

COPY

APPRAISAL OF REAL PROPERTY



LOCATED AT

105 Lawrence Marshall Dr
Hempstead, TX 77445

S56000 Legendary Oaks, Block 1, Lot 3, Acres 0.5223, Waller County Texas

FOR

FNB Bellville
31384 - FM.2920, Suite A
Waller, TX 77484

OPINION OF VALUE

\$ 261,000

AS OF

July 18, 2014

BY

Dan Adkisson
TX-1325412-R
500 Inwood
Tomball, TX 77375
(281) 744-0583
dadk@sbcglobal.net

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Tomball, TX 77375
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July 18, 2014

FNB Bellville
Waller
31384 - FM 2920, Suite A
Waller, TX 77484

Re: Property: 105 Lawrence Marshall Dr
Hempstead, TX 77445
Borrower: Bradley & Chelsea Riley
File No.:

Opinion of Value: \$ 261,000
Effective Date: July 18, 2014

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

The purpose of the appraisal is to develop an opinion of market value for the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

TWO HUNDRED SIXTY ONE THOUSAND DOLLARS
\$ 261,000

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The opinion of value reported above is as of the stated effective date and is contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,



Dan Adkisson
License or Certification #: TX-1325412-R
State: TX Expires: 08/31/2015
dadk@sbcglobal.net

SUMMARY OF SALIENT FEATURES

Subject Address	105 Lawrence Marshall Dr
Legal Description	S56000 Legendary Oaks, Block 1, Lot 3, Acres 0.5223, Waller County Texas
City	Hempstead
County	Waller
State	TX
Zip Code	77445
Census Tract	6805.00
Map Reference	KM: 236 V
Sale Price	\$ N/A
Date of Sale	N/A
Borrower/Client	Bradley & Chelsea Riley
Client	FNB Bellville
Size (Square Feet)	2,266
Price per Square Foot	\$
Location	Legendary Oak
Age	9 years
Condition	Good
Total Rooms	6
Bedrooms	3
Baths	2
Appraiser	Dan Adklisson
Date of Appraised Value	July 18, 2014
Opinion of Value	\$ 261,000

Subject Photo Page

Borrower/Client	Bradley & Chelsea Riley		
Property Address	105 Lawrence Marshall Dr		
City	Hempstead	County	Waller
Client	FNB Bellville	State	TX
		Zip Code	77445



Subject Front

105 Lawrence Marshall Dr
Sales Price N/A
Gross Living Area 2,266
Total Floors 6
Total Bedrooms 3
Total Bathrooms 2
Location Legendary Oak
View Average
Site 0.5223 Acres
Quality Good
Age 9 years



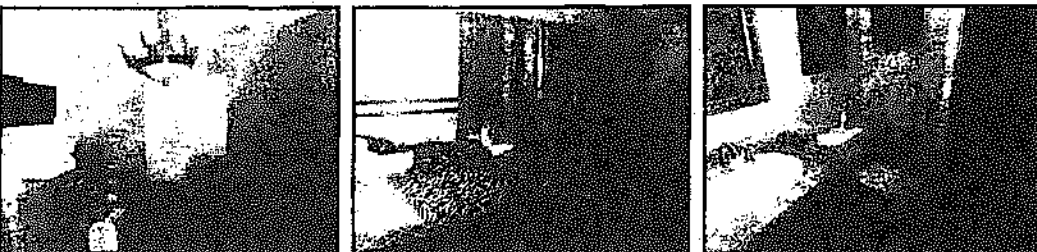
Subject Rear



Subject Street

Interior Photos

Borrower/Client	Bradley & Choleea Riley		
Property Address	105 Lawrence Marshall Dr.		
City	Hempstead	County	Waller
State	TX	Zip Code	77445
Client	FNB Belville		

