Uniform Residential Appraisal Report

File No. 22139

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 318 E Fudge St | City Covington | State VA | Zip Code 24426

Borrower John W Waugh / Charlotte F Waugh | Owner of Public Record John W Waugh / Charlotte F Waugh | County Covington City

Legal Description Fudge Addition Lot 5, Blk 5

Assessor's Parcel # 2022-05-11-17.27.37.525000 | Tax Year 2022 | R.E. Taxes $ 502

Neighborhood Name Covington | Map Reference 2022-05-11-17.27.37.52 | Census Tract 0601.00

Occupant [X] Owner [ ] Tenant [ ] Vacant | Special Assessments $ 0 [ ] PUD HOA $ 0 [ ] per year [ ] per month

Property Rights Appraised [X] Fee Simple [ ] Leasehold [ ] Other (describe)

Assignment Type [ ] Purchase Transaction [X] Refinance Transaction [ ] Other (describe)

Lender/Client Truist Bank | Address 214 N Tryon St, Charlotte, NC 28202

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 [X] No

Report data source(s) used, offering price(s), and date(s). MLS, owner.

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	[X] Suburban	[ ] Rural	Property Values	[X] Increasing	[ ] Stable	[ ] Declining	PRICE	AGE		One-Unit	90 %
Built-Up	[X] Over 75%	[ ] 25-75%	[ ] Under 25%	Demand/Supply	[ ] Shortage	[X] In Balance	[ ] Over Supply	$(000)	(yrs)		2-4 Unit	1 %
Growth	[ ] Rapid	[X] Stable	[ ] Slow	Marketing Time	[ ] Under 3 mths	[X] 3-6 mths	[ ] Over 6 mths	97 Low		0	Multi-Family	1 %
Neighborhood Boundaries	Merry Ln - Hickory St north, Alleghany Ave east, Spruce St south, Royal							191 High		150	Commercial	5 %
Ave west.								126 Pred.		75	Other Land	3 %

Neighborhood Description Small mountain city within the George Washington National Forest - existing homes in a variety of styles, ages, acreage and price ranges, multi-family, commercial with new area construction and renovation of older homes. Subject has access to all necessary supporting facilities; schools, shopping, medical and recreation.

Market Conditions (including support for the above conclusions) Slow but stable market with a variety of loan programs available. Record low interest rates with minimal fluctuation. It is not unusual for a seller to pay all or part of the borrower's closing costs, points, pre-paids, and/or bank fees which does not affect the final opinion of value adversely. Reasonable marketing time is considered to be 3 to 6 months.

SITE

Dimensions 7841 sf | Area 7841 sf | Shape Rectangular | View N;Res;Mtn

Specific Zoning Classification R2 | Zoning Description Single & Multi-Family

Zoning Compliance [X] Legal [ ] Legal Nonconforming (Grandfathered Use) [ ] No Zoning [ ] Illegal (describe) Compliant with municipal zoning.

Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? [X] Yes [ ] No If No, describe. Current zoning is typical and surrounded by same with no anticipated future change.

Utilities	Public	Other (describe)		Public	Other (describe)	Off-site Improvements? Type	Public	Private
Electricity	[X]	[ ]	Water	[X]	[ ]	Street Macadam	[X]	[ ]
Gas	[X]	[ ]	Sanitary Sewer	[X]	[ ]	Alley Gravel	[X]	[ ]

FEMA Special Flood Hazard Area [ ] Yes [X] No | FEMA Flood Zone X | FEMA Map # 51005C0211D | FEMA Map Date 12/17/2010

Are the utilities and off-site improvements typical for the market area? [X] Yes [ ] No If No, describe. Utilities and improvements are typical for the area.

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? [ ] Yes [X] No If Yes, describe. No favorable or unfavorable easements or encroachments were observed during inspection, excluding the typical public utility easement which creates no adverse condition. No adverse environmental conditions noted. Please see "Statement of Assumptions and Limiting Conditions" in the addenda of this report.

IMPROVEMENTS

GENERAL DESCRIPTION	FOUNDATION	EXTERIOR DESCRIPTION materials/condition	INTERIOR materials/condition
Units [X] One [ ] One with Accessory Unit	[ ] Concrete Slab [X] Crawl Space	Foundation Walls Concrete/avg	Floors Hw/Lam/good
# of Stories 2	[ ] Full Basement [ ] Partial Basement	Exterior Walls Vinyl/good	Walls Drywall/good
Type [X] Det. [ ] Att. [ ] S-Det./End Unit	Basement Area 0 sq. ft.	Roof Surface Architectural/new	Trim/Finish Wood/good
[X] Existing [ ] Proposed [ ] Under Const.	Basement Finish 0 %	Gutters & Downspouts Aluminum/new	Bath Floor Lam/new
Design (Style) Victorian	[ ] Outside Entry/Exit [X] Sump Pump	Window Type DblHung/new	Bath Wainscot Fibrgls/avg
Year Built 1910	Evidence of [ ] Infestation	Storm Sash/Insulated Insulated/new	Car Storage [ ] None
Effective Age (Yrs) 20	[ ] Dampness [ ] Settlement	Screens Screens/new	[X] Driveway # of Cars 2
Attic [ ] None	Heating [X] FWA [ ] HWBB [ ] Radiant	Amenities [ ] WoodStove(s) # 0	Driveway Surface Asphalt
[X] Drop Stair [ ] Stairs	[ ] Other Fuel Electric	[X] Fireplace(s) # 2 [X] Fence Fence	[X] Garage # of Cars 1
[ ] Floor [ ] Scuttle	Cooling [X] Central Air Conditioning	[X] Patio/Deck Deck [X] Porch 2Covere	[ ] Carport # of Cars 0
[ ] Finished [ ] Heated	[ ] Individual [ ] Other	[ ] Pool None [X] Other Shed	[ ] Att. [X] Det. [ ] Built-in

Appliances [X] Refrigerator [X] Range/Oven [X] Dishwasher [ ] Disposal [ ] Microwave [X] Washer/Dryer [ ] Other (describe) No value given to appliances

Finished area above grade contains: 7 Rooms | 3 Bedrooms | 1.1 Bath(s) | 1,991 Square Feet of Gross Living Area Above Grade

Additional features (special energy efficient items, etc.). New high efficiency HVAC system & appliances.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C3;Kitchen-remodeled-one to five years ago;Bathrooms-remodeled-one to five years ago;Remodeled inside and out;New or recent, laminate flooring, carpet, drywall, replaced plaster ceilings, paint, cabinets, tops, vanities, stainless steel appliances, insulated windows, 200 amp service, PEX plumbing, refinished hardwood floors, roof, gutters, ceiling fans, wood privacy fence, landscaping. Home appears in average to good condition and well maintained.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? [ ] Yes [X] No If Yes, describe. No apparent physical, adverse conditions or deficiencies affecting livability, soundness, or structural integrity was observed from visual inspection. Please note: This appraisal is an opinion of market value and does not constitute a home inspection.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [X] Yes [ ] No If No, describe. The subject property generally conforms well to the surrounding neighborhood in style, condition, construction, use and functional utility.

Uniform Residential Appraisal Report

File No. 22139

There are 4 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 99,900 to $ 205,000 .

There are 21 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 97,500 to $ 191,000 .

