower	STEVEN M JENNINGS						
Property Address	1887 Fort Harrods Dr						
City	Lexington	County	FAYETTE	State	KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA						

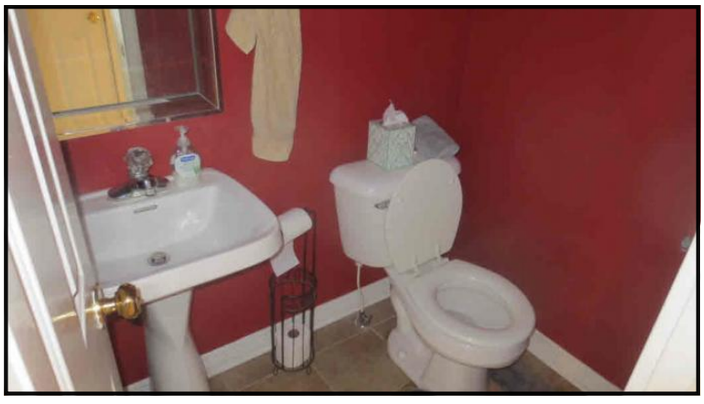


Living Room

1887 Fort Harrods Dr	
Sales Price	
Gross Living Area	2,575
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	2.1
Location	N;Res;
View	N;Res;
Site	27920 sf
Quality	Q4
Age	18



Kitchen



1/2 Bath

Subject Interior Photo Page

Borrower	STEVEN M JENNINGS						
Property Address	1887 Fort Harrods Dr						
City	Lexington	County	FAYETTE	State	KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA						

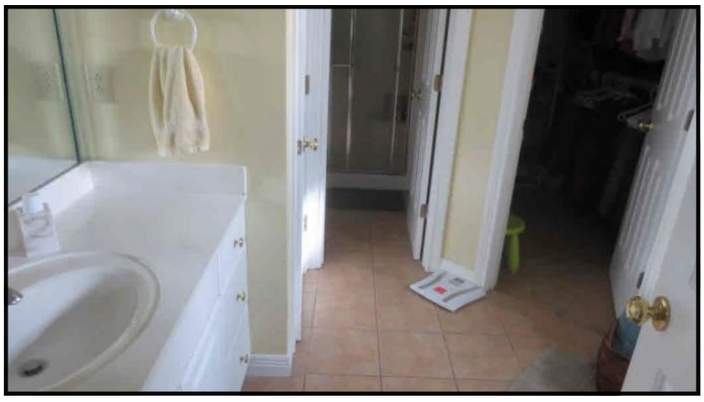


Office

1887 Fort Harrods Dr	
Sales Price	
Gross Living Area	2,575
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	2.1
Location	N;Res;
View	N;Res;
Site	27920 sf
Quality	Q4
Age	18



Bedroom



Bath

Subject Interior Photo Page

Borrower	STEVEN M JENNINGS						
Property Address	1887 Fort Harrods Dr						
City	Lexington	County	FAYETTE	State	KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA						



Bedroom

1887 Fort Harrods Dr	
Sales Price	
Gross Living Area	2,575
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	2.1
Location	N;Res;
View	N;Res;
Site	27920 sf
Quality	Q4
Age	18



Bedroom



Bedroom

Subject Interior Photo Page

Borrower	STEVEN M JENNINGS						
Property Address	1887 Fort Harrods Dr						
City	Lexington	County	FAYETTE	State	KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA						



Dining

1887 Fort Harrods Dr	
Sales Price	
Gross Living Area	2,575
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	2.1
Location	N;Res;
View	N;Res;
Site	27920 sf
Quality	Q4
Age	18



Bath



Basement

Subject Interior Photo Page

Borrower	STEVEN M JENNINGS						
Property Address	1887 Fort Harrods Dr						
City	Lexington	County	FAYETTE	State	KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA						



Basement

1887 Fort Harrods Dr	
Sales Price	
Gross Living Area	2,575
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	2.1
Location	N;Res;
View	N;Res;
Site	27920 sf
Quality	Q4
Age	18



Basement

Comparable Photo Page

Borrower	STEVEN M JENNINGS						
Property Address	1887 Fort Harrods Dr						
City	Lexington	County	FAYETTE	State	KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA						