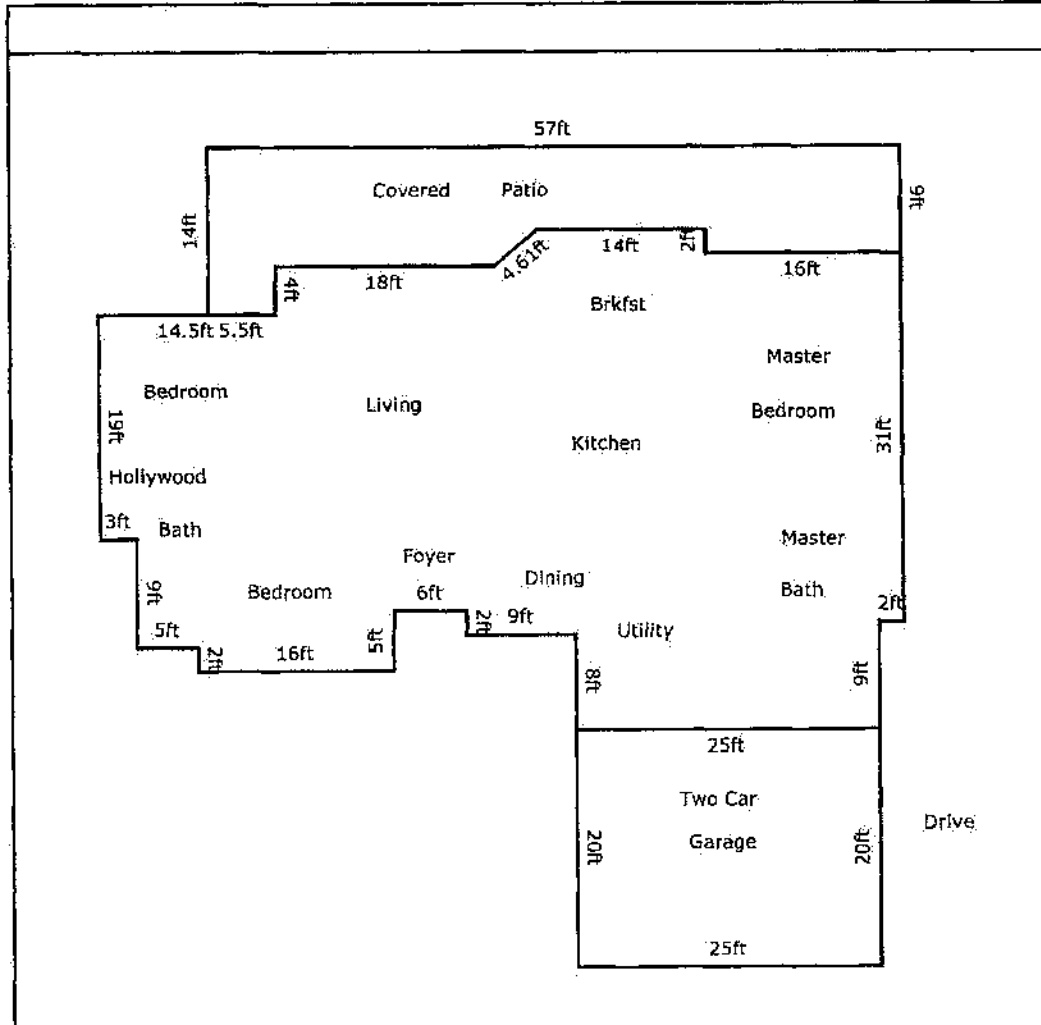


Storage Bldg on Concrete Slab

Above Ground Pool

Building Sketch

Borrower/Client	Bradley & Chelsea Riley		
Property Address	105 Lawrence Marshall Dr		
City	Hempstead	County	Waller
State	TX	Zip Code	77445
Client	FNB Belleville		



TOTAL Sketch by a la mode, inc.

Area Calculations Summary		Calculation Details
Living Area		
First Floor	2266.25 Sq ft	$25 \times 8 = 200$ $19 \times 3 = 57$ $28 \times 5 = 140$ $16 \times 5 = 80$ $25 \times 6.5 = 162.5$ $29 \times 15.5 = 449.5$ $31 \times 2.5 = 77.5$ $31 \times 2 = 62$ $31.5 \times 31 = 976.5$ $1 \times 14 = 14$ $3 \times 14 = 42$ $0.5 \times 3 \times 3.5 = 5.25$
Total Living Area (Rounded):	2266 Sq ft	
Non-Living Area		
Concrete Patio	528.75 Sq ft	$57 \times 7 = 399$ $0.5 \times 3.5 \times 3 = 5.25$ $23.5 \times 3 = 70.5$ $5.5 \times 4 = 22$ $16 \times 2 = 32$
Concrete Patio	500 Sq ft	$25 \times 20 = 500$

Uniform Residential Appraisal Report

File #

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.