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE NO. 1		COMPARABLE SALE NO. 2		COMPARABLE SALE NO. 3	
Address	318 E Fudge St Covington, VA 24426	1101 Highland Ave Covington, VA 24426		105 N Wills Ave Covington, VA 24426		204 Rosedale Ave Covington, VA 24426	
Proximity to Subject		0.55 miles SE		0.15 miles NW		0.65 miles NW	
Sale Price	$		$ 159,900		$ 114,000		$ 214,000
Sale Price/Gross Liv. Area	$ 0.00 sq. ft.	$ 89.73 sq. ft.		$ 67.06 sq. ft.		$ 83.99 sq. ft.	
Data Source(s)		RVAR #883179;DOM 109		RVAR #885155;DOM 59		RHR #136266;DOM 176	
Verification Source(s)		GIS/MLS/Agent(s)		GIS/MLS/Agent(s)		GIS/MLS/Agent(s)	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sale or Financing Concessions		ArmLth Conv;0	0	ArmLth FHA;0	0	ArmLth Cash;0	0
Date of Sale/Time		s12/21;c12/21	0	s02/22;c01/22	0	s01/22;c11/21	0
Location	N;Res;	N;Res;		N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	7841 sf	14375 sf	0	4792 sf	0	15682 sf	-10,000
View	N;Res;Mtn	N;Res;Mtn		N;Res;Mtn		N;Res;Mtn	
Design (Style)	DT2;Victorian	DT2;Bungalow	0	DT2;Victorian		DT2;QueenAnne	0
Quality of Construction	Q4	Q4		Q4		Q4	
Actual Age	112	72	0	102	0	113	0
Condition	C3	C3		C4	40,000	C3	
Above Grade Room Count (Total / Bdrms. / Baths)	7 / 3 / 1.1	8 / 4 / 1.1	0	6 / 3 / 1.1	0	11 / 5 / 2.0	0
Gross Living Area 30	1,991 sq. ft.	1,782 sq. ft.	6,270	1,700 sq. ft.	8,730	2,548 sq. ft.	-2,000 -16,710
Basement & Finished Rooms Below Grade	0sf	900sf0sfwo	-4,500	0sf		1354sf0sfwo	-6,800
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	FWA C/Air	FWA C/Air		FWA C/Air		Radiant WU	2,000
Energy Efficient Items	InsulatedWs	InsulatedWs		InsulatedWs		InsulatedWs	
Garage/Carport	1gd2dw	2dw	5,000	1gd2dw		1gd2dw	
Porch/Patio/Deck	2CovPor/Deck	CoveredPorch	6,000	CoveredPorch	6,000	2CovPorches	0
Amenities	Fence/Shed	Fence/Sheds	0	None	4,500	None	4,500
Amenities	2F/P	None	3,000	1F/P	1,500	2F/P	
Net Adjustment (Total)		[X] + [ ] -	$ 15,770	[X] + [ ] -	$ 60,730	[ ] + [X] -	$ 29,010
Adjusted Sale Price of Comparables		Net Adj. 9.9% Gross Adj. 15.5%	$ 175,670	Net Adj. 53.3% Gross Adj. 53.3%	$ 174,730	Net Adj. -13.6% Gross Adj. 19.6%	$ 184,990

I [X] did [ ] did not research the sale or transfer history of the subject property and comparable sales. If not, explain No prior sales/transfers within three years of this current appraisal effective date.

My research [ ] did [X] 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) City of Covington GIS

My research [ ] did [X] 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) City of Covington GIS/Alleghany Co. GIS

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 NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Date of Prior Sale/Transfer				
Price of Prior Sale/Transfer				
Data Source(s)	City of Covington GIS	City of Covington GIS	City of Covington GIS	City of Covington GIS
Effective Date of Data Source(s)	05/20/2022	05/20/2022	05/20/2022	05/20/2022

Analysis of prior sale or transfer history of the subject property and comparable sales All prior sales/transfers of subject property occurred more than 3 years ago. All sales/transfers of comparable sales occurred more than 1 year ago.

Summary of Sales Comparison Approach. The sales utilized for comparison are believed to be the most recent and reliable of all relevant data available. Each sale is located in the same general area and had overall similarities except for those noted. Based on analysis of the data gathered, the sales comparison approach is considered most supportive of the value opinion listed below. After consistent adjustments for dissimilarities, a reasonable range was reflected. Most weight is given to sales & with sale lending support.

Indicated Value by Sales Comparison Approach $ 175,000

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 175,000 Cost Approach (if developed) $ 209,200 Income Approach (if developed) $ 0

There was insufficient data to adequately support a 'Gross Rent Multiplier', or value via the income approach.

This appraisal is made [X] "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 $ 175,000 as of 05/20/2022 , which is the date of inspection and the effective date of this appraisal.

Uniform Residential Appraisal Report

File No. 22139

ADDITIONAL COMMENTS

Clarification of Intended Use and Intended User: The Intended User of this appraisal report is the Lender/Client/User. 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. This appraisal report is compliant with all Fannie Mae and Freddie Mac 'UAD' (Uniform Appraisal Dataset) requirements. This report complies with USPAP / FIERREA and all state jurisdictional guidelines requirements.Appraiser fee for this report is $600. Subject is 58 miles from my office. The Square Footage-Method for Calculating: ANSI Z765-2021 - was used for measuring, calculating and reporting the gross living and non-gross living areas of the subject property. Proximties are typical and necessary given the current low inventory in all areas. Covington has a population estimated at 5,900+ over 5.47 square miles (US Census Bureau 2020), surrounded by the George Washington National Forest that comprises 50% of the county and is federally protected land. (see Google Earth & Flood Map photos) Subject, sales and listings are all within the same general marketing area regardless of distance and any crossed roads, boundaries and zip code suffix. With the current low inventory, appraisers are relegated to the use of sales less than optimum in terms of type, style, age, quality, condition, amenities, condition, room/bath counts, land value, distance, and more desirable closing dates. Utilities/mechanicals/appliances were turned on and functioning properly at the time of inspection. No value given to appliances or any personal property. The sales utilized for comparison are considered to be the most recent, relevant and proximate of all sales analyzed at the time of inspection, appraisal that closed within a 3 to 12 month period. Analysis shows sales older than 6 months (sales 1 & 4) are considered relevant. Site adjustments, or lack thereof, are based on price per acre/sq.ft. per individual locational factors, topography, view, subdividing potential, and/or any applicable external issues, adverse seasonal ingress and egress, etc., NOT numerical bracketed acreage. Exceeding line item, net and gross adjustments guidelines for sale 2 was unavoidable due to a low inventory market of both sales and listings. Note: Increasing values are due to a strong sellers market with very low inventory. Reconciliation consistency indicates the inability to extract time adjustments from the market based on the sale dates involved, except where considered warranted. It's more statistically sound to calculate time differences over a 10-12 month period which considers seasonal impact on the market over a longer period. Attempting time adjustments on a monthly basis is near impossible with insufficient data.

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) Site value based on land sales by location, acreage, topography, view. Area virtually 100% developed for years.

ESTIMATED ☐ REPRODUCTION OR ☒ REPLACEMENT COST NEW

Source of cost data Local Builders/Marshall & Swift

Quality rating from cost service Good Effective date of cost data 05/20/2022

Comments on Cost Approach (gross living area calculations, depreciation, etc.)

No functional or external depreciation was noted at the the time of inspection. Physical depreciation is calculated by the 'age/life' method. 20 year(s), 'effective age', divided by 60 years, 'economic life' = 33% of physical depreciation.

OPINION OF SITE VALUE				= $ 15,000
Dwelling	1,991 Sq. Ft. @ $	110.00		= $ 219,010
0	Sq. Ft. @ $	0.00		= $ 0
Amenities				24,000
Garage/Carport	952 Sq. Ft. @ $	35.00		= $ 33,320
Total Estimate of Cost-New				= $ 276,330
Less Depreciation	60 Physical $92,110	Functional	External	= $ (92,110)
Depreciated Cost of Improvements				= $ 184,220
"As-is" Value of Site Improvements				= $ 10,000
INDICATED VALUE BY COST APPROACH				= $ 209,200

Estimated Remaining Economic Life (HUD and VA only) 40 Years

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent $ X Gross Rent Multiplier = $ 0 Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM) There was insufficient data available from the market to adequately support a 'gross rent multiplier' or opinion of value based on the income approach.

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 an 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(s)

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.

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 this 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.

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.

