File No. 2013-10

APPRAISAL OF

LOCATED AT:

295 Reinhardt Rd SE
Lanesville, IN 47136

FOR:

FIRST HARRISON BANK
5100 State Road 64
Georgetown, IN 47122

BORROWER:

SHARON SMITH

AS OF:

January 7, 2013

BY:

RICHARD McCARTIN

JANUARY 7, 2013

MERCURY NETWORK
FIRST HARRISON BANK
5100 State Road 64
Georgetown, IN 47122

File Number: 2013-10

In accordance with your request, I have appraised the real property at:

295 Reinhardt Rd SE
Lanesville, IN 47136

The purpose of this appraisal is to develop an opinion of the market value of the subject property, as improved.
The property rights appraised are the fee simple interest in the site and improvements.

In my opinion, the market value of the property as of January 7, 2013 is:

$184,000
One Hundred Eighty-Four Thousand Dollars

The attached report contains the description, analysis and supportive data for the conclusions, final opinion of value, descriptive photographs, limiting conditions and appropriate certifications.

RICHARD McCARTIN

Uniform Residential Appraisal Report

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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 295 Reinhardt Rd SE | City Lanesville | State IN | Zip Code 47136
Borrower SHARON SMITH | Owner of Public Record SMITH | County HARRISON
Legal Description PRT. NE 1/4 4-4-5 28.491 ACRES
Assessor's Parcel # 31-15-04-200-004.000-005 | Tax Year 2012 | R.E. Taxes $ 506
Neighborhood Name LANESVILLE | Map Reference LANESVILLE | Census Tract 0605.00
Occupant [X] Owner [ ] Tenant [ ] Vacant | Special Assessments $ 0 | [ ] PUD | HOA $ 0 [ ] per year [ ] per month
Property Rights Appraised [X] Fee Simple [ ] Leasehold [ ] Other (describe)
Assignment Type [ ] Purchase Transaction [X] Refinance Transaction [ ] Other (describe)
Lender/Client FIRST HARRISON BANK | Address 5100 State Road 64, Georgetown, IN 47122
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? [ ] Yes [X] No
Report data source(s) used, offering price(s), and date(s). SIRAMLS/OWNER

CONTRACT

I [ ] did [ ] did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

Contract Price $ | Date of Contract | Is the property seller the owner of public record? [ ] Yes [ ] No | Data Source(s)
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? [ ] Yes [ ] No
If Yes, report the total dollar amount and describe the items to be paid.

NEIGHBORHOOD

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

Neighborhood Characteristics	One-Unit Housing Trends	One-Unit Housing	Present Land Use %
Location [ ] Urban [ ] Suburban [X] Rural	Property Values [ ] Increasing [X] Stable [ ] Declining	PRICE $(000) / AGE (yrs)	One-Unit 40 %
Built-Up [ ] Over 75% [X] 25-75% [ ] Under 25%	Demand/Supply [ ] Shortage [X] In Balance [ ] Over Supply	80 Low / NEW	2-4 Unit 0 %
Growth [ ] Rapid [X] Stable [ ] Slow	Marketing Time [ ] Under 3 mths [X] 3-6 mths [ ] Over 6 mths	250 High / 80	Multi-Family 0 %
		175 Pred. / 30	Commercial 0 %
			Other Vacant 60 %

Neighborhood Boundaries SUBJECT IS BOUNDED BY HIGHWAY 11 TO THE EAST, HIGHWAY 62 NORTH AND WEST, SMITH CREEK RD. NORTH.
Neighborhood Description SUBJECT IS LOCATED IN A RURAL AREA; APPROXIMATELY 5-6 MILES TO SCHOOLS AND SHOPPING AND 8-9 MILES TO I-64. LOT SIZE AND AGE WAS TAKEN FROM COURTHOUSE. SUBJECT CONFORMS TO THE NEIGHBORHOOD. LOUISVILLE, KY., THE AREA'S MAIN EMPLOYMENT CENTER IS LOCATED WITHIN A 30-MINUTE DRIVE.
Market Conditions (including support for the above conclusions) See Attached Addendum

SITE

Dimensions NO SURVEY PROVIDED | Area 28.49 ac | Shape IRREGULAR | View N;RURAL;
Specific Zoning Classification A-G | Zoning Description AGRICULTURAL-RESIDENTIAL
Zoning Compliance [X] Legal [ ] Legal Nonconforming (Grandfathered Use) [ ] No Zoning [ ] Illegal (describe)
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? [X] Yes [ ] No If No, describe.