Comparable 1

764 Wellington Way

Prox. to Subject	0.08 miles E
Sales Price	294,900
Gross Living Area	2,885
Total Rooms	9
Total Bedrooms	5
Total Bathrooms	2.1
Location	N;Res;
View	N;Res;
Site	15,246 sf
Quality	Q4
Age	22



Comparable 2

837 Meadowbrook Dr

Prox. to Subject	0.18 miles W
Sales Price	335,000
Gross Living Area	2,592
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	3.1
Location	N;Res;
View	N;Res;
Site	10,624 sf
Quality	Q4
Age	16



Comparable 3

808 Turtle Cir

Prox. to Subject	0.17 miles NE
Sales Price	425,000
Gross Living Area	3,574
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	3.1
Location	N;Res;
View	N;Res;
Site	18,295 sf
Quality	Q4
Age	23

Comparable Photo Page

Borrower	STEVEN M JENNINGS						
Property Address	1887 Fort Harrods Dr						
City	Lexington	County	FAYETTE	State	KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA						



Comparable 4

805 Comanche Cir

Prox. to Subject	0.13 miles NE
Sales Price	367,500
Gross Living Area	2,717
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	3.1
Location	N;Res;
View	N;Res;
Site	20865 sf
Quality	Q4
Age	20



Comparable 5

3213 Mantilla Dr

Prox. to Subject	0.73 miles N
Sales Price	335,000
Gross Living Area	2,539
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	2.1
Location	N;Res;
View	N;Res;
Site	8400 sf
Quality	Q4
Age	16