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 _____
Name Milton B Swing
Company Name Swing-Tyburn Appraisal, Inc
Company Address 7214 Red Cedar Circle
Roanoke VA, VA 24019
Telephone Number 1-540-989-7293
Email Address tyburn@cox.net
Date of Signature and Report 05/24/2022
Effective Date of Appraisal 05/20/2022
State Certification # 4001003961
or State License # _____
or Other (describe) _____ State # _____
State VA
Expiration Date of Certification or License 09/30/2023

ADDRESS OF PROPERTY APPRAISED
318 E Fudge St
Covington, VA 24426

APPRAISED VALUE OF SUBJECT PROPERTY $ 175,000

LENDER/CLIENT
Name Accurate Group LLC
Company Name Truist Bank
Company Address 214 N Tryon St
Charlotte, NC 28202
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 _____

Uniform Residential Appraisal Report

File No. 22139

FEATURE	SUBJECT	COMPARABLE SALE NO. 4		COMPARABLE SALE NO. 5		COMPARABLE SALE NO. 6	
Address	318 E Fudge St Covington, VA 24426	321 Main St Clifton Forge, VA 24422					
Proximity to Subject		9.04 miles NE					
Sale Price	$		$ 175,000		$		$
Sale Price/Gross Liv. Area	$ 0.00 sq. ft.	$ 82.63 sq. ft.		$ sq. ft.		$ sq. ft.	
Data Source(s)		RVAR #882451;DOM 44					
Verification Source(s)		GIS/MLS/Agent(s)					
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sale or Financing Concessions		ArmLth FHA;0	0				
Date of Sale/Time		s10/21;c09/21	5,000				
Location	N;Res;	N;Res;					
Leasehold/Fee Simple	Fee Simple	Fee Simple					
Site	7841 sf	5227 sf	0				
View	N;Res;Mtn	N;Res;Mtn					
Design (Style)	DT2;Victorian	DT2;Foursquare	0				
Quality of Construction	Q4	Q4					
Actual Age	112	100	0				
Condition	C3	C3					
Above Grade Room Count	Total 7 / Bdrms. 3 / Baths 1.1	Total 7 / Bdrms. 3 / Baths 2.1	-4,000	Total / Bdrms. / Baths		Total / Bdrms. / Baths	
Gross Living Area 30	1,991 sq. ft.	2,118 sq. ft.	-3,810	sq. ft.		sq. ft.	
Basement & Finished Rooms Below Grade	0sf	684sf0sfwo	-3,400				
Functional Utility	Average	Average					
Heating/Cooling	FWA C/Air	FWA C/Air					
Energy Efficient Items	InsulatedWs	StormWs	5,000				
Garage/Carport	1gd2dw	1cp2dw	2,000				
Porch/Patio/Deck	2CovPor/Deck	3CovPorches	0				
Amenities	Fence/Shed	Fence/Shed					
Amenities	2F/P	1F/P	1,000				
Net Adjustment (Total)		[X] + [ ] -	$ 1,790	[ ] + [ ] -	$	[ ] + [ ] -	$
Adjusted Sale Price of Comparables		Net Adj. 1.0% Gross Adj. 13.8%	$ 176,790	Net Adj. % Gross Adj. %	$	Net Adj. % Gross Adj. %	$

SALES COMPARISON APPROACH

ITEM	SUBJECT	COMPARABLE SALE NO. 4	COMPARABLE SALE NO. 5	COMPARABLE SALE NO. 6
Date of Prior Sale/Transfer				
Price of Prior Sale/Transfer				
Data Source(s)	City of Covington GIS	Alleghany Co. GIS		
Effective Date of Data Source(s)	05/20/2022	05/20/2022		

Summary of Sales Comparison Approach

Uniform Appraisal Dataset Definitions

File No. 22139

Condition Ratings and Definitions

C1 The improvements have been very recently constructed and have not previously been occupied. The entire structure and all components are new and the dwelling features no physical depreciation.*

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

C2 The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category either are almost new or have been recently completely renovated and are similar in condition to new construction.

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

C3 The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

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

C4 The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

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

C5 The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

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

C6 The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

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

Quality Ratings and Definitions

Q1 Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

Q2 Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residences constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high-quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

Q3 Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

Q4 Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

Q5 Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

Q6 Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure.

Definitions of Not Updated, Updated, and Remodeled

Not Updated

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

Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.
An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

Remodeled

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

Explanation of Bathroom Count

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

Uniform Appraisal Dataset Definitions

File No. 22139

Abbreviations Used in Data Standardization Text

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

Other Appraiser-Defined Abbreviations

Abbrev.	Full Name	Appropriate Fields
Por	Porch	Porch/Patio/Deck or Amenities B
CovPor	Covered Porch	Porch/Patio/Deck or Amenities w
Pt	Patio	Porch/Patio/Deck or Amenities F
Dk	Deck	Porch/Patio/Deck or Amenities C
ScrPor	Screened Porch	Porch/Patio/Deck or Amenities H
Enclsd	Enclosed [Porch]	Porch/Patio/Deck or Amenities R
Conc/cn	Concrete	Foundation Walls BB
Blk	Block	Foundation Walls or Exterior HP/
Stn	Stone	Foundation Walls or Exterior Ele
Brk	Brick	Foundation Walls or Exterior FP
HrdiPlk	HardiPlank	Exterior Walls WS
Dryt	Dryvit	Exterior Walls Dc
Wd/wd	Wood	Exterior-Interior Walls or Trim Pr
Vin	Vinyl	Exterior Walls or Floors PtDk
Dbl H	Double Hung	Window Type Shd
Csmt	Casement Windows	Window Type Fen/Fn
Ins Ws	Insulated Windows	Storm Sash/Insulated Pl
Stm Ws	Storm Windows	Storm Sash/Insulated Apt
MetStm	Metal Storm Ws	Storm Sash/Insulated A/Av/Avg
Dw	Drywall	Walls Gd
Pls	Plaster	Walls Com
Hrbrd	Hardboard	Walls
Ptd	Painted	Trim/Finish
Stn	Stained	Trim/Finish
Nat	Natural	Trim/Finish
Hw	Hardwood	Floors
Cpt	Carpet	Floors
Lin	Linoleum	Floors
Mb	Marble	Floors
C.Tile	Ceramic Tile	Floors or Bath Wainscote
Fib	Fiberglass	Bath Wainscote
Ack	Acrylic	Bath Wainscote
Gar/Gr	Garage	Garage/Carport
Cpt/Cp	Carport	Garage/Carport
Att/At	Attached	Garage/Carport
Det/Dt	Detached	Garage/Carport
Built-in	Garage/Carport	Garage/Carport
with	Bonus RoomGarage/	Garage/Carport
Forced	Warm AirHeating/Co	Heating/Cooling
Central	Air Heating/Cooling	Heating/Cooling
Hot	Water Heating/Coolin	Heating/Cooling
Radiant	Heating/Cooling	Heating/Cooling
Baseboar	Baseboard Heating/C	Heating/Cooling
Heat	Pump/HPHeating/Co	Heating/Cooling
ElecCeilE	CeilingHeating/Cooli	Heating/Cooling
Fireplace	Amenities	
Wood	Stove Amenities	
Dock	Amenities	
Pier	Amenities	
Party	Deck Amenities	
Shed	Amenities	
Fence	Amenities	
Pool	Amenities	
Apartmen	Apartment Amenities	
A/Av/Avg	improvements/conditi	improvements/condition
Good	improvements/conditi	improvements/condition
Composit	Composite Porch/Pat	Porch/Patio/Deck or Amenities

Borrower: John W Waugh / Charlotte F Waugh		File No.: 22139
Property Address: 318 E Fudge St		Case No.:
City: Covington	State: VA	Zip: 24426
Lender: Truist Bank		

Adjustments and some value trade-off considerations can vary based on a necessity to mitigate/ offset salient or adverse differences between the subject and sales especially in a low inventory market due to a lack of adjustment and/or bracketing options, to raise or rein-in value, avoid large or numerous singular adjustments, and to weed out or minimize the effect of market anomalies due to a less than 'arm's-length' transaction in an otherwise stable market utilizing extraction, allocation, substitution, value contribution and local market appeal. 'Paired sales/Matched pairs' is flawed technique and essentially meaningless because it can achieve any result you want by simply searching for a pair that supports a desired conclusion. Regression analysis is not useful due to insufficient sample size.