Utilities	Public	Other (describe)		Public	Other (describe)	Off-site Improvements—Type	Public	Private
Electricity	[X]	[ ]	Water	[X]	[ ]	Street GRAVEL	[X]	[ ]
Gas	[ ]	[X] LP	Sanitary Sewer	[ ]	[X] SEPTIC	Alley NONE	[ ]	[ ]

FEMA Special Flood Hazard Area [ ] Yes [X] No | FEMA Flood Zone X | FEMA Map # 1800850008B | FEMA Map Date 11/01/1995
Are the utilities and off-site improvements typical for the market area? [X] Yes [ ] No If No, describe.
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? [ ] Yes [X] No If Yes, describe. THERE WAS NO EVIDENCE OF SEPTIC SYSTEM FAILURE ON THE DAY OF INSPECTION. A PUBLIC SEWER SYSTEM IS NOT AVAILABLE. NO SURVEY SUPPLIED. THERE ARE NO APPARENT ADVERSE EASEMENTS OR ENCROACHMENTS.

IMPROVEMENTS

GENERAL DESCRIPTION	FOUNDATION	EXTERIOR DESCRIPTION materials/condition	INTERIOR materials/condition
Units [X] One [ ] One with Accessory Unit	[ ] Concrete Slab [X] Crawl Space	Foundation Walls CB/AVG	Floors Hwd-lam-cpt/AV
# of Stories 1	[ ] Full Basement [X] Partial Basement	Exterior Walls VINYL/AVG	Walls PANEL-DW/AV
Type [X] Det. [ ] Att. [ ] S-Det./End Unit	Basement Area 100 sq. ft.	Roof Surface CS/AVG	Trim/Finish AVERAGE/AVG
[X] Existing [ ] Proposed [ ] Under Const.	Basement Finish 0 %	Gutters & Downspouts ALUMINUM/AVG	Bath Floor PERGO/AVG
Design (Style) RANCH	[X] Outside Entry/Exit [ ] Sump Pump	Window Type VINYL/AVG	Bath Wainscot FIBER/AVG
Year Built 1958	Evidence of [ ] Infestation	Storm Sash/Insulated THERMO/AVG	Car Storage [ ] None
Effective Age (Yrs) 15	[ ] Dampness [ ] Settlement	Screens YES/AVG	[ ] Driveway # of Cars 0
Attic [ ] None	Heating [ ] FWA [ ] HWBB [ ] Radiant	Amenities [ ] WoodStove(s) # 0	Driveway Surface GRAVEL
[ ] Drop Stair [ ] Stairs	[X] Other EHP Fuel ELECTRIC	[ ] Fireplace(s) # 0 [ ] Fence NONE	[ ] Garage # of Cars 0
[ ] Floor [X] Scuttle	Cooling [X] Central Air Conditioning	[X] Patio/Deck (2) [X] Porch OPEN	[ ] Carport # of Cars 0
[ ] Finished [ ] Heated	[ ] Individual [ ] Other	[ ] Pool NONE [X] Other P. BARN	[ ] Att. [ ] Det. [ ] Built-in