Property Address 105 Lawrence Marshall Dr City Hempstead State TX Zip Code 77445
 Borrower Bradley & Chelsea Riley Owner of Public Record Ricky M & Kathy J McCown County Waller
 Legal Description S56000 Legendary Oaks, Block 1, Lot 3, Acres 0.5223, Waller County Texas
 Assessor's Parcel # 186866 Tax Year 2014 R.E. Taxes \$ unknown
 Neighborhood Name Legendary Oaks Map Reference KM: 236 V Census Tract 6805.00
 Occupant Owner Tenant Vacant Special Assessments \$ N/A PUD HOA \$ 350 per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe)
 Assignment Type Purchase Transaction Refinance Transaction Other (describe)
 Lender/Client FNB Bellville Address 31384 - FM 2920, Suite A, Waller, TX 77484
 Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? Yes No
 Report data source(s) used, offering price(s), and date(s): Owner/MLS

I did I 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. N/A

Contract Price \$ N/A Date of Contract N/A Is the property seller the owner of public record? Yes No Data Source(s) N/A
 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. N/A

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 type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	30 %			
Built-Up <input type="checkbox"/> Over 75% <input checked="" 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 type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	250	Low	2	Multi-Family	%		
Neighborhood Boundaries <u>Subject neighborhood is bounded by US Hwy 290 on the north, SH Hwy 6 on the east, Sorsby on the west & Austin Branch on the south.</u>			500+	High	10	Commercial	%	
Neighborhood Description <u>A gated golf course community on the western edge of Hempstead, TX. Deed restrictions enforced, Area is clean, neat & orderly. Has access to schools, churches, employment, entertainment & main traffic ways of the State of Texas</u>			300	Pred.	7	Other	70 %	

Market Conditions (including support for the above conclusions) Waller County has become a bedroom community for Houston, TX & Harris County as buyers move from the congestion, politics & fast pace of life to a more relaxed family atmosphere.

Dimensions Survey Not Provided Area 0.5223 Acres Shape Roughly Rectangular View Average
 Specific Zoning Classification No Zoning, Deed Restrictions Zoning Description No Zoning
 Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>		Water	<input checked="" type="checkbox"/>	Street	Concrete	<input type="checkbox"/>
Gas	<input type="checkbox"/>		Sanitary Sewer	<input type="checkbox"/>	Alley	None	<input type="checkbox"/>

FEMA Special Flood Hazard Area Yes No FEMA Flood Zone X FEMA Map # 48473C0150E FEMA Map Date 02/18/2009
 Are the utilities and off-site improvements typical for the market area? Yes No If No, describe
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe
 There did not appear to be any adverse easement or conditions that would have a negative impact on the subject.

General Description	Foundation	Exterior Description	materials/condition	Interior	materials/condition
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	Concrete / Average	Floors	tile / laminate / avg
# of Stories <u>One</u>	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	brick/hard/avg	Walls	Sh/ Rock / Paint / Avg
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area <u>N/A</u> sq. ft.	Roof Surface	Composition / Avg	Trim/Finish	Wood / Paint / Avg
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish	Gutters & Downspouts	Yes / Avg	Bath Floor	Tile / Avg
Design (Style) <u>Traditional</u>	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	Single Hung low e/ avg	Bath Wanscott	Tile / Avg
Year Built <u>2003</u>	Evidence of <input type="checkbox"/> Infestation <input type="checkbox"/> None Noted	Storm Sash/Insulated	No	Car Storage	<input type="checkbox"/> None
Effective Age (Yrs) <u>3 years</u>	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	Half Screens / Avg	Driveway	# of Cars <u>Two Cars</u>
Attic <input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> PWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> Woodstove(s) #	Driveway Surface	Concrete
<input checked="" type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other <input type="checkbox"/> Fuel Electric	Fireplace(s) #	<input checked="" type="checkbox"/> Fence	Garage	# of Cars <u>Two Car</u>
<input type="checkbox"/> Floor <input type="checkbox"/> Scuffie	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	Patio/Deck cover	<input checked="" type="checkbox"/> Porch covered	Carport	# of Cars
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	Pool Above Gm	<input type="checkbox"/> Other	Att.	<input type="checkbox"/> Det. <input type="checkbox"/> Built-in

MP/COVERYS
 Appliances Refrigerator Range/Oven Dishwasher Disposal Microwave Washer/Dryer Other (describe)
 Finished area above grade contains: 6 Rooms 3 Bedrooms 2 Bath(s) 2,266 Square Feet of Gross Living Area Above Grade
 Additional features (special energy efficient items, etc.): Ceiling fans, hard surface counter tops w/ tile back splash, service bar, garden tub & separate shower in master bath, recessed lights, high ceilings, walk in pantry.
 Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.): Subject is in average condition. No needed repairs were noted.