Adjustment methods as described above are those that work in this area of SW Virginia, and, as stated prior, utilized due to the flaws of 'paired sales' (there were none), and the inadequacy of 'Regression Analysis', since linear regressions are meant to describe linear relationships between variables of an adequate sample size of 'like' properties. So, if there is a nonlinear relationship due to insufficient sample size, you will have an inaccurate and misleading model, especially in a highly diverse, low inventory market with an extremely limited data pool. After adjusting for all the obvious, salient differences, the remaining differences are then extracted and allocated, and/or applied that typically results in post reconciliation consistency. Sometimes properties are selected for their ability to effectively mitigate, offset, extract value, then apply remaining differences, again, due to limited market data along with my personal knowledge of those properties, and the overall market through either prior inspections, owners, agents, builders, and 35 years in area real estate, both as an agent, appraiser, construction and remodeling experience. Line item adjustments are calculated by replacement cost new, less depreciation, rounded.

Methods cont'd - Value offsetting/mitigation/substitution I've used on commercial projects, is an indispensable method with residential properties and/or areas that have some degree of disparate, non-uniformity, allowing some value attributes to 'mitigate', 'offset' equally , due to the lack of more ideal sales. A low inventory market dictates those methods an appraiser is able to effectively employ, and not necessarily what would be considered ideal in more populated areas of the state or regions with an abundant pool of 'like' and relevant data. 'One size fits all' methods simply do not work in this part of the state, largely due to insufficient data.

Note: First page of URAR 1004 'Limiting Conditions' - 'Scope of Work' (3) states, 'the appraiser must, at a minimum "inspect each of the comparable sales at least from the street" (regardless of client requirements), as permitted by lender, then certified by appraiser signature.

Appraiser:	Supervisory Appraiser:
Name: Milton B Swing	Name:

USPAP ADDENDUM

File No. 22139

Borrower: John W Waugh / Charlotte F Waugh
Property Address: 318 E Fudge St
City: Covington County: Covington City State: VA Zip Code: 24426
Lender: Truist Bank

APPRAISAL AND REPORT IDENTIFICATION

This report was prepared under the following USPAP reporting option:

- [X] Appraisal Report — A written report prepared under Standards Rule 2-2(a).
- [ ] Restricted Appraisal Report — A written report prepared under Standards Rule 2-2(b).

Reasonable Exposure Time

My opinion of a reasonable exposure time for the subject property at the market value stated in this report is: see below

The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale of market value on the effective date of an appraisal, a retrospective opinion based on an analysis of past events assuming a competitive and open market. The appraiser has determined that the property would need to be exposed for roughly 30 to 180 days in order to achieve the Opinion of Market Value noted in the Reconciliation of the appraisal report. This is based upon a mathematical median of the DOM's of the comparable sales with consideration for the median DOM's reported on the 1004MC form.

Additional Certifications

- [X] 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 performed services, as an appraiser or in another capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Those services are described in the comments below.

Additional Comments

APPRAISER:	SUPERVISORY APPRAISER (only if required):
Signature:	Signature:
Name: Milton B Swing	Name:
Date Signed: 05/24/2022	Date Signed:
State Certification #: 4001003961	State Certification #:
or State License #:	or State License #:
or Other (describe): State #:	State:
State: VA	Expiration Date of Certification or License:
Expiration Date of Certification or License: 09/30/2023	Supervisory Appraiser inspection of Subject Property:
Effective Date of Appraisal: 05/20/2022	[ ] Did Not [ ] Exterior-only from street [ ] Interior and Exterior

Market Conditions Addendum to the Appraisal Report

File No. 22139

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 318 E Fudge St City Covington State VA Zip Code 24426

Borrower John W Waugh / Charlotte F Waugh

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)	9	9	3	[ ] Increasing [X] Stable [ ] Declining
Absorption Rate (Total Sales/Months)	1.50	3.00	1.00	[ ] Increasing [X] Stable [ ] Declining
Total # of Comparable Active Listings	6	3	1	[X] Declining [ ] Stable [ ] Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	4.00	1.00	1.00	[X] 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	105,000	129,000	130,000	[X] Increasing [ ] Stable [ ] Declining
Median Comparable Sales Days on Market	9	22	55	[ ] Declining [ ] Stable [X] Increasing
Median Comparable List Price	139,900	119,900	179,000	[X] Increasing [ ] Stable [ ] Declining
Median Comparable Listings Days on Market	123	137	16	[ ] Declining [X] Stable [ ] Increasing
Median Sale Price as % of List Price	98.00%	100.00%	101.00%	[X] Increasing [ ] Stable [ ] Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent? [ ] Yes [X] No				[ ] Declining [X] 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 show no discernable upward or downward trend, either in the frequency of occurrence, or the amount paid. It is not uncommon for the seller to pay all or part of buyer's closing costs, points, and/or pre-paids. This does not affect the opinion of value adversely and is typical for the area in most price ranges.

Are foreclosure sales (REO sales) a factor in the market? [ ] Yes [X] No If yes, explain (including the trends in listings and sales of foreclosed properties).

Foreclosures and REO sales are not considered to have any major impact the area real estate market.

Cite data sources for above information. Local MLS, real estate agents/brokers, 'RealtyTrac' foreclosure website, and/or any relevant state and municipal data.

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.

There was insufficient sales data for a comprehensive market trend analysis that requires a minimum unit sample size for any analytical inferences and/or conclusions to be drawn or implied in the 1004MC. However, values are appreciating with high demand and low inventory per commissioner's office and MLS stats of the wider overall market with adequate sample size. Realtors have reported multiple contracts in the current sellers' market as evidenced by the above high list to sale price percentage. Note: The above data is based on a wider area of the county due to low population and low housing turnover inclusive Clifton Forge, Low Moor & Selma.

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

APPRAISER

Signature _____
Name Milton B Swing
Company Name Swing-Tyburn Appraisal, Inc
Company Address 7214 Red Cedar Circle
Roanoke VA, VA 24019
State License/Certification # 4001003961 State VA
Email Address tyburn@cox.net

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
Name _____
Company Name _____
Company Address _____
_____
State License/Certification # _____ State _____
Email Address _____

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: John W Waugh / Charlotte F Waugh		File No.: 22139
Property Address: 318 E Fudge St		Case No.:
City: Covington	State: VA	Zip: 24426
Lender: Truist Bank		



FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: May 20, 2022
Appraised Value: $ 175,000



REAR VIEW OF
SUBJECT PROPERTY



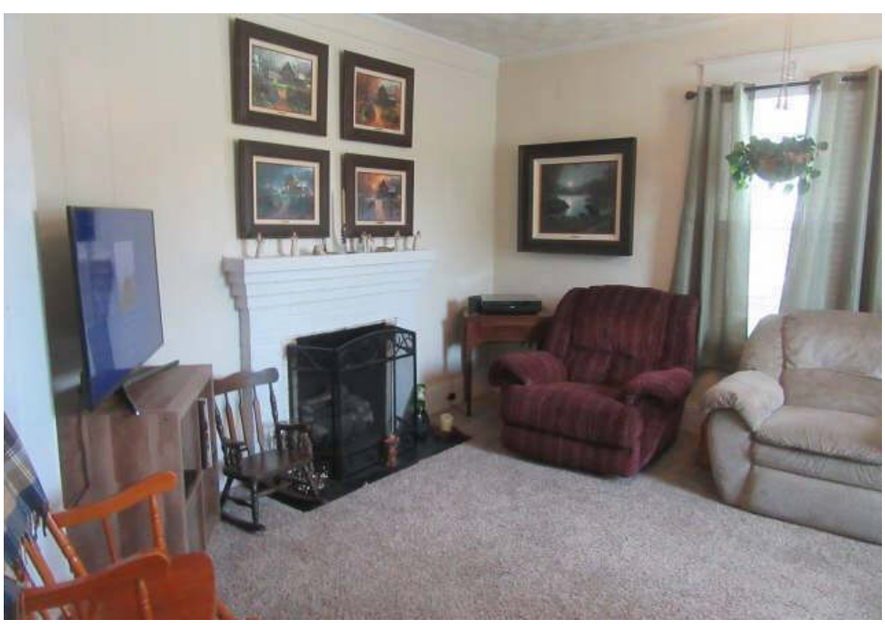
STREET SCENE

Subject Photos

Borrower: John W Waugh / Charlotte F Waugh		File No.: 22139
Property Address: 318 E Fudge St		Case No.:
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Lender: Truist Bank		