Appliances [ ] Refrigerator [ ] Range/Oven [X] Dishwasher [ ] Disposal [ ] Microwave [ ] Washer/Dryer [ ] Other (describe)
Finished area above grade contains: 7 Rooms 3 Bedrooms 1.0 Bath(s) 1,464 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.). PORCH AT FRONT ENTRANCE, DECK AT SIDE AND REAR ENTRANCES. POLE BARN GARAGE AND 5-STALL HORSE BARN.
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C4;Kitchen-not updated;Bathrooms-updated-one to five years ago;OVERALL CONDITION OF THE SUBJECT IS AVERAGE FOR THE AREA. MINIMAL ITEMS OF DEFERRED MAINTENANCE OR OTHER PHYSICAL DETERIORATION WERE NOTED. THE FLOOR PLAN IS FUNCTIONAL AND TYPICAL OF RESIDENTIAL STYLES COMMON TO THIS MARKET. SOURCES OF DEPRECIATION IS PHYSICAL DUE TO AGE.
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? [ ] Yes [X] No If Yes, describe. THERE ARE NO KNOWN APPARENT ADVERSE ENVIORNMENTAL CONDITIONS THAT WOULD NEGATIVELY AFFECT THE SUBJECT'S VALUE.
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [X] Yes [ ] No If No, describe.

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There are 10 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 150,000 to $ 250,000 .

There are 3 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 150,000 to $ 250,000 .

FEATURE	SUBJECT		COMPARABLE SALE NO. 1		COMPARABLE SALE NO. 2		COMPARABLE SALE NO. 3	
Address	295 Reinhardt Rd SE Lanesville, IN 47136		2591 Breckenridge Rd NE Corydon, IN 47112		1695 Smith Campground Rd SE Laconia, IN 47135		6100 Milltown Frenchtown Rd NW Depauw, IN 47115	
Proximity to Subject			4.51 miles WNW		10.34 miles SW		16.87 miles WNW	
Sale Price	$			$ 153,000		$ 169,900		$ 169,000
Sale Price/Gross Liv. Area	$ sq. ft.		$ 116.53 sq. ft.		$ 104.49 sq. ft.		$ 110.75 sq. ft.	
Data Source(s)			siramls #201200815;DOM 99		siramls #201206237;DOM 100		siramls #201200341;DOM 144	
Verification Source(s)			SIRAMLS/AGENT		SIRAMLS/AGENT		SIRAMLS/AGENT	
VALUE ADJUSTMENTS	DESCRIPTION		DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sale or Financing Concessions			ArmLth RH;2000	-2,000	ArmLth FHA;0	0	ArmLth Conv;0	0
Date of Sale/Time			s05/12;c03/12		s12/12;c11/12		s06/12;c04/12	
Location	N;Res;		B;Res;	0	N;Res;		N;Res;	
Leasehold/Fee Simple	FEE SIMPLE		FEE SIMPLE		FEE SIMPLE		FEE SIMPLE	
Site	28.49 ac		8.15 ac	+30,000	30.00 ac	0	15.19 ac	+26,000
View	N;RURAL;		N;RURAL;		N;RURAL;		N;RURAL;	
Design (Style)	RANCH		RANCH		RANCH		RANCH	
Quality of Construction	Q5		Q5		Q5		Q5	
Actual Age	55		37	0	16	-7,800	17	-7,600
Condition	C4		C4		C4		C4	
Above Grade Room Count (Total / Bdrms. / Baths)	7 / 3 / 1.0		5 / 3 / 1.1	-2,000	5 / 3 / 2.0	-4,000	5 / 3 / 2.0	-4,000
Gross Living Area	1,464 sq. ft.		1,313 sq. ft.	+3,800	1,626 sq. ft.	-4,100	1,526 sq. ft.	0
Basement & Finished Rooms Below Grade	100sf0sfin		100sf0sfin		540sf540sfin 1rr0br0.0ba0o	-8,000 0	100sf0sfin	
Functional Utility	AVERAGE		AVERAGE		AVERAGE		AVERAGE	
Heating/Cooling	EHP/CAC		EHP/CAC		EHP/CAC		EHP/CAC	
Energy Efficient Items	THERMOPANE		THERMOPANE		THERMOPANE		THERMOPANE	
Garage/Carport	POLE BARN		POLE BARN		NONE	+8,000	POLE BARN	
Porch/Patio/Deck	PORCH		DECK		PORCH		COV. PORCH	-1,000
	(2) DECK		(2) DECK		DECK	+2,000	COV. PATIO	0
	**		INFERIOR	+5,000	INFERIOR	+5,000	INFERIOR	+5,000
	KIT. EQUIP		KIT. UPDATED	-3,000	KIT. EQUIP		KIT. UPDATED	-3,000
Net Adjustment (Total)			[X] + [ ] -	$ 31,800	[ ] + [X] -	$ 8,900	[X] + [ ] -	$ 15,400
Adjusted Sale Price of Comparables			Net Adj. 20.8% Gross Adj. 29.9%	$ 184,800	Net Adj. -5.2% Gross Adj. 22.9%	$ 161,000	Net Adj. 9.1% Gross Adj. 27.6%	$ 184,400