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

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? Yes No If No, describe

Uniform Residential Appraisal Report

File #:

There are <u>none</u> comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ _____ to \$ _____							
There are <u>3</u> comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ <u>285,000</u> to \$ <u>366,000</u>							
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3			
Address	105 Lawrence Marshall Dr Hempstead, TX 77445	125 Hogan Ln Hempstead, TX 77445	310 Eagle Cv Hempstead, TX 77445	315 Mavarella Cv Hempstead, TX 77445			
Proximity to Subject		0.14 miles E	0.39 miles S	0.36 miles SE			
Sale Price	\$ N/A	\$ 366,000	\$ 292,000	\$ 285,000			
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 92.80 sq.ft.	\$ 84.71 sq.ft.	\$ 90.91 sq.ft.			
Data Source(s)		MLS # 92158870	MLS # 93337374	MLS # 83250744			
Verification Source(s)							
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing Concessions		Conventional None Known		Cash None Known		Cash None Known	
Date of Sale/Time		11/25/13-2/21/14		12/4/13-2/2/14		4/9/13-9/10/13	
Location	Legendary Oak	Legendary Oak		Legendary Oak		Legendary Oak	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	0.5223 Acres	0.560 Acres		0.529 Acres		0.8084 Acres	
View	Average	Average		Average		Average	
Design (Style)	Traditional	Traditional		Traditional		Traditional	
Quality of Construction	Good	Good		Good		Good	
Actual Age	9 years	7 Years		9 Years		8 Years	
Condition	Good	Good		Average		Good	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths	
Room Count	6 3 2	8 4 3.5	-9,000	7 3 3.5	-9,000	8 4 3.5	-9,000
Gross Living Area	2,266 sq.ft.	3,944 sq.ft.	-67,120	3,447 sq.ft.	-47,240	3,135 sq.ft.	-34,760
Basement & Finished Rooms Below Grade	N/A	N/A		N/A			
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	Central	Central		Central		Central	
Energy Efficient Items	low e windows	Minimal	+12,000	Minimal	+12,000	low e wind/radiant	-5,000
Garage/Carport	Two Car	Three Car Garage	-4,500	Two Car Garage		Three Car Garage	-4,500
Porch/Patio/Deck	C. porch & patio	C. Porch & patio		C. Porch & Patio		C. Porch & Patio	
	None	2- Fireplaces	-2,000	Fireplace	-1,000	Fireplace	-1,000
	Above Grm Pool	None	+5,000	None	+5,000	None	+5,000
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$	-65,520	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$	-40,240	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$	-49,280
Adjusted Sale Price of Comparables		Net Adj. 17.9 % Gross Adj. 27.2 % \$	300,380	Net Adj. 13.8 % Gross Adj. 25.4 % \$	251,760	Net Adj. 17.3 % Gross Adj. 20.8 % \$	235,740
<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) <u>MLS, Owner</u>							
My research <input type="checkbox"/> did <input checked="" 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) <u>Walker County Sales History Not on Line, MLS</u>							
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	None Past Three Years	None Known	None Known	None Known			
Price of Prior Sale/Transfer							
Data Source(s)							
Effective Date of Data Source(s)							
Analysis of prior sale or transfer history of the subject property and comparable sales <u>N/A</u>							
Summary of Sales Comparison Approach Each of the comparables were taken from as close proximity as possible to the subject property and are believed to be similar enough to the subject that a prospective buyer would have also considered the purchase of the comparable sale. Each of the comparables were adjusted for value influencing dissimilarities and the adjusted values are believed to bracket the market value of the subject property. In arriving at the final value estimate each sale was given a weighted consideration. The weighting was calculated based upon a ratio of the gross adjustments to the sales price of the comparable sale. Those sales requiring the least adjustments were given the most weight as they should be more similar to the subject property. <i>No site or age adjustments made.</i>							
Indicated Value by Sales Comparison Approach \$ <u>261,000</u>							
Indicated Value by: Sales Comparison Approach \$ <u>261,000</u> Cost Approach (if developed) \$ <u>267,148</u> Income Approach (if developed) \$ <u>N/A</u>							
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 \$ <u>261,000</u> as of <u>July 18, 2014</u> , which is the date of inspection and the effective date of this appraisal.							