Foyer



Living Room



Living Room cont'd

Subject Photos

Borrower: John W Waugh / Charlotte F Waugh		File No.: 22139
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Lender: Truist Bank		



Family Room



Family Room cont'd



Eat-in-Kitchen

Subject Photos

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Half Bath & Pantry



Bedroom



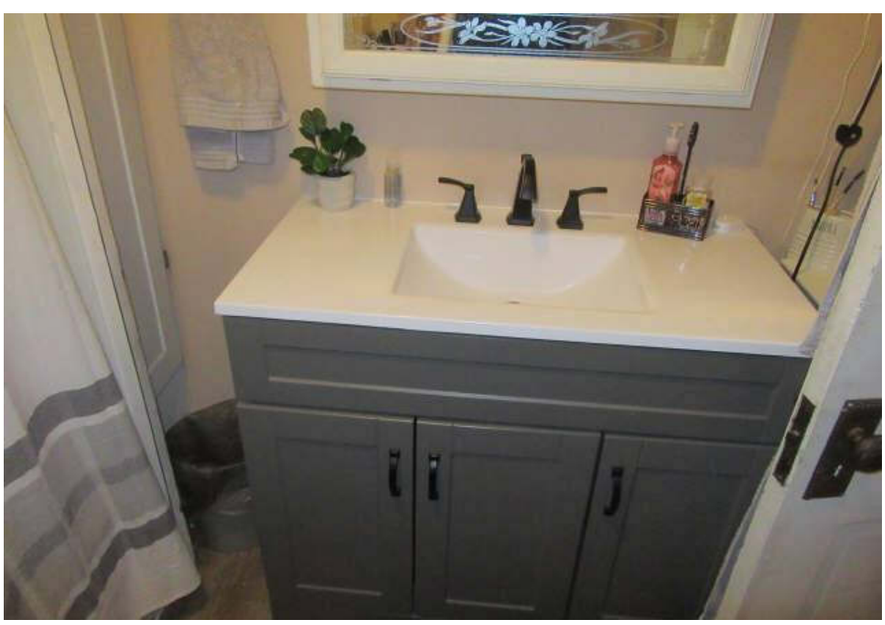
Bedroom

Subject Photos

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Bedroom



Full Bath



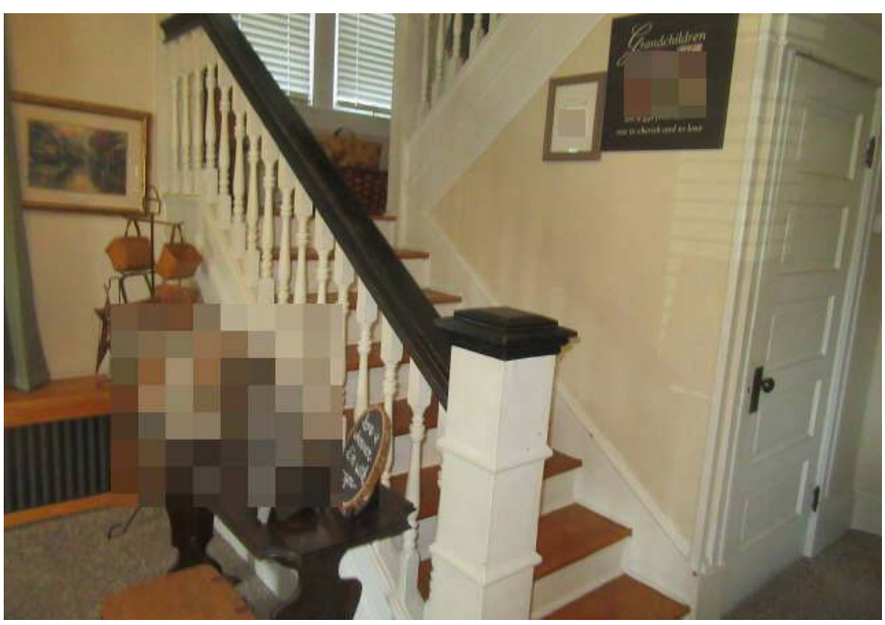
Full Bath cont'd

Subject Photos

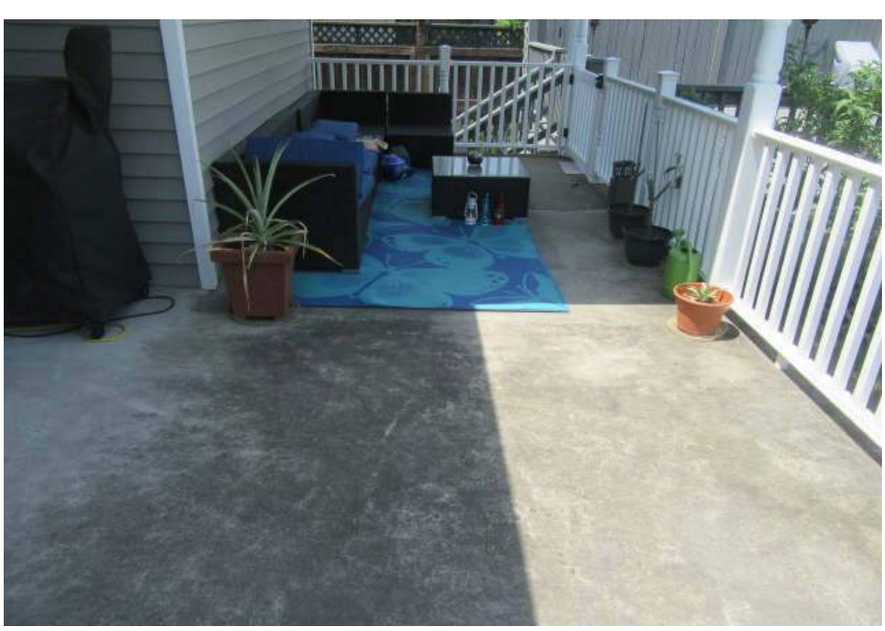
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2nd Floor Laundry Room



