

APPRAISAL OF REAL PROPERTY

LOCATED AT:

2809 SAN SABA ST
DEED BOOK 31980 PG 517 OF THE MECKLENBURG COUNTY REGISTRY
CHARLOTTE, NC 28214

FOR:

FAIRWAY INDEPENDENT MORTGAGE
114 MORLAKE DR
MOORESVILLE, NC 28117

AS OF:

01/08/2021

BY:

DAVID M COSTNER

Uniform Residential Appraisal Report

File # 8560604136
101VEL11

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 2809 SAN SABA ST				City CHARLOTTE		State NC		Zip Code 28214		
	Borrower MAURICIO BAYAS VELEZ				Owner of Public Record JEFFREY LAUGHTER		County MECKLENBURG				
	Legal Description DEED BOOK 31980 PG 517 OF THE MECKLENBURG COUNTY REGISTRY										
	Assessor's Parcel # 05325301				Tax Year 2020		R.E. Taxes \$ 2,250				
	Neighborhood Name THE RAPIDS AT BELMEADE				Map Reference L98 M58-3		Census Tract 0060.05				
	Occupant <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant				Special Assessments \$ 0		<input checked="" type="checkbox"/> PUD HOA \$ 120		<input checked="" type="checkbox"/> per year <input type="checkbox"/> per month		
	Property Rights Appraised <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)										
	Assignment Type <input checked="" type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)										
	Lender/Client FAIRWAY INDEPENDENT MORTGAGE Address 114 MORLAKE DR, STE 102, MOORESVILLE, NC 28117										
	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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No										
Report data source(s) used, offering price(s), and date(s). DOM 3;\$305,000;01/01/2021;CMLS#3694221.											
CONTRACT	I <input checked="" type="checkbox"/> did <input type="checkbox"/> 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. Arms length sale;NO UNUSUAL TERMS WERE NOTED IN THE FULLY EXECUTED SALES CONTRACT PROVIDED BY THE LENDER.										
	Contract Price \$ 311,700				Date of Contract 01/04/2021		Is the property seller the owner of public record? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Data Source(s) TAX RECORDS		
	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No										
	If Yes, report the total dollar amount and describe the items to be paid. \$0;;										
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 <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural			Property Values <input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining			PRICE AGE		One-Unit 100 %		
	Built-Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%			Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply			\$ (000) (yrs)		2-4 Unit %		
	Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow			Marketing Time <input checked="" type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths			230 Low 0		Multi-Family %		
	Neighborhood Boundaries THE SUBJECT AREA IS BOUND BY THE MOUNT HOLLY RD (N),						375 High 25		Commercial %		
	BELMEADE BLVD (W & S), RHYNE RD (E) IN THE RAPIDS AT BELMEADE COMMUNITY.						340 Pred. 0		Other %		
	Neighborhood Description THE SUBJECT AREA IS RELATIVELY HOMOGENOUS BLEND OF SIMILAR STYLE DWELLINGS IN AVERAGE PROXIMITY TO SHOPPING, SCHOOLS AND EMPLOYMENT IN THE AREA. THE IMMEDIATE AREA APPEARS TRANQUIL AND ATTRACTIVE, APPEALING TO PURCHASERS COMMUTING TO THE CHARLOTTE AND GREATER MECKLENBURG WORKPLACES.										
	Market Conditions (including support for the above conclusions) SEE ATTACHED 1004MC FORM FOR EXPANDED COMMENTS.										
	SITE	Dimensions SEE ATTACHED GIS TAX MAP				Area 6098 sf		Shape RECTANGULAR +/-		View B;Wtr;Pond	
Specific Zoning Classification R-3				Zoning Description SINGLE FAMILY RESIDENTIAL							
Zoning Compliance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming (Grandfathered Use)				<input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)							
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe											
Utilities				Public				Other (describe)			
Electricity <input checked="" type="checkbox"/> <input type="checkbox"/>				Water <input checked="" type="checkbox"/> <input type="checkbox"/>				Off-site Improvements - Type			
Gas <input checked="" type="checkbox"/> <input type="checkbox"/>				Sanitary Sewer <input checked="" type="checkbox"/> <input type="checkbox"/>				Street ASPHALT <input checked="" type="checkbox"/> <input type="checkbox"/>			
				Alley NONE <input type="checkbox"/> <input type="checkbox"/>				Private <input type="checkbox"/> <input type="checkbox"/>			
FEMA Special Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				FEMA Flood Zone X		FEMA Map # 37119C4506L		FEMA Map Date 09/02/2015			
Are the utilities and off-site improvements typical for the market area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe											
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe											
IMPROVEMENTS	General Description			Foundation		Exterior Description		materials/condition		Interior	
	Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit			<input checked="" type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space		Foundation Walls MASONRY/GD		Floors HWD,CPT/GD			
	# of Stories 2			<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement		Exterior Walls VINYL,STONE/GD		Walls SHRK/GD			
	Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit			Basement Area 0 sq.ft.		Roof Surface SHINGLE/GD		Trim/Finish WOOD/GD			
	<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.			Basement Finish 0 %		Gutters & Downspouts ALUMINUM/GD		Bath Floor HWD,TILE/GD			
	Design (Style) CRAFTSMAN			<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump		Window Type S/H VINYL/GD		Bath Wainscot FG/GD			
	Year Built 2017			Evidence of <input type="checkbox"/> Infestation		Storm Sash/Insulated YES/GD		Car Storage <input type="checkbox"/> None			
	Effective Age (Yrs) 1			<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement		Screens YES/GD		<input checked="" type="checkbox"/> Driveway # of Cars 2			
	Attic <input type="checkbox"/> None			Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant		Amenities <input type="checkbox"/> Woodstove(s) # 0		Driveway Surface CONCRETE			
	<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs			<input type="checkbox"/> Other Fuel GAS OR EL		<input checked="" type="checkbox"/> Fireplace(s) # 1 <input type="checkbox"/> Fence NONE		<input checked="" type="checkbox"/> Garage # of Cars 2			
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle			Cooling <input checked="" type="checkbox"/> Central Air Conditioning		<input checked="" type="checkbox"/> Patio/Deck PATIO <input checked="" type="checkbox"/> Porch CVD FRT		<input type="checkbox"/> Carport # of Cars 0				
<input type="checkbox"/> Finished <input type="checkbox"/> Heated			<input type="checkbox"/> Individual <input type="checkbox"/> Other		<input type="checkbox"/> Pool NONE <input type="checkbox"/> Other NONE		<input checked="" type="checkbox"/> Att. <input type="checkbox"/> Det. <input type="checkbox"/> Built-in				
Appliances <input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)											
Finished area above grade contains: 7 Rooms 3 Bedrooms 2.1 Bath(s) 1,983 Square Feet of Gross Living Area Above Grade											
Additional features (special energy efficient items, etc.). COVERED FRONT PORCH. EXTENDED REAR CONCRETE PATIO. FIREPLACE.											
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C2;No updates in the prior 15 years;THE SUBJECT IS IN GOOD LIKE-NEW CONDITION AS OF THE DATE OF INSPECTION. ALL SURFACES ARE IN GOOD REPAIR, AND THE OVERALL MARKETABILITY OF THIS PROPERTY IS ASSUMED TO BE COMPETITIVE WITH AREA PROPERTIES. AS WITH ALL TRANSACTIONS, A HOME INSPECTION IS RECOMMENDED. NO WARRANTIES ARE EXPRESSED OR IMPLIED. NO FUNCTIONAL OR EXTERNAL OBSOLESCENCE NOTED DURING INSPECTION.											
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe											
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe											