Uniform Residential Appraisal Report

File #

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).

Table with columns for ESTIMATED, REPRODUCTION OR, REPLACEMENT COST NEW, and OPINION OF SITE VALUE. Includes rows for DWELLING, Quality rating, Site Value Taken From CAD, and Total Estimate of Cost-New.

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ N/A X Gross Rent Multiplier N/A = \$ N/A Indicated Value by Income Approach. Summary of Income Approach (including support for market rent and GRM) The income approach in this report was not applicable, as most single family residences are purchased / constructed for use by the primary buyer / builder.

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s) Detached Attached. Legal Name of Project, Total number of phases, Total number of units, Total number of units sold, Total number of units for sale, Data source(s), Was the project created by the conversion of existing building(s) into a PUD?, Does the project contain any multi-dwelling units?, Are the units, common elements, and recreation facilities complete?, Are the common elements leased to or by the Homeowners' Association?, Describe common elements and recreational facilities.

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This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit, including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Uniform Residential Appraisal Report

File #

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

Uniform Residential Appraisal Report

File # _____

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 Dan Adkisson
 Company Name TX-1325412-R
 Company Address 500 Inwood, Tomball, TX 77375
 Telephone Number (281) 744-0583
 Email Address dadk@sbcglobal.net
 Date of Signature and Report July 19, 2014
 Effective Date of Appraisal July 18, 2014
 State Certification # TX-1325412-R
 or State License # _____
 or Other (describe) _____ State # _____
 State TX
 Expiration Date of Certification or License 08/31/2015

ADDRESS OF PROPERTY APPRAISED
105 Lawrence Marshall Dr
Hempstead, TX 77445

APPRAISED VALUE OF SUBJECT PROPERTY \$ 261,000

LENDER/CLIENT

Name _____
 Company Name FNB Bellville
 Company Address 31384 - FM 2920, Suite A, Waller, TX 77484
 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 _____

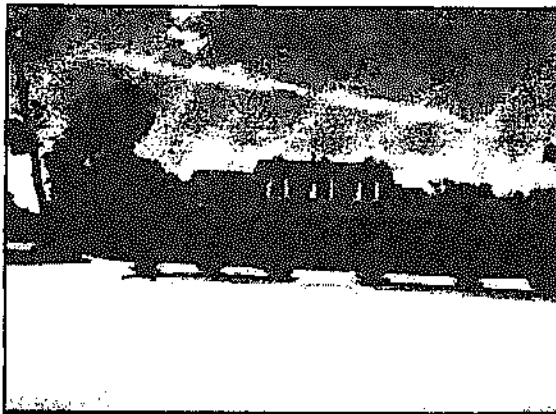
Comparable Photo Page

Borrower/Client	Bradley & Chelsea Riley				
Property Address	105 Lawrence Marshall Dr				
City	Hempstead	County	Waller	State	TX
Client	FNB Belville	Zip Code	77445		



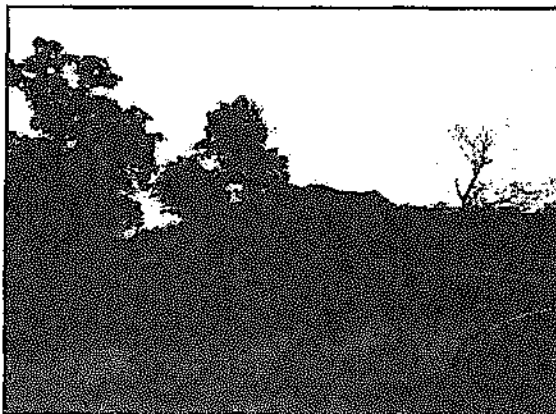
Comparable 1

125 Hogan Ln
 Prox. to Subject 0.14 miles E
 Sales Price 366,000.
 Gross Living Area 3,944
 Total Rooms 8
 Total Bedrooms 4
 Total Bathrooms 3.5
 Location Legendary Oak
 View Average
 Site 0.560 Acres
 Quality Good
 Age 7 Years



Comparable 2

310 Eagle Cv.
 Prox. to Subject 0.39 miles S
 Sales Price 292,000.
 Gross Living Area 3,447
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms 3.5
 Location Legendary Oak
 View Average
 Site 0.529 Acres
 Quality Good
 Age 9 Years