Staircase



Rear Porch

Subject Photos

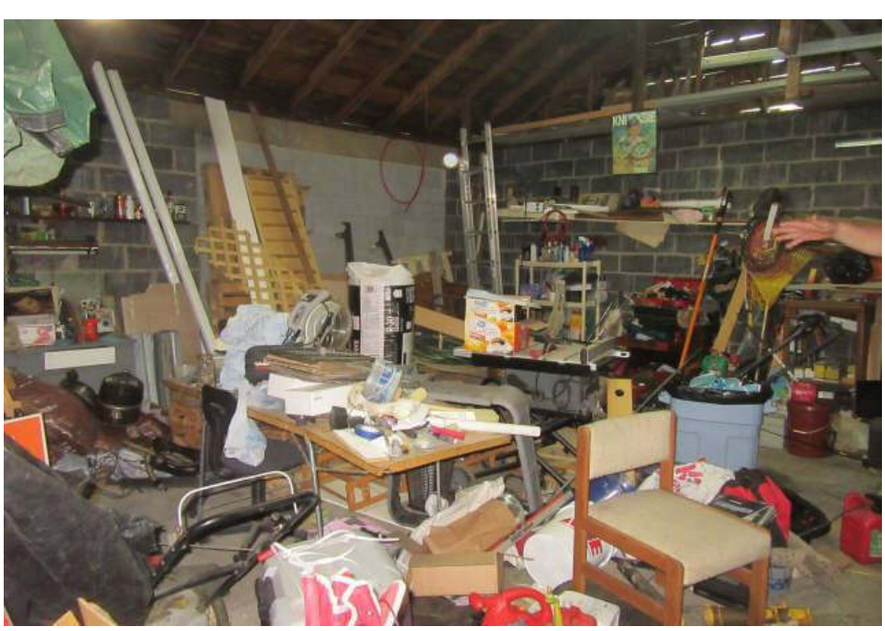
Borrower: John W Waugh / Charlotte F Waugh		File No.: 22139
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Decking
No value given pool



28' x 34' Garage & Storage



Garage Interior

Subject Photos

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City: Covington	State: VA	Zip: 24426
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16' x 20' Shed



Shed Interior



Rear

Subject Photos

Borrower: John W Waugh / Charlotte F Waugh		File No.: 22139
Property Address: 318 E Fudge St		Case No.:
City: Covington	State: VA	Zip: 24426
Lender: Truist Bank		



Landscaping



Standup Crawl Space



Right Side

Subject Photos

Borrower: John W Waugh / Charlotte F Waugh		File No.: 22139
Property Address: 318 E Fudge St		Case No.:
City: Covington	State: VA	Zip: 24426
Lender: Truist Bank		



Left Side



Front



Street Scene

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: John W Waugh / Charlotte F Waugh		File No.: 22139
Property Address: 318 E Fudge St		Case No.:
City: Covington	State: VA	Zip: 24426
Lender: Truist Bank		



COMPARABLE SALE #1

1101 Highland Ave
Covington, VA 24426
Sale Date: s12/21;c12/21
Sale Price: $ 159,900



COMPARABLE SALE #2

105 N Wills Ave
Covington, VA 24426
Sale Date: s02/22;c01/22
Sale Price: $ 114,000



COMPARABLE SALE #3

204 Rosedale Ave
Covington, VA 24426
Sale Date: s01/22;c11/21
Sale Price: $ 214,000

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: John W Waugh / Charlotte F Waugh		File No.: 22139
Property Address: 318 E Fudge St		Case No.:
City: Covington	State: VA	Zip: 24426
Lender: Truist Bank		



COMPARABLE SALE #4

321 Main St
Clifton Forge, VA 24422
Sale Date: s10/21;c09/21
Sale Price: $ 175,000

COMPARABLE SALE #5

Sale Date:
Sale Price: $

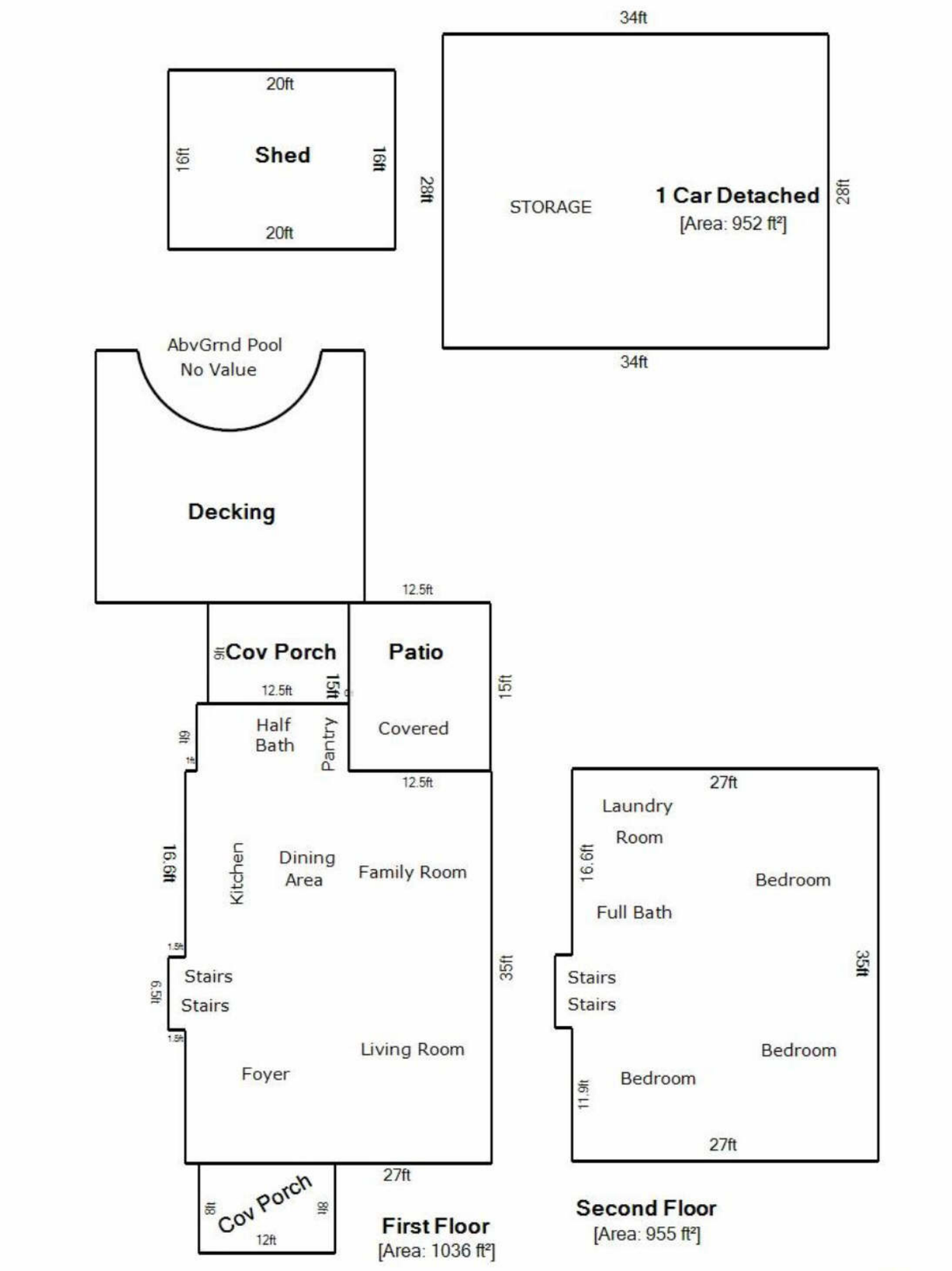
COMPARABLE SALE #6

Sale Date:
Sale Price: $

FLOORPLAN SKETCH

Borrower: John W Waugh / Charlotte F Waugh	File No.: 22139	
Property Address: 318 E Fudge St	Case No.:	
City: Covington	State: VA	Zip: 24426
Lender: Truist Bank		