SALES COMPARISON APPROACH

I [X] did [ ] did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research [ ] did [X] did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data source(s) SIRAMLS

My research [ ] did [X] did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data source(s) SIRAMLS

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Date of Prior Sale/Transfer				
Price of Prior Sale/Transfer				
Data Source(s)	SIRAMLS	SIRAMLS	SIRAMLS	SIRAMLS
Effective Date of Data Source(s)	01/07/2013	01/07/2013	01/07/2013	01/07/2013

Analysis of prior sale or transfer history of the subject property and comparable sales THE SUBJECT NOR THE COMPARABLE SALES HAVE TRANSFERRED WITHIN THE PAST 36 MONTHS OF CLOSING DATES OR APPRAISAL DATE. TYPE OF APPRAISAL SUBMITTED IS A SUMMARY APPRAISAL REPORT.

Summary of Sales Comparison Approach. **BARN, SHEDS, (2) STORAGE BUILDINGS. COMPS 1 AND 3 HAVE INFERIOR LOT SIZES. COMPS 1 AND 3 ARE OLDER THAN 6 MONTHS, RECENT ENOUGH TO REFLECT CURRENT MARKET CONDITIONS. COMPS 1, 2 AND 3 ARE LOCATED OVER THE STANDARD 5-MILE RURAL RADIUS, HOWEVER ARE THE BEST CURRENT SALES AVAILABLE. COMP 1 & 3 GROSS ADJUSTMENT EXCEEDS 25%,COMP 1 NET ADJUSTMENT EXCEEDS 15% DUE TO LOT SIZE ADJUSTMENT. EXPOSURE TIME IS 90 TO 180 DAYS. APPRAISER'S SIGNATURE IS A DIGITAL STAMP. SUBJECT IS NOT A WORKING FARM AND IS NOT AN INCOME-PRODUCING PROPERTY.

Indicated Value by Sales Comparison Approach $ 184,000

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 184,000 Cost Approach (if developed) $ 0 Income Approach (if developed) $ 0

THE MARKET APPROACH IS THE ONLY APPLICABLE APPROACH TO VALUE. THE COST APPROACH HAS NOT BEEN CONSIDERED DUE TO THE SUBJECT AGE AND IS NOT REQUIRED BY FANNIE MAE WHEN NOT APPLICABLE. INCOME APPROACH HAS NOT BEEN CONSIDERED DUE TO LACK OF QUALITY RENTAL DATA BEING AVAILABLE.

This appraisal is made [X] "as is," [ ] subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, [ ] subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or [ ] subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is $ 184,000 as of 01/07/2013 , which is the date of inspection and the effective date of this appraisal.

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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)

ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW	OPINION OF SITE VALUE = $ 70,000
Source of cost data	Dwelling Sq. Ft. @ $ = $ 0
Quality rating from cost service Effective date of cost data	Sq. Ft. @ $ = $ 0
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	
	Garage/Carport Sq. Ft. @ $ = $ 0
	Total Estimate of Cost-New = $
	Less 50 Physical / Functional / External
	Depreciation / $0 / $0 = $ (0)
	Depreciated Cost of Improvements = $ 0
	"As-is" Value of Site Improvements = $
Estimated Remaining Economic Life (HUD and VA only) 50 Years	INDICATED VALUE BY COST APPROACH = $ 0

INCOME APPROACH TO VALUE (not required by Fannie Mae)

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

Summary of Income Approach (including support for market rent and GRM) 0

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal name of project

Total number of phases | Total number of units | Total number of units sold

Total number of units rented | Total number of units for sale | Data source(s)

Was the project created by the conversion of an existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion.

Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data source(s)

Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.

Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.

Describe common elements and recreational facilities.

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

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

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

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

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

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

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

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

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.

2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.

3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.

5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.

6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

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

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.

2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.

3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.

5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.

6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.

7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.

8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.

9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.

10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.

11. I have knowledge and experience in appraising this type of property in this market area.

12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.

13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.

14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.

15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.

16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.

17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.

18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).

19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

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

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature Richard McCartin
Name RICHARD McCARTIN
Company Name N/A
Company Address 1609 Reidinger Rdg
New Albany, IN 47150
Telephone Number 502-299-6858
Email Address rmccartin1@gmail.com
Date of Signature and Report 01/07/2013
Effective Date of Appraisal 01/07/2013
State Certification #
or State License # LR49900041
or Other (describe) State #
State IN
Expiration Date of Certification or License 06/30/2014

ADDRESS OF PROPERTY APPRAISED
295 Reinhardt Rd SE
Lanesville, IN 47136

APPRAISED VALUE OF SUBJECT PROPERTY $ 184,000

LENDER/CLIENT
Name MERCURY NETWORK
Company Name FIRST HARRISON BANK
Company Address 5100 State Road 64
Georgetown, IN 47122
Email Address

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature
Name
Company Name
Company Address
Telephone Number
Email Address
Date of Signature
State Certification #
or State License #
State
Expiration Date of Certification or License

SUBJECT PROPERTY
☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
Date of Inspection
☐ Did inspect interior and exterior of subject property
Date of Inspection

COMPARABLE SALES
☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
Date of Inspection

Uniform Appraisal Dataset Definitions

File No. 2013-10

Condition Ratings and Definitions

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

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

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

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.

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.

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.

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.

Quality Ratings and Definitions

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

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

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

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

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

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

Definitions of Not Updated, Updated, and Remodeled

Not Updated

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

Updated

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

Remodeled

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

Explanation of Bathroom Count

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

Uniform Appraisal Dataset Definitions

File No. 2013-10

Abbreviations Used in Data Standardization Text

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

Other Appraiser-Defined Abbreviations

Abbrev.	Full Name	Appropriate Fields	Abbrev.	Full Name	Appropriate Fields

ADDENDUM

Borrower: SHARON SMITH		File No.: 2013-10	
Property Address: 295 Reinhardt Rd SE		Case No.:	
City: Lanesville	State: IN		Zip: 47136
Lender: FIRST HARRISON BANK			

NEIGHBORHOOD MARKET CONDITIONS
ALL COMPETITIVE LISTING AND CONTRACT OFFERINGS HAVE BEEN CONSIDERED IN THIS APPRAISAL AND IN THE TRENDING INFORMATION REPORTED IN THIS SECTION. IF A TREND IS INDICATED, I HAVE ATTACHED AN ADDENDUM PROVIDING RELEVANT COMPETITIVE LISTING/CONTRACT DATA. THE LIST-SELL RATIO OF PROPERTIES IS 90-98%. MARKETING TIME IS 90-240 DAYS. SELLER CONCESSIONS ARE OFFERED OR NECESSARY IN THIS MARKET, AND IF SO, WILL BE REFLECTED IN GRID SHEET ON PAGE 2.

USPAP PRIOR ASSIGNMENT DISCLOSURE COMMENTS:

IN ACCORDANCE WITH USPAP, THE APPRAISER HAS NOT PERFORMED AN APPRAISAL ON THE SUBJECT WITHIN THE PAST 3 YEARS.

CONDITIONS OF APPRAISAL (ADDENDUM):
NO PERSONALTY HAS BEEN CONSIDERED IN THE VALUATION. ALL STRUCTURAL COMPONENTS AND MECHANICAL SYSTEMS WERE PRESUMED BUT NOT WARRANTED TO BE IN GOOD WORKING CONDITION.

THIS APPRAISAL IS NOT A HOME INSPECTION AND THE APPRAISER IS NOT ACTING AS A HOME INSPECTOR WHEN PREPARING THE REPORT. THE BORROWER HAS THE RIGHT TO HAVE THE HOME INSPECTED BY A PROFESSIONAL HOME INSPECTION.