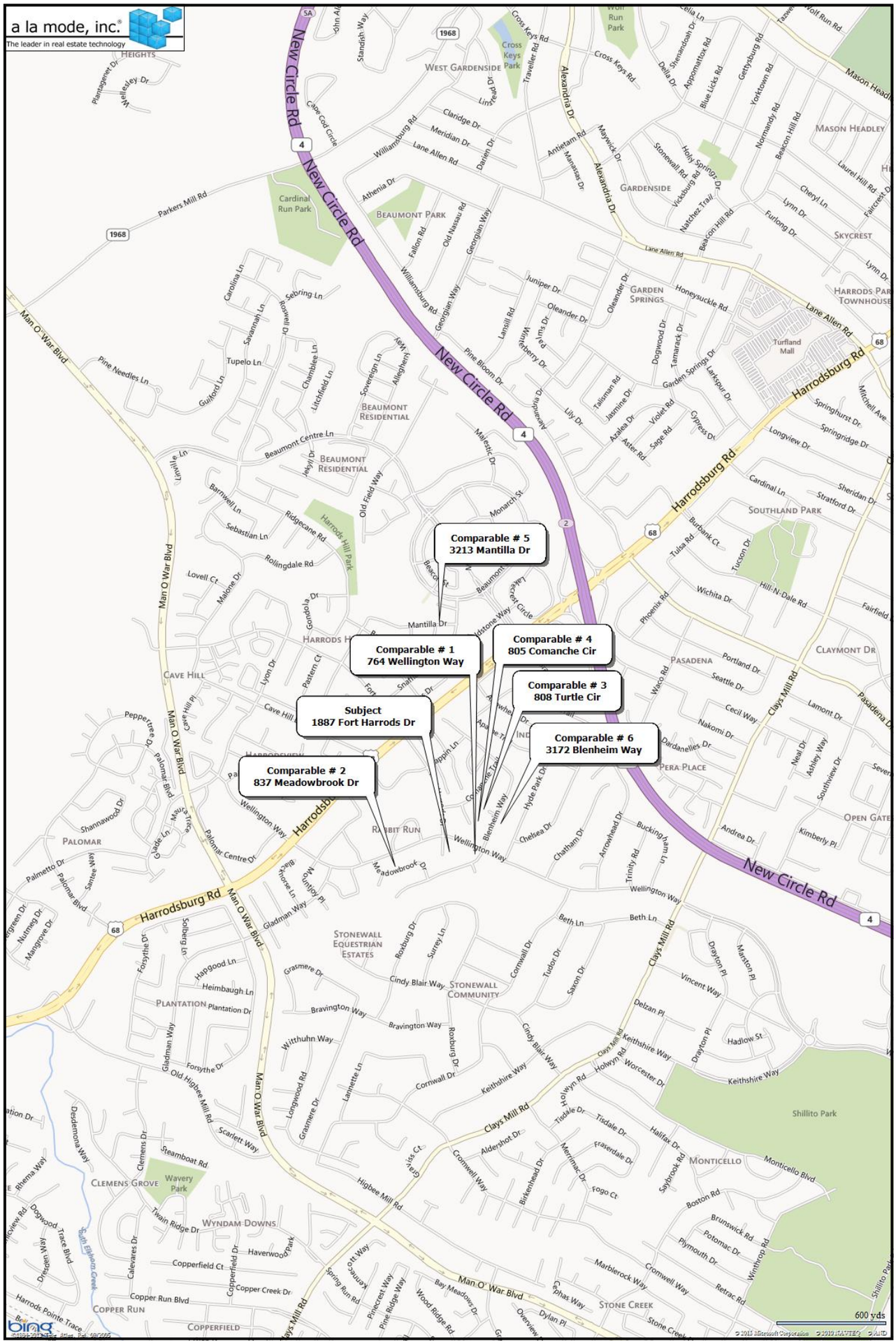
Comparable 6

3172 Blenheim Way

Prox. to Subject	0.18 miles NE
Sales Price	400,000
Gross Living Area	3,004
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	3.0
Location	N;Res;
View	N;Res;
Site	12,589 sf
Quality	Q4
Age	22