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There are 5 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 314,900 to \$ 374,900 .												
There are 35 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 231,000 to \$ 362,935 .												
FEATURE		SUBJECT		COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address		2809 SAN SABA ST CHARLOTTE, NC 28214		3012 ARANSAS RD CHARLOTTE, NC 28214			2719 SAN SABA ST CHARLOTTE, NC 28214			4201 BRAZOS ST CHARLOTTE, NC 28214		
Proximity to Subject				0.15 MILES NE			0.06 MILES W			0.45 MILES E		
Sale Price		\$ 311,700		\$ 303,000			\$ 290,000			\$ 328,975		
Sale Price/Gross Liv. Area		\$ 157.19 sq.ft.		\$ 152.41 sq.ft.			\$ 149.48 sq.ft.			\$ 146.15 sq.ft.		
Data Source(s)				CMLS#3657128;DOM 4			CMLS#3609594;DOM 34			CMLS#3625433;DOM 1		
Verification Source(s)				TAX GIS/EXT. INSPECTION			TAX GIS/EXT. INSPECTION			TAX GIS/EXT. INSPECTION		
VALUE ADJUSTMENTS		DESCRIPTION		DESCRIPTION +(-) \$ Adjustment			DESCRIPTION +(-) \$ Adjustment			DESCRIPTION +(-) \$ Adjustment		
Sales or Financing Concessions				ArmLth Cash;0			ArmLth FHA;5000			ArmLth Conv;0		
Date of Sale/Time				s10/20;c09/20			s06/20;c05/20			s05/20;c11/19		
Location		N;Res;		N;Res;			N;Res;			N;Res;		
Leasehold/Fee Simple		FEE		FEE			FEE			FEE		
Site		6098 sf		6098 sf			10019 sf			0 6970 sf		
View		B;Wtr;Pond		N;Res;			N;Res;			N;Res;		
Design (Style)		DT2;CRAFTS		DT2;CRAFTS			DT2;CRAFTS			DT2;CRAFTS		
Quality of Construction		Q3		Q3			Q3			Q3		
Actual Age		4		4			4			0		
Condition		C2		C2			C2			C1		
Above Grade		Total Bdrms. Baths		Total Bdrms. Baths			Total Bdrms. Baths			Total Bdrms. Baths		
Room Count		7 3 2.1		7 3 2.1			7 3 2.1			7 3 2.1		
Gross Living Area		1,983 sq.ft.		1,988 sq.ft.			1,940 sq.ft.			2,251 sq.ft.		
Basement & Finished Rooms Below Grade		0sf		0sf			0sf			0sf		
Functional Utility		AVERAGE		AVERAGE			AVERAGE			AVERAGE		
Heating/Cooling		FHA/CENT		FHA/CENT			FHA/CENT			FHA/CENT		
Energy Efficient Items		TYP FOR MKT		TYP FOR MKT			TYP FOR MKT			TYP FOR MKT		
Garage/Carport		2ga2dw		2ga2dw			2ga2dw			2ga2dw		
Porch/Patio/Deck		PORCH/		PORCH/			PORCH/			PORCH/		
Additional Exterior Items		PATIO		PATIO			PATIO/DECK			-2,500 PATIO		
Fireplace		1 F/P		1 F/P			1 F/P			1 F/P		
Exterior Construction		VNL SID,STN		VNL SID,STN			VNL SID,STN			VNL SID,BRK		
Net Adjustment (Total)				+ \$ 2,500			+ \$ 0			+ \$ -9,900		
Adjusted Sale Price of Comparables				Net Adj. 0.8 % Gross Adj. 0.8 %			Net Adj. 0.0 % Gross Adj. 5.2 %			Net Adj. 3.0 % Gross Adj. 7.6 %		
I <input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain												
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> 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) TAX RECORDS												
My research <input checked="" type="checkbox"/> did <input type="checkbox"/> 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) TAX RECORDS												
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										10/01/2019		
Price of Prior Sale/Transfer										\$0		
Data Source(s)		TAX RECORDS		TAX RECORDS			TAX RECORDS			TAX RECORDS		
Effective Date of Data Source(s)		01/08/2021		01/08/2021			01/08/2021			01/08/2021		
Analysis of prior sale or transfer history of the subject property and comparable sales												
THE PRIOR TRANSFER OF COMPARABLE SALE #3 APPEARS TO HAVE BEEN ASSOCIATED WITH THE VACANT HOMESITE. NO EXCISE STAMPS WERE RECORDED THEREWITH.												
Summary of Sales Comparison Approach												
ALL COMPARABLE PROPERTIES ARE FROM THE SUBJECT SUBDIVISION, AND WERE CONSIDERED TO BE RELIABLE INDICATORS OF VALUE AS ADJUSTED. MEDIAN INDICATION IS ADOPTED FOR THE DETERMINATION BY THIS APPROACH. APPROPRIATE MARKET CONDITION ADJUSTMENTS HAVE BEEN MADE FOR THE SALES WHICH TOOK PLACE OVER SIX MONTHS PRIOR IN A DEMONSTRABLY INCREASING MARKET. SEE ADDENDUM.												
Indicated Value by Sales Comparison Approach \$ 305,500												
Indicated Value by: Sales Comparison Approach \$ 305,500 Cost Approach (if developed) \$ Income Approach (if developed) \$												
AS THE SUBJECT IS AN EXISTING, OWNER-OCCUPIED DWELLING, THE COST APPROACH AND INCOME APPROACH WERE NOT CONSIDERED RELIABLE INDICATORS OF VALUE FOR THE PURPOSES OF THIS REPORT.												
This appraisal is made <input checked="" type="checkbox"/> "as is," <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:												
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 \$ 305,500 , as of 01/08/2021 , which is the date of inspection and the effective date of this appraisal.												