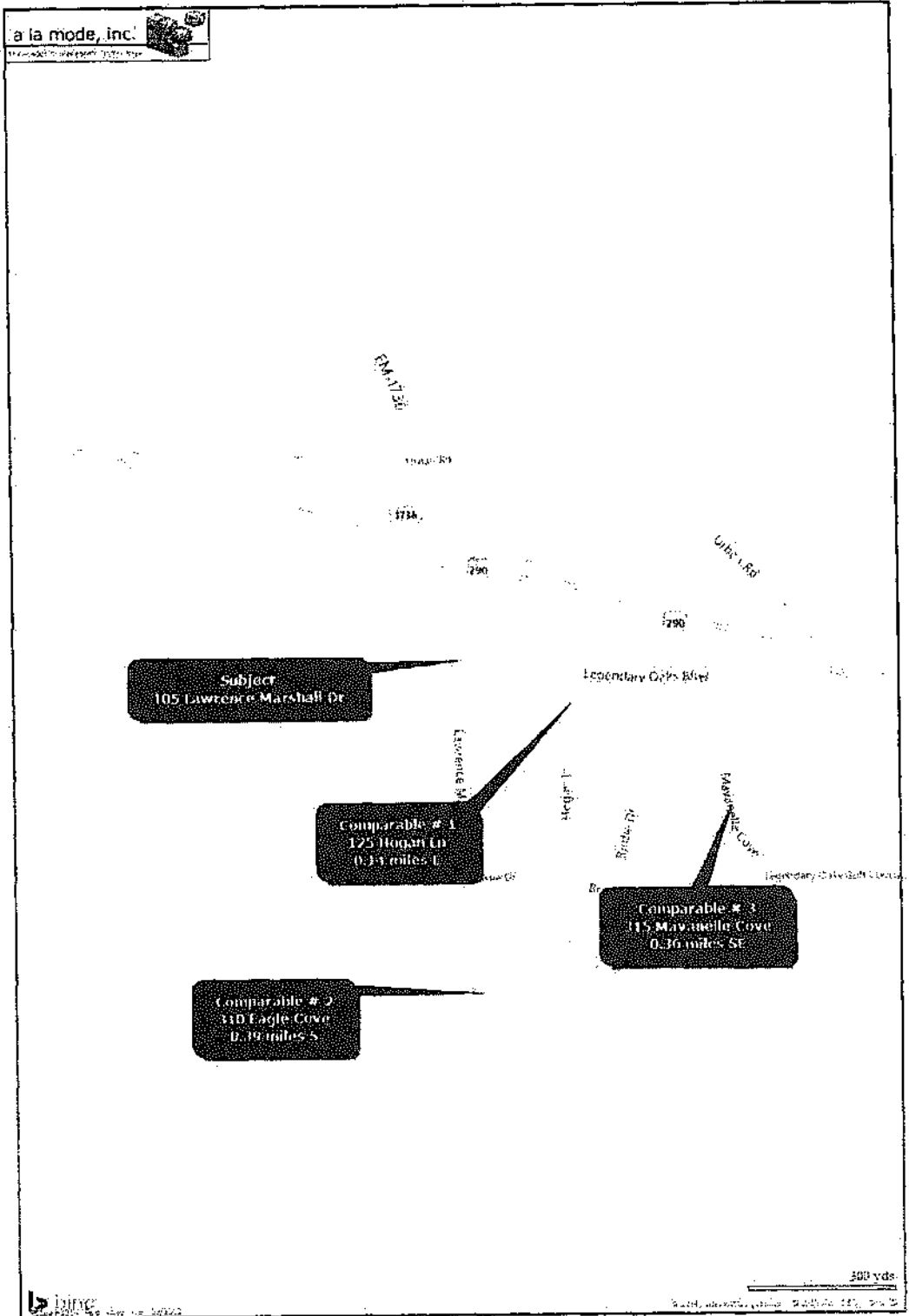


Comparable 3

315 Mevanelle Cv
 Prox. to Subject 0.36 miles SE
 Sales Price 285,000
 Gross Living Area 3,135
 Total Rooms 8
 Total Bedrooms 4
 Total Bathrooms 3.5
 Location Legendary Oak
 View Average
 Site 0.8084 Acres
 Quality Good
 Age 8 Years