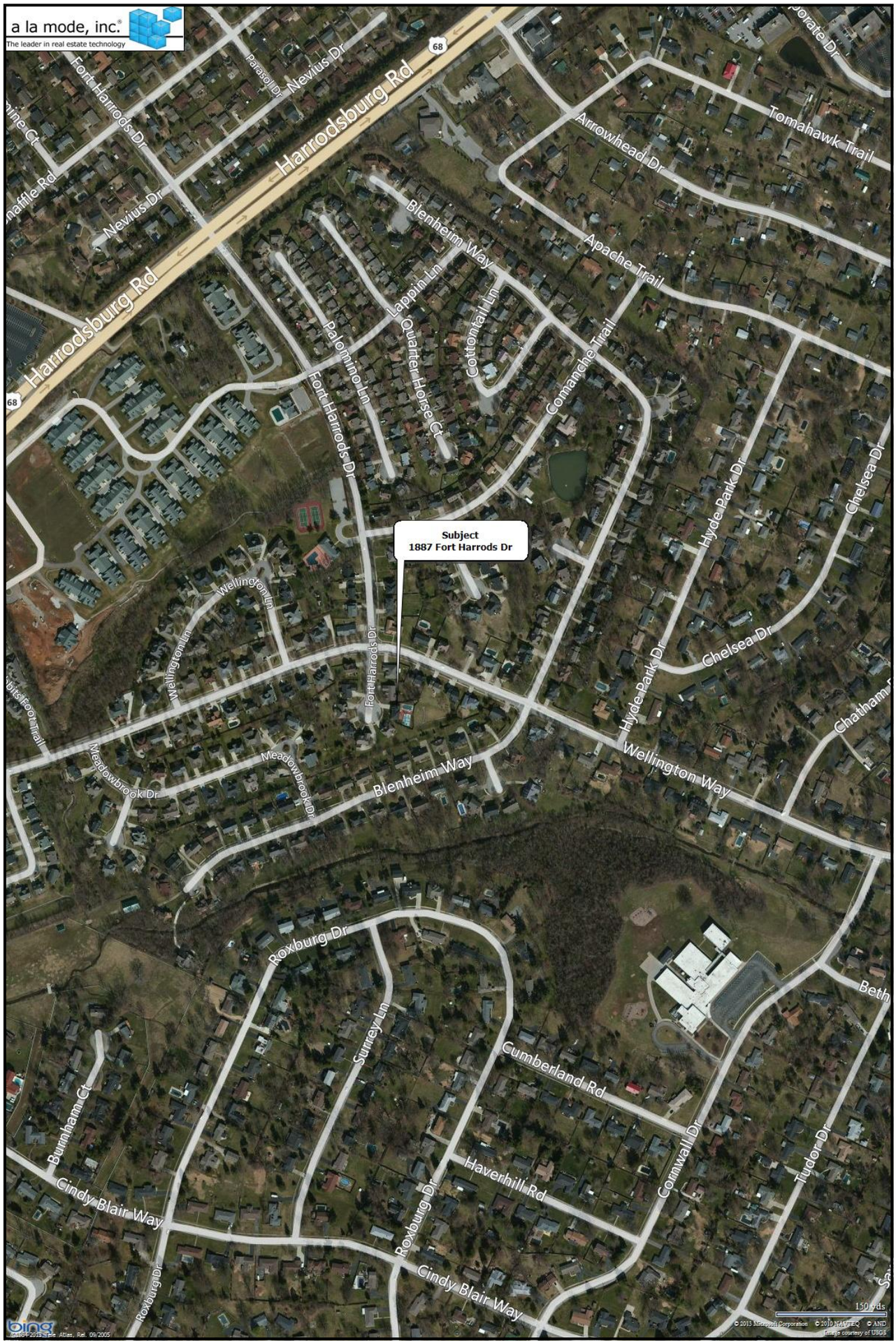
Location Map

Borrower	STEVEN M JENNINGS						
Property Address	1887 Fort Harrods Dr						
City	Lexington	County	FAYETTE	State	KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA						



Aerial Photo

Borrower	STEVEN M JENNINGS						
Property Address	1887 Fort Harrods Dr						
City	Lexington	County	FAYETTE	State	KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA						



PLAT



1887 FORT HARRODS			
Parcel: 19300970 Acres: 0.641 Book: 1810 Page: 144			
Name:	JENNINGS STEVEN M & T J	Fair Cash Value	$ 273,000
Site:	1887 FT HARRODS DR	Ag Land Value	0
Sale:	$218,000 on 1995-09-19 Reason=U Qual=08	Ag Total Value	0
Mail:	1887 FT HARRODS DR LEXINGTON, KY 40503	Taxable Value	$ 273,000



The Fayette County Property Valuation Administrator's Office makes every effort to produce the most accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use or interpretation. The assessment information is from the last certified taxroll. All data is subject to change before the next certified taxroll. PLEASE NOTE THAT THE PROPERTY APPRAISER MAPS ARE FOR ASSESSMENT PURPOSES ONLY NEITHER FAYETTE COUNTY NOR ITS EMPLOYEES ASSUME RESPONSIBILITY FOR ERRORS OR OMISSIONS ---THIS IS NOT A SURVEY---

Date printed: 10/18/13 : 21:42:34

COMPARABLE SEARCH DATA

Listing#	Status	Address	BD	BA	SqFt	List Date	Sold Date	DOM	List Price	Sold Price	SP%LP
1305419	Sold	832 Wellington Way Lexington, KY 40503	3	3	2,231	03/22/13	06/21/13	43	260,000	247,000	95.00
1215564	Sold	1908 Westmeath Pl Lexington, KY 40503	4	4	3,350	08/14/12	12/12/12	94	259,900	255,000	98.11
1219717	Sold	2016 Blackhorse Ln Lexington, KY 40503	5	4	3,469	10/17/12	03/01/13	24	255,000	255,000	100.00
1316812	Sold	2005 St Stephens Green Lexington, KY 40503-3706	4	3	2,500	05/08/13	05/08/13	0	255,000	255,000	100.00
1304565	Sold	764 Wellington Way Lexington, KY 40503	5	3	2,885	03/11/13	04/12/13	3	299,900	294,900	98.33
1312996	Sold	1974 Mountjoy Pl Lexington, KY 40503	5	4	3,949	06/27/13	08/15/13	25	334,900	318,500	95.10
1222929	Sold	3509 McNair Way Lexington, KY 40513	4	3	3,224	09/21/12	12/20/12	0	324,100	321,100	99.07
1218413	Sold	837 Meadowbrook Dr Lexington, KY 40503	5	5	3,755	09/25/12	11/02/12	10	349,900	335,000	95.74
1319325	Active	3213 Mantilla Dr Lexington, KY 40513	4	3	2,539	09/26/13		22	335,000		
1213474	Sold	3309 Lyon Dr Lexington, KY 40513	5	3	3,939	07/16/12	12/04/12	78	359,900	344,000	95.58
1308186	Sold	2186 Cave Hill Ln Lexington, KY 40513	6	4	3,937	04/26/13	08/09/13	80	355,000	345,000	97.18
1302984	Sold	3525 McNair Way Lexington, KY 40513	5	4	3,710	02/16/13	04/19/13	10	339,900	347,500	102.24
1305570	Sold	2178 Cave Hill Ln Lexington, KY 40513	4	4	3,275	03/25/13	05/17/13	1	349,900	349,900	100.00
1320157	Active	805 Comanche Cir Lexington, KY 40503	4	5	3,765	10/04/13		14	367,500		
1223095	Sold	808 Turtle Cir Lexington, KY 40503	4	5	4,824	12/28/12	02/15/13	21	439,900	425,000	96.61