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ADDITIONAL CERTIFICATION (#26) EXPOSURE TIME: 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 AT 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 HAVE TO BE EXPOSED FOR 1 - 3 MONTHS ON THE OPEN MARKET IN ORDER TO HAVE A MARKET VALUE AS SHOWN ON THE EFFECTIVE DATE OF THIS APPRAISAL.

ADDITIONAL COMMENTS

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)

SUITABLE SITE SALES WERE NOT

AVAILABLE IN THIS AREA. THE VALUE IS BASED ON EXTRACTION.

COST APPROACH

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$	60,000
Source of cost data	DWELLING	Sq.Ft. @ \$	= \$
Quality rating from cost service		Sq.Ft. @ \$	= \$
Effective date of cost data			= \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)			= \$
	Garage/Carport	Sq.Ft. @ \$	= \$
	Total Estimate of Cost-New		= \$
	Less Physical	Functional	External
	Depreciation		= \$()
	Depreciated Cost of Improvements		= \$
	"As-is" Value of Site Improvements		= \$
Estimated Remaining Economic Life (HUD and VA only)	59 Years	INDICATED VALUE BY COST APPROACH	= \$

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)			

INCOME

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.

PUD INFORMATION

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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

8560604136
File # 101VEL11

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 DAVID M COSTNER

Company Name D.M. COSTNER & ASSOCIATES

Company Address PO BOX 841

BELMONT, NC 28012

Telephone Number (704) 823-9666

Email Address dcostner1@carolina.rr.com

Date of Signature and Report 01/12/2021

Effective Date of Appraisal 01/08/2021

State Certification # A2769

or State License #

or Other (describe) _____ State # _____

State NC

Expiration Date of Certification or License 06/30/2021

ADDRESS OF PROPERTY APPRAISED

2809 SAN SABA ST

CHARLOTTE, NC 28214

APPRAISED VALUE OF SUBJECT PROPERTY \$ 305,500

LENDER/CLIENT

Name FRISCO LENDER SERVICES

Company Name FAIRWAY INDEPENDENT MORTGAGE

Company Address 114 MORLAKE DR, STE 102,

MOORESVILLE, NC 28117

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 _____

Market Conditions Addendum to the Appraisal Report

File No. 8560604136
101VEL11

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 **2809 SAN SABA ST** City **CHARLOTTE** State **NC** ZIP Code **28214**Borrower **MAURICIO BAYAS VELEZ**

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 complete 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.

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	20	9	6	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	3.33	3.00	2.00	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Total # of Comparable Active Listings	3	2	5	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	0.9	0.7	2.5	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> 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	315,763	296,000	341,523	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	13	4	2	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	329,800	346,340	329,800	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Median Comparable Listings Days on Market	18	10	2	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	100	97	102	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining

Seller-(developer, builder, etc.)paid financial assistance prevalent?

☒ Yes ☐ No

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 CONTRIBUTIONS APPEAR TO BE STABLE.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).Cite data sources for above information. **CAROLINA MLS.**

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.

BASED ON THE PREPONDERANCE OF THE EVIDENCE SHOWN, THE MARKET IS ESTIMATED TO BE *INCREASING* FOR THE PURPOSES OF THIS REPORT.**SEARCH CRITERIA:****SUBDIVISION: THE RAPIDS AT BELMEADE**

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)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab.Rate)				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing

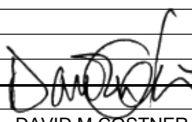
Are foreclosure sales (REO sales) a factor in the project?

☐ 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.