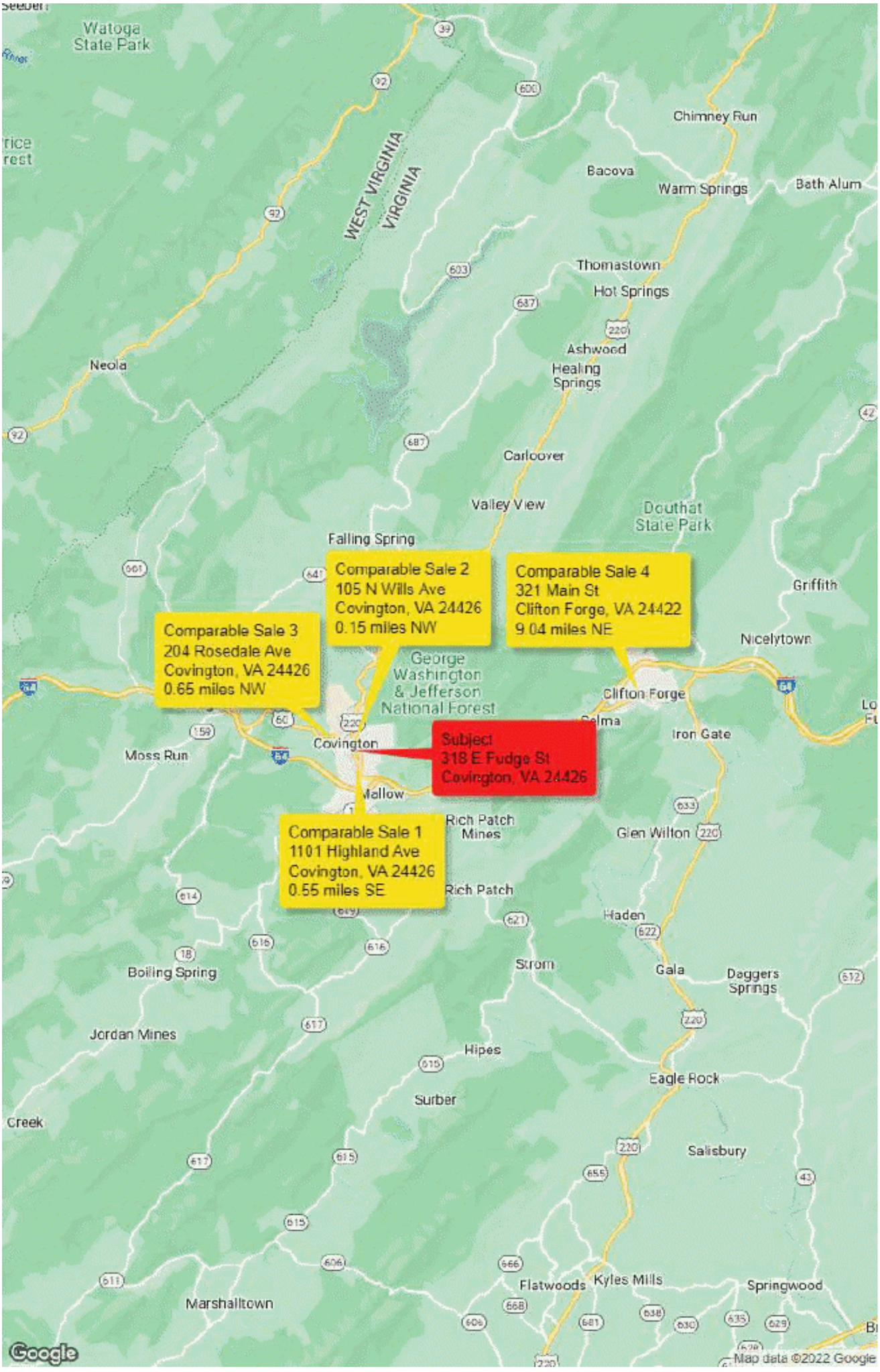
Sketch



Living Area		Area Calculation				
First Floor	1035.75 ft²	First Floor				x 1.00 = 1035.75
Second Floor	954.75 ft²	☐ 6ft x	13.5ft x	1.00 =	81.00	
Nonliving Area		☐ 1.5ft x	6.5ft x	1.00 =	9.75	
Cov Porch	96.00 ft²	☐ 35ft x	27ft x	1.00 =	945.00	
Cov Porch	112.5 ft²	Second Floor				x 1.00 = 954.75
Patio	187.5 ft²	☐ 1.5ft x	6.5ft x	1.00 =	9.75	
1 Car Detached	952.00 ft²	☐ 35ft x	27ft x	1.00 =	945.00	
Shed	320.00 ft²					
Decking	445.83 ft²					
Total Living Area (rounded):	**1991 ft²**					