WHEN PERFORMING THE INSPECTION OF THIS PROPERTY, THE APPRAISER VISUALLY OBSERVED AREAS THAT WERE READILY ACCESSIBLE. THE APPRAISER IS NOT REQUIRED TO DISTURB OR MOVE ANYTHING THAT OBSTRUCTS ACCESS OR VISIBILITY;

WHEN COMPLETING THE APPRAISAL, A VISUAL INSPECTION WAS DONE IN ACCORDANCE WITH FHA GUIDELINES. THE INSPECTION IS NOT TECHNICALLY EXHAUSTIVE. THE INSPECTION DOES NOT OFFER WARRANTIES OR GUARANTEES OF ANY KIND.

PURPOSE, INTENDED USE, AND INTENDED USER OF THE APPRAISAL:
THE PURPOSED OF THE APPRAISAL IS TO ESTIMATE THE MARKET VALUE OF THE SUBJECT PROPERTY, AS DEFINED IN THIS REPORT, AS OF THE EFFECTIVE DATE OF THIS REPORT. THE INTENDED USE OF THE APPRAISAL IS TO ASSIST THE CLIENT AND ANY OTHER INTENDED USER IN THE UNDERWRITING, APPROVAL , AND FUNDING OF THE MORTGAGE LOAN. THE INTENDED USERS OF THIS REPORT ARE THE STATED CLIENT AND ANY OTHER INSTITUTIONS INVOLVED IN THE UNDERWRITING, APPROVAL, AND FUNDING OF THE MORTGAGE LOAN. NO ONE ELSE, INCLUDING THE PURCHASER AND SELLER, SHOULD RELY ON THE ESTIMATE OF VALUE OR ANY OTHER CONCLUSIONS CONTAINED IN THIS APPRAISAL REPORT.

ANALYSIS AND REPORT FORM:
THE APPRAISAL IS BASED ON THE INFORMATION GATHERED BY THE APPRAISER FROM PUBLIC RECORDS, OTHER IDENTIFIED SOURCES, INSPECTION OF THE SUBJECT PROPERTY AND NEIGHBORHOOD, AND SELECTION OF COMPARABLE SALES, LISTINGS, AND/OR RENTALS WITHIN THE SUBJECT MARKET AREA.

THE ORIGINAL SOURCE OF OF THE COMPARABLES DESCRIBED IN THE DATA SOURCE SECTION OF THE MARKET GRID ALONG WITH THE SOURCE OF CONFIRMATION, IF AVAILABLE. THE ORIGINAL SOURCE IS PRESENT FIRST. THE SOURCES AND DATA ARE CONSIDERED RELIABLE. WHEN CONFLICTING INFORMATION WAS PROVIDED, THE SOURCE DEEMED MOST RELIABLE HAS BEEN USED. DATA BELIEVED TO BE UNRELIABLE WAS NOT INCLUDED IN THE REPORT OR USED AS A BASIS FOR THE VALUE CONCLUSION. THE EXTENT OF THE ANALYSIS APPLIED TO THIS ASSIGNMENT IS STATED IN THE REPORT OR USED AS A BASIS FOR THE VALUE CONCLUSION. THE EXTENT OF THE ANALYSIS APPLIED TO THIS ASSIGNMENT IS STATE IN THE APPRAISER'S CERTIFICATION INCLUDED ABOVE AND ATTACHED TO THIS REPORT.

DEFINITION OF INSPECTION:
THE TERM "INSPECTION", AS USED IN THIS REPORT, IS NOT THE SAME LEVEL OF INSPECTION THAT IS REQUIRED FOR A "PROFESSIONAL HOME INSPECTION". THE APPRAISER DOES NOT FULLY INSPECT THE ELECTRICAL SYSTEM, PLUMBING SYSTEM, MECHANICAL SYSTEMS, FOUNDATION SYSTEM, FLOOR STRUCTURE, OR SUBFLOOR. THE APPRAISER IS NOT AN EXPERT IN CONSTRUCTION MATERIALS AND THE PURPOSE OF THE APPRAISAL IS TO MAKE AN ECONOMIC EVALUATION OF THE SUBJECT PROPERTY. IF THE CLIENT NEEDS A MORE DETAILED INSPECTION OF THE PROPERTY, A HOME INSPECTION, BY A PROFESSIONAL HOME INSPECTOR, IS SUGGESTED.