Signature



Appraiser Name

DAVID M COSTNER

Company Name

D.M. COSTNER & ASSOCIATES

Company Address

PO BOX 841, BELMONT, NC 28012

State License/Certification #

A2769State **NC**

Email Address

dcostner1@carolina.rr.com

Signature

Supervisory Appraiser Name

Company Name

Company Address

State License/Certification #

State

Email Address

Subject Photo Page

Borrower	MAURICIO BAYAS VELEZ					
Property Address	2809 SAN SABA ST					
City	CHARLOTTE	County	MECKLENBURG	State	NC	Zip Code 28214
Lender/Client	FAIRWAY INDEPENDENT MORTGAGE					



Subject Front

2809 SAN SABA ST
Sales Price 311,700
Gross Living Area 1,983
Total Rooms 7
Total Bedrooms 3
Total Bathrooms 2.1
Location N;Res;
View B;Wtr;Pond
Site 6098 sf
Quality Q3
Age 4



Subject Rear



Subject Street

Subject Photo Page

Borrower	MAURICIO BAYAS VELEZ					
Property Address	2809 SAN SABA ST					
City	CHARLOTTE	County	MECKLENBURG	State	NC	Zip Code 28214
Lender/Client	FAIRWAY INDEPENDENT MORTGAGE					



Subject Front (alt view)

2809 SAN SABA ST
 Sales Price 311,700
 Gross Living Area 1,983
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms 2.1
 Location N;Res;
 View B;Wtr;Pond
 Site 6098 sf
 Quality Q3
 Age 4



Subject Rear (alt view)



Subject Street (alt view)

Subject Photo Page

Borrower	MAURICIO BAYAS VELEZ					
Property Address	2809 SAN SABA ST					
City	CHARLOTTE	County	MECKLENBURG	State	NC	Zip Code 28214
Lender/Client	FAIRWAY INDEPENDENT MORTGAGE					



Extended Patio

2809 SAN SABA ST

Sales Price 311,700

Gross Living Area 1,983

Total Rooms 7

Total Bedrooms 3

Total Bathrooms 2.1

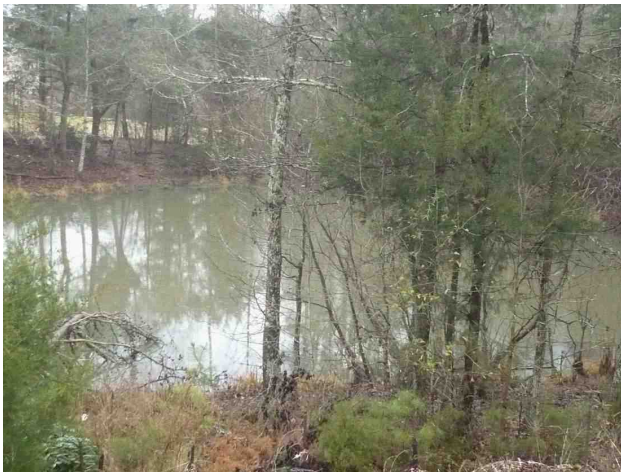
Location N;Res;

View B;Wtr;Pond

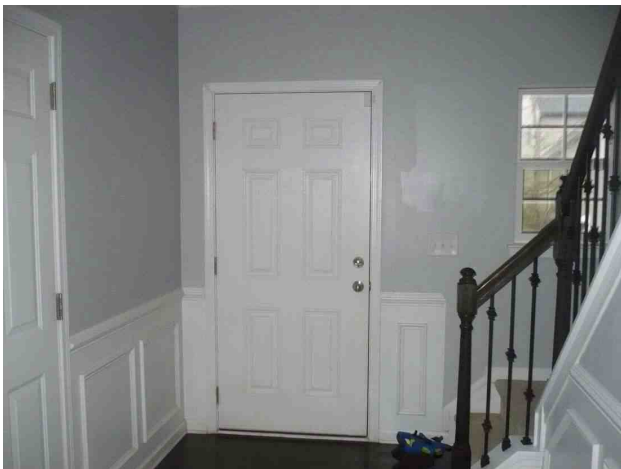
Site 6098 sf

Quality Q3

Age 4



Pond view from Yard



Entry Foyer

Subject Photo Page

Borrower	MAURICIO BAYAS VELEZ					
Property Address	2809 SAN SABA ST					
City	CHARLOTTE	County	MECKLENBURG	State	NC	Zip Code 28214
Lender/Client	FAIRWAY INDEPENDENT MORTGAGE					



Living Room

2809 SAN SABA ST

Sales Price 311,700

Gross Living Area 1,983

Total Rooms 7

Total Bedrooms 3

Total Bathrooms 2.1

Location N;Res;

View B;Wtr;Pond

Site 6098 sf

Quality Q3

Age 4



Dining Room



Kitchen

Subject Photo Page

Borrower	MAURICIO BAYAS VELEZ					
Property Address	2809 SAN SABA ST					
City	CHARLOTTE	County	MECKLENBURG	State	NC	Zip Code 28214
Lender/Client	FAIRWAY INDEPENDENT MORTGAGE					



Kitchen (alt view)

2809 SAN SABA ST
Sales Price 311,700
Gross Living Area 1,983
Total Rooms 7
Total Bedrooms 3
Total Bathrooms 2.1
Location N;Res;
View B;Wtr;Pond
Site 6098 sf
Quality Q3
Age 4



Kitchen (alt view)



Kitchen (alt view)

Subject Photo Page

Borrower	MAURICIO BAYAS VELEZ					
Property Address	2809 SAN SABA ST					
City	CHARLOTTE	County	MECKLENBURG	State	NC	Zip Code 28214
Lender/Client	FAIRWAY INDEPENDENT MORTGAGE					



Half Bath

2809 SAN SABA ST

Sales Price 311,700

Gross Living Area 1,983

Total Rooms 7

Total Bedrooms 3

Total Bathrooms 2.1

Location N;Res;