Borrower	STEVEN M JENNINGS			File No.	12-01650153-A
Property Address	1887 Fort Harrods Dr				
City	Lexington	County FAYETTE	State KY	Zip Code	40503
Lender	JP Morgan Chase Bank, NA				

APPRAISAL AND REPORT IDENTIFICATION

This Appraisal Report is one of the following types:

- ☐ **Self Contained** (A written report prepared under Standards Rule 2-2(a) , pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- ☒ **Summary** (A written report prepared under Standards Rule 2-2(b) , pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- ☐ **Restricted Use** (A written report prepared under Standards Rule 2-2(c) , 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.
— I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
— 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 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.
— I have (or have not) made a personal inspection of the property that is the subject of this report. (If more than one person signs this certification, the certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)
— no one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated.)

Comments on Appraisal and Report Identification

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

PURPOSE AND FUNCTION OF APPRAISAL:
THE PURPOSE OF THIS APPRAISAL IS TO ESTIMATE THE FAIR MARKET VALUE OF THE SUBJECT PROPERTY AS DEFINED HEREIN. THE FUNCTION OF THIS APPRAISAL IS TO ASSIST THE LENDER IN EVALUATING THE SUBJECT PROPERTY FOR MORTGAGE LOAN PURPOSES.
SCOPE OF APPRAISAL:
THE SCOPE IS TO CONSIDER THE EXTENT OF THE DATA COLLECTION PROCESS. THE INFORMATION CONSIDERED INCLUDES AN EXTERIOR AND/OR INTERIOR INSPECTION OF THE PROPERTY, CONSIDERATION OF THE NEIGHBORHOOD, HISTORICAL SALES DATA AND ANALYSIS OF THE HIGHEST AND BEST USE MEASURING THE EFFECT OF THE ECONOMIC FACTORS FROM THE MARKET AREA AND THE NEIGHBORHOOD THAT IMPACTS THE PROPERTY. THE APPRAISER'S COMPETENCY TO APPRAISE THIS TYPE OF PROPERTY IS BASED ON PRIOR EXPERIENCE AND CURRENT MARKET DATA AS USED IN THIS REPORT. PERTINENT INFORMATION WAS OBTAINED FROM BUYERS, SELLERS, OWNERS, BROKERS, LEASING AGENTS, PROPERTY MANAGERS, LOCAL PVA AND COUNTY CLERKS' OFFICES, AND OTHER PARTIES THAT HAVE BEEN INVOLVED IN TRANSACTIONS RELEVANT TO THIS REPORT. THE INFORMATION FROM THESE VARIOUS SOURCES IS ASSUMED TO BE TRUE AND CORRECT. THE COST, SALES COMPARISON AND INCOME APPROACHES WERE CONSIDERED AND ONLY THOSE RELEVANT APPROACHES WERE PURSUED.
COMPLETE/SUMMARY APPRAISAL REPORT:
THIS IS A SUMMARY APPRAISAL REPORT WHICH IS INTENDED TO COMPLY WITH REPORTING REQUIREMENTS SET FORTH UNDER STANDARDS RULE 2-2(B) OF THE USPAP FOR SUMMARY APPRAISAL REPORTS. AS SUCH IT PROVIDES ONLY SUMMARY DISCUSSIONS OF THE DATA, REASONING AND ANALYSES EMPLOYED TO DEVELOP THE APPRAISER'S VALUE OPINION. THE DEPTH OF DISCUSSION CONTAINED IN THIS REPORT IS SPECIFIC TO THE NEEDS OF THE CLIENT. THE APPRAISER IS NOT RESPONSIBLE FOR UNAUTHORIZED USE OF THIS REPORT.
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.