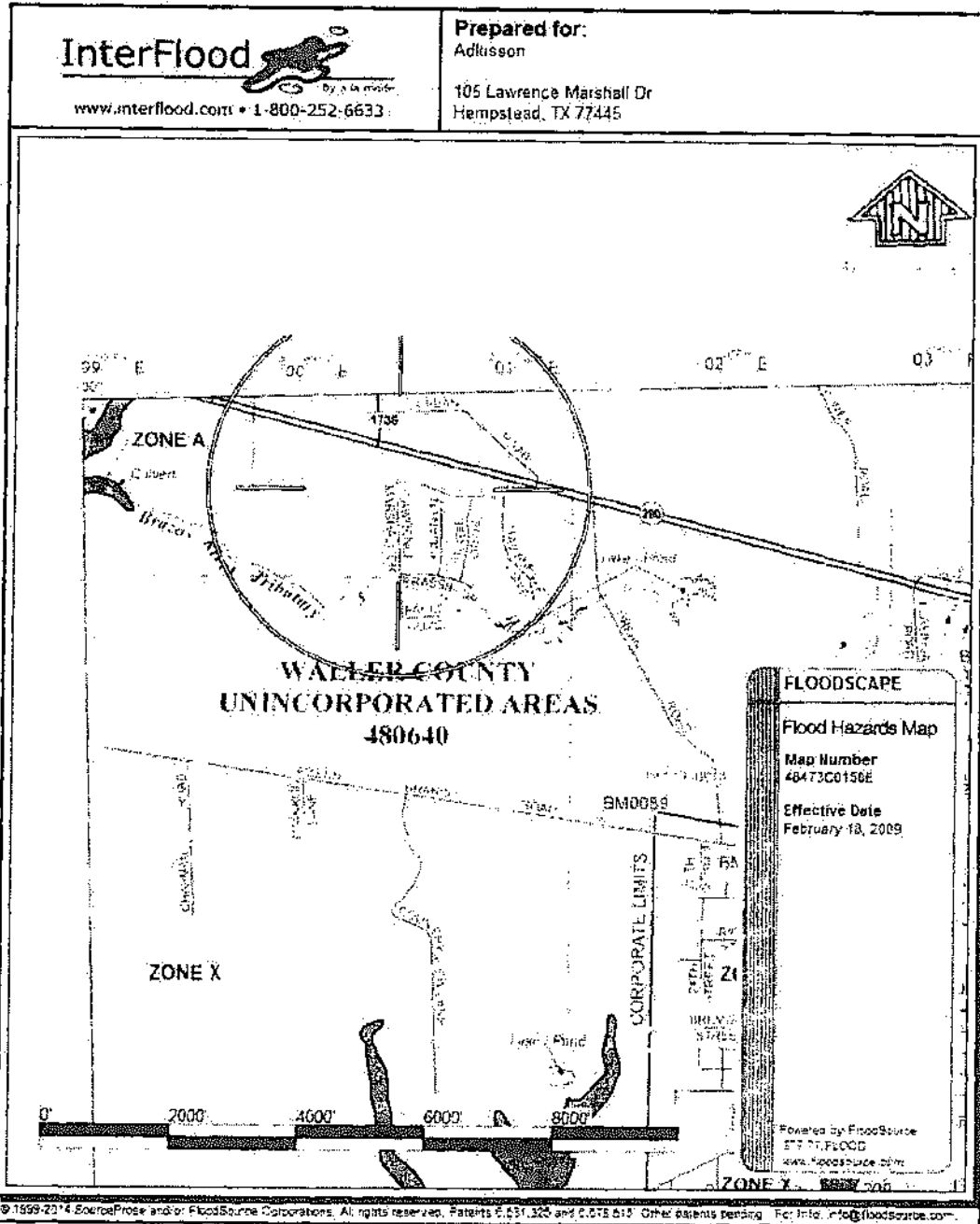
Comparable Sales Map

Borrower/Client:	Bradley & Chelsea Riley				
Property Address:	105 Lawrence Marshall Dr				
City:	Hempstead	County:	Waller	State:	TX Zip Code: 77445
Client:	FNB Belville				



Flood Map

Borrower/Client	Bradley & Chelsea Riley		
Property Address	105 Lawrence Marshall Dr		
City	Hempstead	County	Waller
State	TX	Zip Code	77445
Client	FNB Belville		



Engagement Letter

Borrower/Client	Bradley & Chelsea Riley						
Property Address	105 Lawrence Marshall Dr.						
City	Hempstead	County	Waller	State	TX	Zip Code	77445
Client	FNB Bellville						