View B;Wtr;Pond

Site 6098 sf

Quality Q3

Age 4



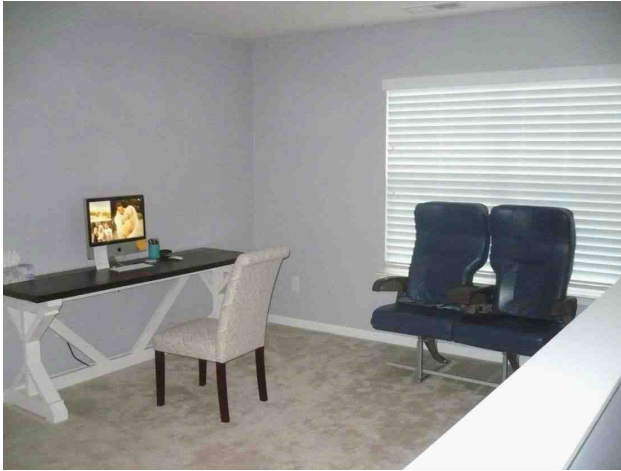
Half Bath (alt view)



Laundry

Subject Photo Page

Borrower	MAURICIO BAYAS VELEZ					
Property Address	2809 SAN SABA ST					
City	CHARLOTTE	County	MECKLENBURG	State	NC	Zip Code 28214
Lender/Client	FAIRWAY INDEPENDENT MORTGAGE					



Loft Den

2809 SAN SABA ST
Sales Price 311,700
Gross Living Area 1,983
Total Rooms 7
Total Bedrooms 3
Total Bathrooms 2.1
Location N;Res;
View B;Wtr;Pond
Site 6098 sf
Quality Q3
Age 4



Owner Bedroom



Owner Bath

Subject Photo Page

Borrower	MAURICIO BAYAS VELEZ					
Property Address	2809 SAN SABA ST					
City	CHARLOTTE	County	MECKLENBURG	State	NC	Zip Code 28214
Lender/Client	FAIRWAY INDEPENDENT MORTGAGE					



Owner Bath (alt view)

2809 SAN SABA ST

Sales Price 311,700

Gross Living Area 1,983

Total Rooms 7

Total Bedrooms 3

Total Bathrooms 2.1

Location N;Res;

View B;Wtr;Pond

Site 6098 sf

Quality Q3

Age 4



Bedroom 2



Bedroom 3

Subject Photo Page

Borrower	MAURICIO BAYAS VELEZ					
Property Address	2809 SAN SABA ST					
City	CHARLOTTE	County	MECKLENBURG	State	NC	Zip Code 28214
Lender/Client	FAIRWAY INDEPENDENT MORTGAGE					



Bath 2

2809 SAN SABA ST

Sales Price 311,700

Gross Living Area 1,983

Total Rooms 7

Total Bedrooms 3

Total Bathrooms 2.1

Location N;Res;

View B;Wtr;Pond

Site 6098 sf

Quality Q3

Age 4

This aerial map shows a section of San Saba St. A green rectangle highlights a specific property lot. The lot contains a grey building footprint with a width of 120 and a depth of 50. The lot is labeled with the number 50 at the top and (98) in the center. To the left of the highlighted lot is a large blue area, likely a lake or reservoir. To the right of the highlighted lot are two more lots, each with a building footprint. The first lot to the right has a width of 120 and a depth of 50, labeled with 50 at the top and (99) in the center. The second lot to the right has a width of 120 and a depth of 50, labeled with 46.81 at the top and (100) in the center. Below San Saba St, there are several more lots with building footprints. The first lot below the street has a width of 39.27 and a depth of 33.18, labeled with 39.27 at the top and (84) in the center. The second lot below the street has a width of 54.5 and a depth of 121.17, labeled with 54.5 at the top and (83) in the center. The third lot below the street has a width of 54.5 and a depth of 120.78, labeled with 54.5 at the top and (82) in the center. The fourth lot below the street has a width of 35.22 and a depth of 39.27, labeled with 35.22 at the top and (81) in the center.

Comparable Photo Page

Borrower	MAURICIO BAYAS VELEZ					
Property Address	2809 SAN SABA ST					
City	CHARLOTTE	County	MECKLENBURG	State	NC	Zip Code 28214
Lender/Client	FAIRWAY INDEPENDENT MORTGAGE					



Comparable 1

3012 ARANSAS RD

Prox. to Subject 0.15 MILES NE
 Sale Price 303,000
 Gross Living Area 1,988
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms 2.1
 Location N;Res;
 View N;Res;
 Site 6098 sf
 Quality Q3
 Age 4



Comparable 2

2719 SAN SABA ST

Prox. to Subject 0.06 MILES W
 Sale Price 290,000
 Gross Living Area 1,940
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms 2.1
 Location N;Res;
 View N;Res;
 Site 10019 sf
 Quality Q3
 Age 4



Comparable 3

4201 BRAZOS ST

Prox. to Subject 0.45 MILES E
 Sale Price 328,975
 Gross Living Area 2,251
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms 2.1
 Location N;Res;
 View N;Res;
 Site 6970 sf
 Quality Q3
 Age 0

Supplemental Addendum

File No. 101VEL11

Borrower	MAURICIO BAYAS VELEZ					
Property Address	2809 SAN SABA ST					
City	CHARLOTTE	County	MECKLENBURG	State	NC	Zip Code 28214
Lender/Client	FAIRWAY INDEPENDENT MORTGAGE					

FIRREA CERTIFICATION:

I PERFORMED THIS APPRAISAL IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE XI OF THE FINANCIAL INSTITUTION REFORM, RECOVERY AND ENFORCEMENT ACT OF 1989, (12 U.S.C. 3331 et seq.), AND ANY IMPLEMENTING REGULATIONS.

REGARDING PRIOR SERVICES:

THE APPRAISER HAS NO INTEREST, DIRECT OR INDIRECT, FINANCIAL OR OTHERWISE IN THE SUBJECT PROPERTY. FURTHERMORE, THE APPRAISER HAS NOT PROVIDED ANY PROFESSIONAL SERVICES ON THIS PROPERTY WITHIN THE PAST 36 MONTHS.