APPRAISER:

Signature: R. Vaughn Haney
Name: VAUGHN HANEY
Date Signed: 10/21/2013
State Certification #: 1788
or State License #:
State: KY
Expiration Date of Certification or License: 06/30/2014

Effective Date of Appraisal: 10/15/2013

SUPERVISORY APPRAISER (only if required):

Signature:
Name:
Date Signed:
State Certification #:
or State License #:
State:
Expiration Date of Certification or License:
Supervisory Appraiser inspection of Subject Property:
☐ Did Not ☐ Exterior-only from street ☐ Interior and Exterior

Borrower	STEVEN M JENNINGS			File No.	12-01650153-A
Property Address	1887 Fort Harrods Dr				
City	Lexington	County	FAYETTE	State KY	Zip Code 40503
Lender	JP Morgan Chase Bank, NA				

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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

My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 0-3 months.

Comments on Appraisal and Report Identification

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

APPRAISER:

Signature: R. Vaughn Haney
Name: VAUGHN HANEY
Designation: Certified Residential Appraiser
State Certification #: 1788
or State License #:
State: KY Expiration Date of Certification or License: 06/30/2014
Date Signed: 10/21/2013

Effective Date of Appraisal: 10/15/2013

SUPERVISORY or CO-APPRAISER (if applicable):

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

Supervisory Appraiser inspection of Subject Property:
☐ Did Not ☐ Exterior-only from street ☐ Interior and Exterior

Kentucky Real Estate Appraisers Board

2013 - 14

Hereby grants a *Certified Residential Real Property Appraiser Certificate* License № *001788*

To *Vaughn Haney*
Kentucky Residential Appraisal
107 Candlewood Drive
Winchester, KY 40391

who has complied with the provisions of Chapter 324A of the Kentucky Revised Statutes IN WITNESS WHEREOF, we have caused the official seal to be affixed and attested for the year shown above.

REAL ESTATE APPRAISERS BOARD Commonwealth of Kentucky Established 1990

Harold G. Brantley, Chair
Sam E. Blackburn, Vice Chair
G. Herbert Pritchett
Dorsey Hall
Kathy J. Mayfield

Control № 38480

THIS CERTIFICATE EXPIRES *June 30, 2014*

Form SCA — "WinTOTAL" appraisal software by a la mode, inc. — 1-800-ALAMODE

NAVIGATORS INSURANCE COMPANY

THIS IS A CLAIMS MADE INSURANCE POLICY.

THIS POLICY APPLIES ONLY TO THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD. ALL CLAIMS MUST BE REPORTED IN WRITING TO THE COMPANY DURING THE POLICY PERIOD OR WITHIN 60 DAYS AFTER THE END OF THE POLICY PERIOD.

PLEASE READ THIS POLICY CAREFULLY.

REAL ESTATE PROFESSIONAL ERRORS AND OMISSIONS INSURANCE POLICY
DECLARATIONS

POLICY NUMBER: PH13REL102065IV RENEWAL OF: PH12REL102065IV

1. NAMED INSURED: Robert Vaughn Haney dba Kentucky Residential Appraisal

2. ADDRESS: 107 Candlewood Dr
Winchester, KY 40391

3. POLICY PERIOD: FROM: 06/28/2013 TO: 06/28/2014
12:01 A.M. Standard Time at the address of the **Named Insured** as stated in Number 2 above.

4. LIMITS OF LIABILITY: (Inclusive of claim expenses):
   A. $ 1,000,000 Limit of Liability - Each Claim
   B. $ 1,000,000 Limit of Liability - Policy Aggregate

5. DEDUCTIBLE: (Inclusive of claim expense): $ 1,000 Each Claim

6. PREMIUM: $ 1,095.00 Additional 1.80% KY State Tax $20.00 & $8.00% Municipal Tax 88.00

7. RETROACTIVE DATE: 07/01/1997

8. FORMS ATTACHED: NAV REL NIC PF (02 11) NAV REL 300 KY (02 11)
NAV REL 025 (02 11) NAV REL 008 (02 11)
NAV-ML-002 (11/12)

PROGRAM ADMINISTRATOR:

Herbert H. Landy Insurance Agency Inc.
75 Second Ave Suite 410
Needham, MA 02494-2876

Navigators
Insuring A World In Motion