DIGITAL SIGNATURES:
THE SIGNATURE(S) AFFIXED TO THIS REPORT, AND CERTIFICATION, WERE APPLIED BY THE ORIGINAL APPRAISER(S) OR SUPERVISORY APPRAISER AND REPRESENT THEIR ACKNOWLEDGEMENT OF THE FACTS, OPINIONS AND CONCLUSION FOUND IN THE REPORT. EACH APPRAISER(S) APPLIED HIS OR HER SIGNATURE ELECTRONICALLY USING A PASSWORD ENCRYPTED METHOD. HENCE THESE SIGNATURES HAVE MORE SAFEGUARDS AND CARRY THE SAME VALIDITY AS THE INDIVIDUAL'S HAND APPLIED SIGNATURE. IF THE REPORT HAS A HAND - APPLIED SIGNATURE, THIS COMMENT DOES NOT APPLY.

OPINION OF MARKET VALUE VS ESTIMATE OF MARKET VALUE:
THE CURRENT UNIFORM STANDARDS OF PROFESSIONAL PRACTICE DEFINES THE MARKET VALUE CONCLUSION AS AN OPINION OF MARKET VALUE AND NOT AN ESTIMATE OF MARKET VALUE.

ADDITIONAL COMMENTS
THE INTENDED USER OF THIS APPRAISAL REPORT IS THE LENDER/CLIENT. THE INTENDED USE IS TO EVALUATE THE PROPERTY THAT IS THE SUBJECT OF THIS APPRAISAL FOR A MORTGAGE FINANCE TRANSACTION, SUBJECT TO THE STATED SCOPE OF WORK, PURPOSE OF THE APPRAISAL, REPORTING REQUIREMENTS OF THIS APPRAISAL REPORT FORM, AND DEFINITION OF MARKET VALUE. NO ADDITIONAL INTENDED USERS ARE IDENTIFIED BY THE APPRAISER.

Market Conditions Addendum to the Appraisal Report

File No. 2013-10

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 295 Reinhardt Rd SE   City Lanesville   State IN   Zip Code 47136

Borrower SHARON SMITH

Instructions: The appraiser must use the information required on this form as the basis for his/her conclusions, and must provide support for those conclusions, regarding housing trends and overall market conditions as reported in the Neighborhood section of the appraisal report form. The appraiser must fill in all the information to the extent it is available and reliable and must provide analysis as indicated below. If any required data is unavailable or is considered unreliable, the appraiser must provide an explanation. It is recognized that not all data sources will be able to provide data for the shaded areas below; if it is available, however, the appraiser must include the data in the analysis. If data sources provide the required information as an average instead of the median, the appraiser should report the available figure and identify it as an average. Sales and listings must be properties that compete with the subject property, determined by applying the criteria that would be used by a prospective buyer of the subject property. The appraiser must explain any anomalies in the data, such as seasonal markets, new construction, foreclosures, etc.

MARKET RESEARCH & ANALYSIS

Inventory Analysis	Prior 7–12 Months	Prior 4–6 Months	Current – 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	2	0	1	☐ Increasing	☒ Stable	☐ Declining
Absorption Rate (Total Sales/Months)	0.33	0.00	0.33	☐ Increasing	☒ Stable	☐ Declining
Total # of Comparable Active Listings	0	5	5	☐ Declining	☒ Stable	☐ Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	0.00	0.00	15.15	☐ Declining	☒ Stable	☐ Increasing
Median Sale & List Price, DOM, Sale/List %	**Prior 7–12 Months**	**Prior 4–6 Months**	**Current – 3 Months**	**Overall Trend**		
Median Comparable Sale Price	161,000	0	169,900	☐ Increasing	☒ Stable	☐ Declining
Median Comparable Sales Days on Market	122	0	100	☐ Declining	☒ Stable	☐ Increasing
Median Comparable List Price	173,950	199,900	194,900	☐ Increasing	☒ Stable	☐ Declining
Median Comparable Listings Days on Market	122	119	115	☐ Declining	☒ Stable	☐ Increasing
Median Sale Price as % of List Price	92.50%	0.00%	97.14%	☐ Increasing	☒ Stable	☐ Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent?	☒ Yes	☐ No		☐ Declining	☒ Stable	☐ Increasing

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.).