REGARDING DIGITAL PHOTOGRAPHS:

DIGITAL PHOTOGRAPHY WAS UTILIZED IN THE PREPARATION OF THIS APPRAISAL REPORT. THIS PROCESS USES RECENT TECHNOLOGY THAT ALLOWS PHOTOGRAPHS TO BE PRINTED DIRECTLY FROM A COLOR INKJET OR LASER PRINTER, AND INCREASES EFFICIENCY OF THE REPORTING PROCESS. NO MANIPULATION OF THESE PHOTOGRAPHS HAS BEEN MADE TO ALTER THE APPEARANCE OF THE SUBJECT AS IT APPEARED AS OF THE DATE OF INSPECTION.

REGARDING DIGITAL SIGNATURES:

THE DIGITAL SIGNATURES USED IN THIS REPORT CONFORM TO N.C. APPRAISAL BOARD STANDARDS. THIS IS A TRUE AND CORRECT REPRESENTATION OF THE SIGNATURE & STAMP AS IF PERSONALLY SIGNED. THESE SIGNATURES ARE ELECTRONICALLY ENCRYPTED & PROTECTED AGAINST UNAUTHORIZED USE BY MEANS OF AN IBM SECURITY CARD AND CARD READER. ONLY ONE SECURITY CARD EXISTS, AND IS IN THE POSSESSION OF THE APPRAISER AT ALL TIMES.

REGARDING SITE SIZE:

THE MARKET DOES NOT RECOGNIZE DIFFERENCES OF LESS THAN ONE ACRE IN THIS AREA, THUS NO ADJUSTMENTS ARE MADE UNLESS THE DIFFERENCE EXCEEDS ONE ACRE.

REGARDING LINE ITEM BRACKETING:

IT IS NOTED THAT THE LINE ITEM FOR VIEW WAS NOT BRACKETED BY HAVING A SALE WITH THE SAME FEATURE. EVERY EFFORT WAS MADE TO FIND SUITABLE SALES WITH SAME PHYSICAL CHARACTERISTICS AS THE SUBJECT, HOWEVER SUCH SALES WERE NOT OF SUFFICIENT STATURE TO REPLACE THE PRIMARY SALES IN THIS REPORT. EVEN THOUGH THESE ADJUSTMENTS COULD NOT BE EVIDENCED BY BRACKETING, THE ADJUSTMENTS ARE CONSIDERED TO BE REPRESENTATIVE OF THE MARKET, AND ARE REQUIRED TO ADEQUATELY GAUGE THE MARKET REACTION TO THESE DIFFERENCES.

REGARDING SUBJECT UTILITIES:

THE UTILITIES WERE ON AND APPEARED TO BE WORKING PROPERLY BASED ON READILY OBSERVABLE EVIDENCE.

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Condition Ratings and Definitions

C1

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

Note: Newly constructed improvements that feature recycled or previously used materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100 percent new foundation and the recycled materials and the recycled components have been rehabilitated/remanufactured into like-new condition. Improvements that have not been previously occupied are not considered "new" if they have any significant physical depreciation (that is, 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 are either 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 residence 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.

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Quality Ratings and Definitions (continued)

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

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

Example:

3.2 indicates three full baths and two half baths.

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

[illegible]

Errors and Omissions Insurance

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



REAL ESTATE PROFESSIONAL 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-2RE-1000013 Renewal of:

1. **Named Insured:** DM Costner & Associates
(including **Predecessor Entities** and **DBA's**)
2. **Address:** 817 Scotty Ct
Cramerton, NC 28032
3. **Policy Period: From: February 2, 2021 To: February 2, 2022**
12:01 A.M. Standard Time at the address of the **Named Insured** as stated in Number 2 above
4. **Limit of Liability**
A. Per Claim: **\$1,000,000** B. Aggregate: **\$1,000,000**
5. **Deductible: \$5,000** Each Claim
6. **Policy Premium: \$936.00** **State Taxes / Surcharges: \$0**
7. **Retroactive Date: Full Prior Acts**
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
On weekends or holidays: **866-546-3981 (Toll Free)**
9. **A. Program Administrator:** Riverton Insurance Agency Corp.
B. Agent/Broker: OREP

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

A handwritten signature in dark ink, appearing to read 'Anthony J. Sillescu'.

President

A handwritten signature in dark ink, appearing to read 'Dina Dantoli'.

Secretary

Appraiser Qualification

NORTH CAROLINA APPRAISAL BOARD		
APPRAISER QUALIFICATION CARD		
<i>Expires June 30, 2021</i>		
REGISTRATION / LICENSE / CERTIFICATE HOLDER		
20	DAVID M COSTNER	21
A2769	C	Y
APPRAISER NUMBER	TYPE	NATIONAL REGISTRY
APPRAISER'S SIGNATURE		EXECUTIVE DIRECTOR

USPAP ADDENDUM

8560604136
File No. 101VEL11

Borrower	MAURICIO BAYAS VELEZ		
Property Address	2809 SAN SABA ST		
City	County	State	Zip Code
CHARLOTTE	MECKLENBURG	NC	28214
Lender	FAIRWAY INDEPENDENT MORTGAGE		

This report was prepared under the following USPAP reporting option:

- ☒ Appraisal Report This report was prepared in accordance with USPAP Standards Rule 2-2(a).
- ☐ Restricted Appraisal Report This report was prepared in accordance with USPAP 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 PG 3 OF THE REPORT.

Additional Certifications

I certify that, to the best of my knowledge and belief:

- ☒ I have NOT performed 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.
- 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.
 - 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).