7/16/2014

DAN ADKISSON
500 INWOOD
TOMBALL, TX 77575

FAX: 281-352-8692

Re: APPRAISAL ENGAGEMENT LETTER

Property Address/Description: 105 Lawrence Marshall Dr., Hempstead, Tx 77445 (Lot 1 Block 1
Legendary Oaks)

Borrower: Bradley & Chelsea Riley/ cell: 713-252-8174

Dear Dan:

Please provide a "Market Value" appraisal to The First National Bank of Bellville ("Bank"), to my attention, for the above referenced property(s). For purposes of this appraisal, the definition of "Market Value" shall be as defined in Regulation 12 C.F.R. 34.42(f) issued by The Office of the Comptroller of the Currency.

The appraisal must meet the following five (5) minimum standards for the preparation of an appraisal:

1. It must conform to generally accepted appraisal standards as evidenced by the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board of the Appraisal Foundation;
2. It must be written and contain sufficient information and analysis to support Bank's decision to engage in the transaction;
3. It must analyze and report appropriate deductions and discounts for proposed construction or renovation, partially leased buildings, non-market lease terms and tract development with unsold units;
4. It must be based on the definition of Market Value as set forth in Regulation 12 C.F.R. 34.42(f) as previously stated; and
5. It must be performed by a State Licensed or Certified appraiser in accordance with requirements set forth in Regulation 12 C.F.R. 34.

Please prepare the appraisal using the following format as described by USPAP:

Engagement Letter

Borrower/Client	Bradley & Chelsea Riley		
Property Address	105 Lawrence Marshall Dr		
City	Hempstead	County	Waller
		State	TX
Client	FNB Belleville	Zip Code	77445

- Self-Contained Report - Complete description and analysis of data and conclusions are contained in the report.
- Summary Report - Only a summary of the data, analysis and conclusions are presented in the report.
- Restricted Report - Limited presentation of data, analysis and conclusions appears in the report which is appropriate primarily for ongoing collateral monitoring.
- Evaluation - See Evaluation of Content requirements attached

It is hereby agreed that the fee for the subject appraisal shall not exceed \$350.00, and that upon your completion of the assignment, you will e-mail an electronic version of the report to me at jeansey@fnbbelleville.com and also provide the Bank with an original and one (1) copy of the report. The anticipated delivery date of the report is on or before 07/23/2014.

If you need additional information regarding this appraisal assignment, please contact me at 936-372-2330 and I will assist you in obtaining any data on the subject property(s) that you might need. All documentation provided to you by the Bank should be returned to me with the completed report.

If this letter fairly sets forth your understanding of the appraisal assignment, please so indicate by signing in the space provided below and by returning the letter to my attention at your earliest convenience via fax at 936-372-5167 or email. A copy of this letter is included for your records. Please include a copy of this engagement letter in the completed report.

Thank you for your assistance in this matter.

Sincerely,


Julie Conroy
Mortgage Loan Processor

Agreed to and accepted:

By: 

Name: DAN ADMISSON

Title: Appraiser

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

* Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgement.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based (his or her) appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower, the mortgagee or its successors and assigns, the mortgage insurer, consultants, professional appraisal organizations, any state or federally approved financial institution, or any department, agency, or instrumentality of the United States or any state or the District of Columbia, except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

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

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

ADDRESS OF PROPERTY APPRAISED: 105 Lawrence Marshall Dr, Hempstead, TX 77445

APPRAISER:

SUPERVISORY APPRAISER (only if required):

Signature: <u>[Signature]</u>	Signature: _____
Name: <u>Dan Ackerson</u>	Name: _____
Date Signed: <u>July 18, 2014</u>	Date Signed: _____
State Certification #: <u>TX-1325412-R</u>	State Certification #: _____
or State License #: _____	or State License #: _____
State: <u>TX</u>	State: _____
Expiration Date of Certification or License: <u>08/31/2015</u>	Expiration Date of Certification or License: _____

Did Did Not Inspect Property

Certification

Borrower/Client	Bradley & Chelsea Riley				
Property Address	105 Lawrence Marshall Dr				
City	Hempstead	County	Waller	State	TX Zip Code 77445
Client	FNB Balville				

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

Number: **TX 1325412 R**
Issued: **06/28/2013** Expires: **08/31/2015**
Appraiser: **MILTON DAN ADKISSON**

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


Douglas E. Oldrixon
Commissioner