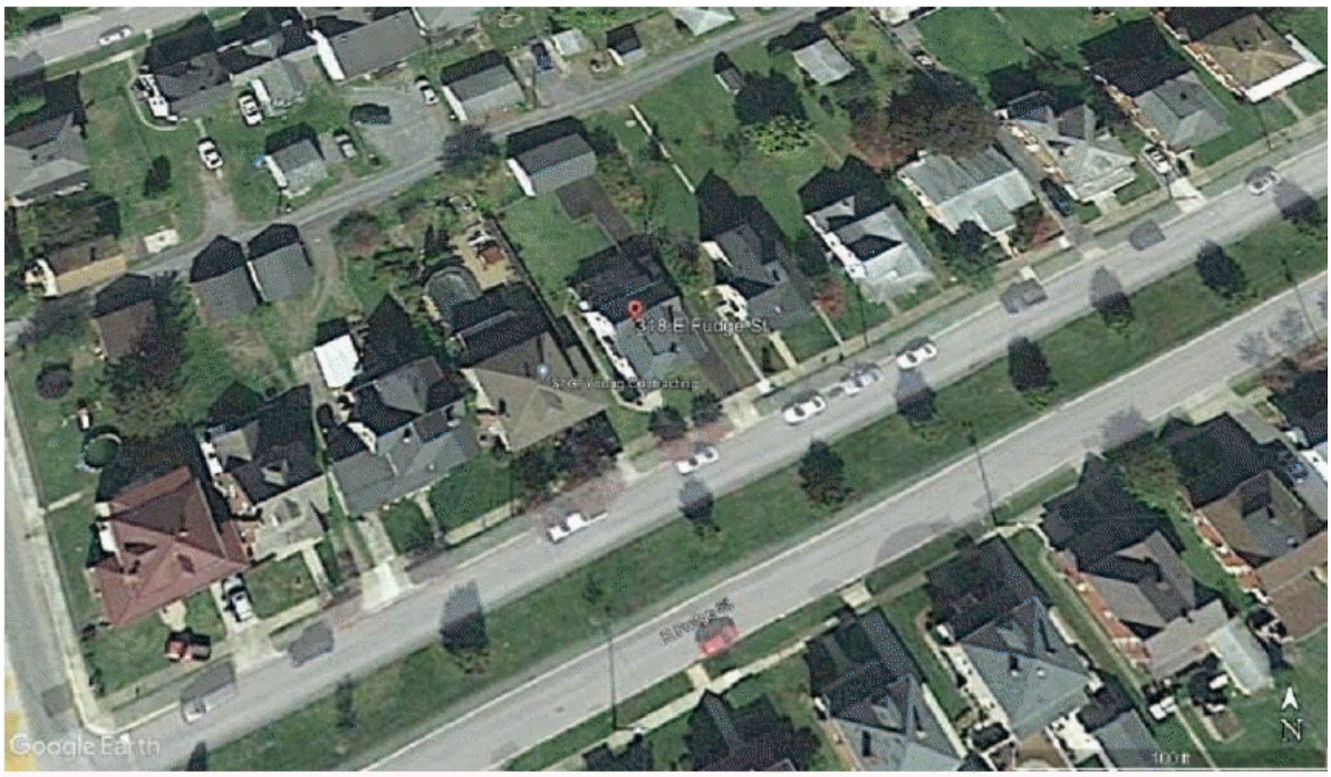
LOCATION MAP

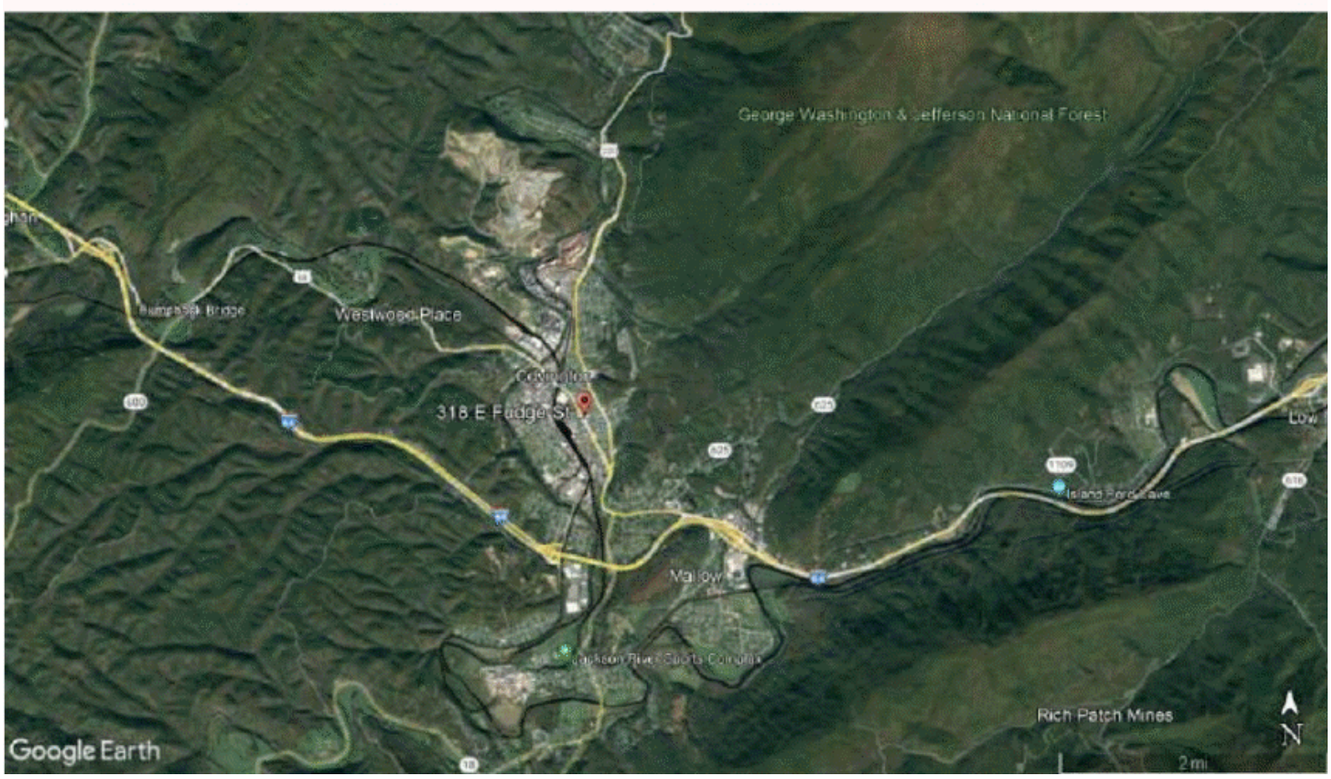
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Google Earth View of Subject Neighborhood and Surrounding Area

Borrower: John W Waugh / Charlotte F Waugh		File No.: 22139
Property Address: 318 E Fudge St		Case No.:
City: Covington	State: VA	Zip: 24426
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PLAT MAP

Borrower: John W Waugh / Charlotte F Waugh		File No.: 22139
Property Address: 318 E Fudge St		Case No.:
City: Covington	State: VA	Zip: 24426
Lender: Truist Bank		



FLOOD MAP

Borrower: John W Waugh / Charlotte F Waugh		File No.: 22139
Property Address: 318 E Fudge St		Case No.:
City: Covington	State: VA	Zip: 24426
Lender: Truist Bank		



FLOOD INFORMATION

Community: City of Covington
Property is NOT in a FEMA Special Flood Hazard Area
Map Number: 51005C0211D
Panel: 51005C0211
Zone: X
Map Date: 12-17-2010
FIPS: 51580
Source: FEMA DFIRM

LEGEND

= FEMA Special Flood Hazard Area – High Risk

= Moderate and Minimal Risk Areas

Road View:

= Forest = Water

Sky Flood™

No representations or warranties to any party concerning the content, accuracy or completeness of this flood report, including any warranty of merchantability or fitness for a particular purpose is implied or provided. Visual scaling factors differ between map layers and are separate from flood zone information at marker location. No liability is accepted to any third party for any use or misuse of this flood map or its data.

Appraiser License

Borrower: John W Waugh / Charlotte F Waugh		File No.: 22139
Property Address: 318 E Fudge St		Case No.:
City: Covington	State: VA	Zip: 24426
Lender: Truist Bank		



COMMONWEALTH of VIRGINIA

Department of Professional and Occupational Regulation

9960 Mayland Drive, Suite 400, Richmond, VA 23233

Telephone: (804) 367-8500

EXPIRES ON
09-30-2023

NUMBER
4001003961

REAL ESTATE APPRAISER BOARD

CERTIFIED RESIDENTIAL REAL ESTATE APPRAISER

MILTON BOYD SWING
7214 RED CEDAR CIR
ROANOKE, VA 24019-0000

DPOR

Status can be verified at http://www.dpor.virginia.gov

(SEE REVERSE SIDE FOR PRIVILEGES AND INSTRUCTIONS)

DPOR-LIC (02/2017)

Borrower: John W Waugh / Charlotte F Waugh		File No.: 22139
Property Address: 318 E Fudge St		Case No.:
City: Covington	State: VA	Zip: 24426
Lender: Truist Bank		

HUDSON INSURANCE COMPANY
100 William Street, 5th Floor
New York, NY 10038

HUDSON INSURANCE GROUP

REAL ESTATE APPRAISERS ERRORS AND OMISSIONS INSURANCE POLICY DECLARATIONS

NOTICE: THIS IS A "CLAIMS MADE AND REPORTED" POLICY. THIS POLICY REQUIRES THAT A CLAIM BE MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED TO THE INSURER, IN WRITING, DURING THE POLICY PERIOD OR AUTOMATIC EXTENDED REPORTING PERIOD.

THIS POLICY MAY CONTAIN PROVISIONS WHICH LIMIT THE AMOUNT OF CLAIM EXPENSES THE INSURER IS RESPONSIBLE TO PAY IN CONNECTION WITH CLAIMS. CLAIM EXPENSES SHALL BE SUBJECT TO ANY DEDUCTIBLE AMOUNT. THE PAYMENT OF CLAIM EXPENSES WILL REDUCE THE LIMITS OF LIABILITY STATED IN ITEM 4. OF THE DECLARATIONS. PLEASE READ YOUR POLICY CAREFULLY.

PLEASE READ THIS POLICY CAREFULLY.

Policy Number: PRA-2AX-1007633 **Renewal of:** PRA-2AX-1000258

1. **Named Insured:** Milton B Swing
2. **Address:** 7214 Red Cedar Circle
   Roanoke, VA 24019
3. **Policy Period:** **From:** February 1, 2022 **To:** February 1, 2023

   12:01 A.M. Standard Time at the address of the **Named Insured** as stated in Number 2 above
4. **Limit of Liability**

	Each Claim	Policy Aggregate
Damages Limit of Liability	A. $1,000,000	B. $1,000,000
Claims Expense Limit of Liability	C. $1,000,000	D. $1,000,000

5. **Deductible** (Inclusive of **Claims Expenses**):
   5A. $ 500 Each **Claim** 5B. $ 1,000 Aggregate
6. **Policy Premium:** $619.00 **State Taxes/Surcharges:** $0.00
7. **Retroactive Date:** February 1, 1998
8. **Notice to Company:** Notice of a **Claim** or Potential **Claim** should be sent to:
   Hudson Insurance Group
   100 William Street, 5th Floor
   New York, NY 10038
   Fax: 646-216-3786
   Email: hudsonclaims300@hudsoninsgroup.com
9. **A. Program Administrator:** Riverton Insurance Agency Corp.
   OREP- Organization of Real Estate Professionals
   B. Agent/Broker: Insurance Services
   (888) 347-5273

IN WITNESS WHEREOF, We have caused this policy to be executed by our President and our Corporate Secretary at New York, New York

President

Secretary