Additional Comments

HIGHEST AND BEST USE ANALYSIS AS CURRENTLY IMPROVED:

THE CURRENT USE IS:

1. LEGALLY PERMISSIBLE AS EVIDENCED BY THE ZONING CLASSIFICATION OF THE HOMESITE.
2. PHYSICALLY POSSIBLE AS EVIDENCED BY THE DE FACTO EXISTENCE OF THE IMPROVEMENTS.
3. FINANCIALLY FEASIBLE AS EVIDENCED BY THE COMPARABLE SALES. ANY SUPERADEQUACY HAS BEEN ADDRESSED.
4. MAXIMALLY PRODUCTIVE AS THE HOMESITE IS IMPROVED TO A SINGLE DWELLING AS ALLOWED BY ZONING LAWS.

APPRAISER:

Signature:

Name: DAVID M COSTNER

Date Signed: 01/12/2021

State Certification #: A2769

or State License #:

State: NC

Expiration Date of Certification or License: 06/30/2021

Effective Date of Appraisal: 01/08/2021



SUPERVISORY APPRAISER: (only if required)

Signature:

Name:

Date Signed:

State Certification #:

or State License #:

State:

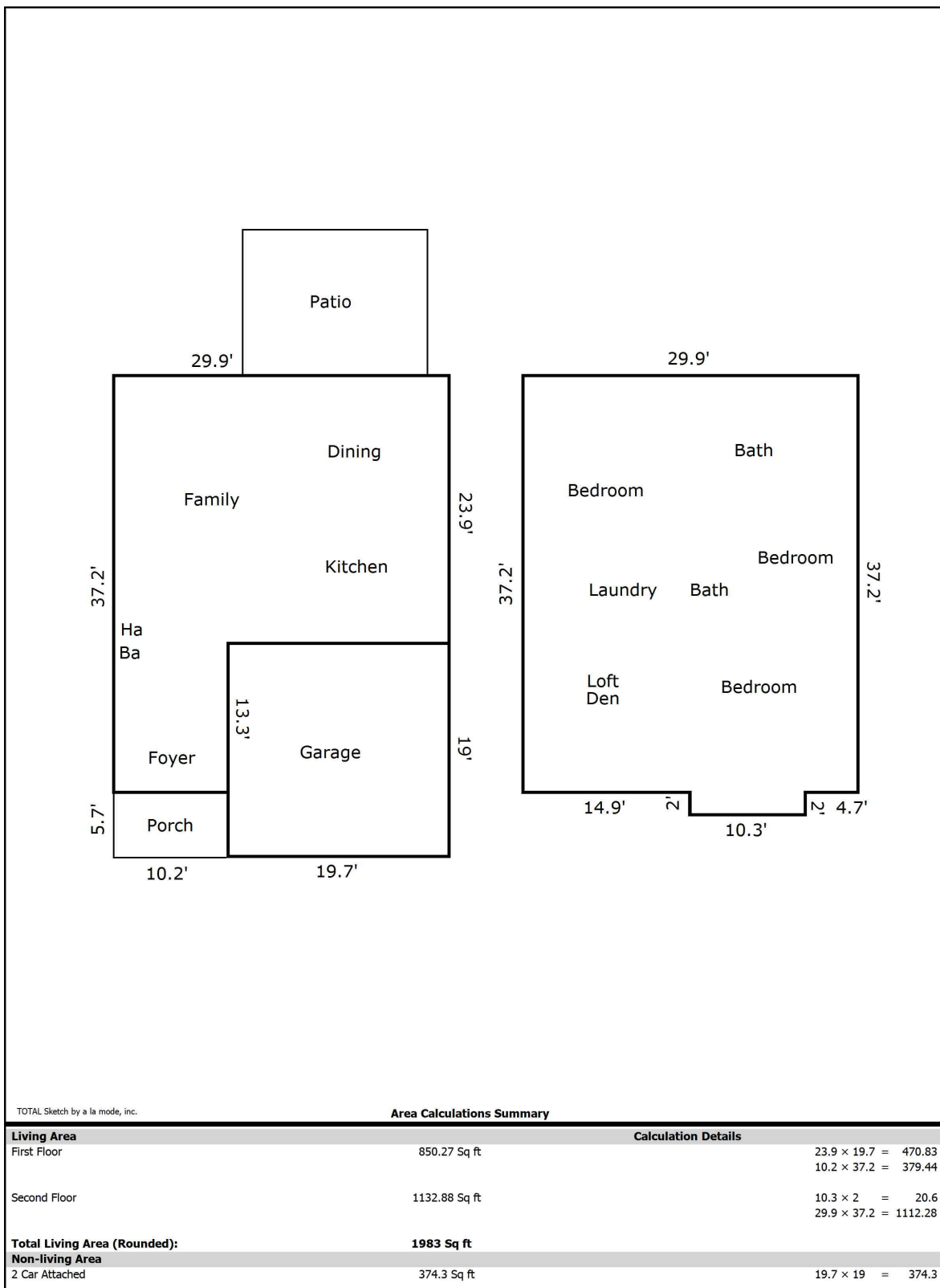
Expiration Date of Certification or License:

Supervisory Appraiser Inspection of Subject Property:

☐ Did Not ☐ Exterior-only from Street ☐ Interior and Exterior

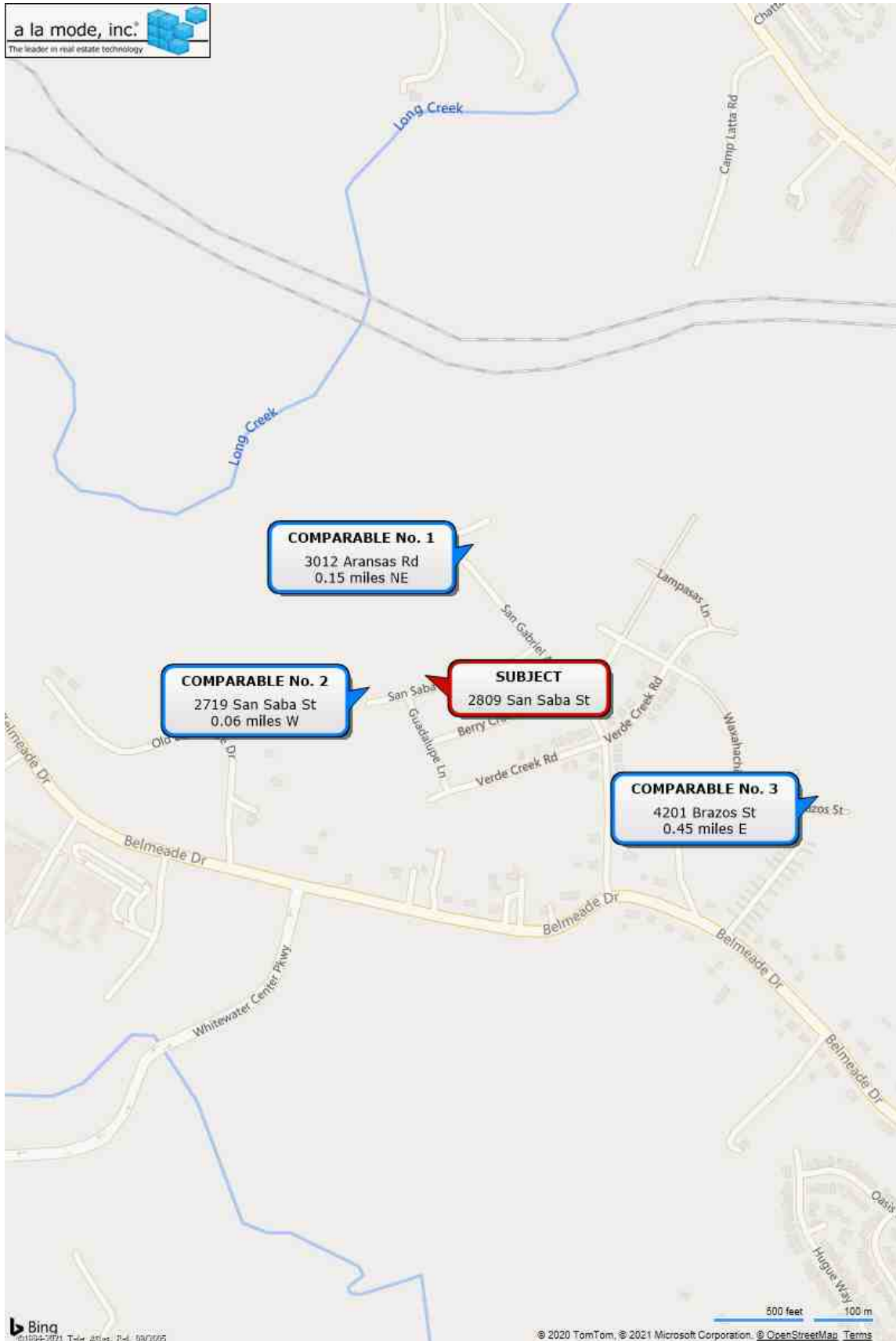
Building Sketch

Borrower	MAURICIO BAYAS VELEZ					
Property Address	2809 SAN SABA ST					
City	CHARLOTTE	County	MECKLENBURG	State	NC	Zip Code 28214
Lender/Client	FAIRWAY INDEPENDENT MORTGAGE					



Location Map

Borrower	MAURICIO BAYAS VELEZ					
Property Address	2809 SAN SABA ST					
City	CHARLOTTE	County	MECKLENBURG	State	NC	Zip Code 28214
Lender/Client	FAIRWAY INDEPENDENT MORTGAGE					





Frisco Lender Services, LLC.

COMPLIANCE CERTIFICATE

Property Address: 2809 San Saba St, Charlotte, NC 28214

Loan Number: 8560504136

File ID: 210105608

Appraisal Order Date: 1/4/2021

Appraisal Completion Date: 1/12/2021

Originating Appraiser: Costner, David

Frisco Lender Services, LLC certifies the above referenced appraisal report was completed in compliance with Subtitle F, Appraisal Activities, Section 1471- Property Appraisal Requirements of the Dodd-Frank Act, Fannie Mae and Freddie Mac - Appraiser Independence Requirements, effective October 15, 2010 and HUD Mortgagee Letter 2009-28, effective February 15, 2010.

- Appraiser Independence Safeguards - there was no attempt to influence the development reporting, result, or review of the appraisal report.
- Appraiser Engagement - FLS was responsible for selecting, retaining, and providing for payment of all compensation to originating appraiser.
- Prevention of Improper Influence - FLS has adopted written policies and procedures implementing the Code of Conduct, including but not limited to, adequate training and disciplinary rules on appraiser independence.
- Referrals of Misconduct - If FLS believes an appraiser is violating applicable laws, or is otherwise engaging in unethical conduct, it shall promptly refer to the applicable state appraiser certifying and licensing agency or other relevant regulatory bodies.
- Representations and Warranties - FLS certifies, warrants and represents that the above mentioned appraisal report was obtained in a manner in compliance with Subtitle F, Appraisal Activities, Section 1471- Property Appraisal Requirements of the Dodd-Frank Act, Fannie Mae and Freddie Mac - Appraiser Independence Requirements, effective October 15, 2010 and HUD Mortgagee Letter 2009-28, effective February 15, 2010.

This document certifies that the appraiser was independently engaged, the appraisal is free of improper influence, and the borrower, homebuyer, lender, and secondary mortgage market investors are receiving a fair and independent property valuation.

FLS COMPLIANCE EMAIL: flscompliance@friscols.com

Frisco Lender Services, LLC
7609 West Jefferson Blvd
Suite 250
Fort Wayne, IN 46804
866-567-6792