SALES CONCESSIONS ARE ACCEPTED IN THE CURRENT MARKET.

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

FORECLOSURE SALES ARE NOT AFFECTING CURRENT MARKET VALUE.

Cite data sources for above information. SIRAMLS

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.

DUE TO SUCH LITTLE DATA, THE ABOVE STATISTICS HAVE NO BEARING. OVERALL THE MARKET IS CONSIDERED STABLE. WITH HISTORIC LOW INTEREST RATES AND THE CURRENT TAX REBATE THE MARKET HAS BEEN SLOWLY EXPANDING BUT IS SLOWING BECAUSE OF THE COLD WEATHER MONTHS. THIS WILL START TO EXPAND AS WE MOVE INTO SPRING WHICH IS TYPICAL.

CONDO / CO-OP PROJECTS

If the subject is a unit in a condominium or cooperative project , complete the following: Project Name:

Subject Project Data	Prior 7–12 Months	Prior 4–6 Months	Current – 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)				☐ Increasing	☐ Stable	☐ Declining
Absorption Rate (Total Sales/Months)				☐ Increasing	☐ Stable	☐ Declining
Total # of Active Comparable Listings				☐ Declining	☐ Stable	☐ Increasing
Months of Unit Supply (Total Listings/Ab. Rate)				☐ Declining	☐ Stable	☐ Increasing

Are foreclosure sales (REO sales) a factor in the project? ☐ Yes ☐ No If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

Summarize the above trends and address the impact on the subject unit and project.

APPRAISER

	APPRAISER	**SUPERVISORY APPRAISER (ONLY IF REQUIRED)**
Signature	Rimcl[illegible]	
Name	RICHARD McCARTIN	
Company Name	N/A	
Company Address	1609 Reidinger Rdg, New Albany, IN 47150	
State License/Certification #	LR49900041	
State	IN	
Email Address	rmccartin1@gmail.com	

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: SHARON SMITH		File No.: 2013-10	
Property Address: 295 Reinhardt Rd SE		Case No.:	
City: Lanesville	State: IN		Zip: 47136
Lender: FIRST HARRISON BANK			

FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: January 7, 2013
Appraised Value: $ 184,000

REAR VIEW OF
SUBJECT PROPERTY

STREET SCENE

INTERIOR PHOTOS

Borrower: SHARON SMITH		File No.: 2013-10	
Property Address: 295 Reinhardt Rd SE		Case No.:	
City: Lanesville	State: IN		Zip: 47136
Lender: FIRST HARRISON BANK			

Kitchen

Comment:

Living Area

Description:

Comment:

Bathroom

Description:

Comment:

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: SHARON SMITH		File No.: 2013-10	
Property Address: 295 Reinhardt Rd SE		Case No.:	
City: Lanesville	State: IN		Zip: 47136
Lender: FIRST HARRISON BANK			

COMPARABLE SALE #1

2591 Breckenridge Rd NE
Corydon, IN 47112
Sale Date: s05/12;c03/12
Sale Price: $ 153,000

COMPARABLE SALE #2

1695 Smith Campground Rd SE
Laconia, IN 47135
Sale Date: s12/12;c11/12
Sale Price: $ 169,900

COMPARABLE SALE #3

6100 Milltown Frenchtown Rd NW
Depauw, IN 47115
Sale Date: s06/12;c04/12
Sale Price: $ 169,000

Borrower: SHARON SMITH		File No.: 2013-10	
Property Address: 295 Reinhardt Rd SE		Case No.:	
City: Lanesville	State: IN		Zip: 47136
Lender: FIRST HARRISON BANK			

POLE BARN

STG BLD

STG BLD

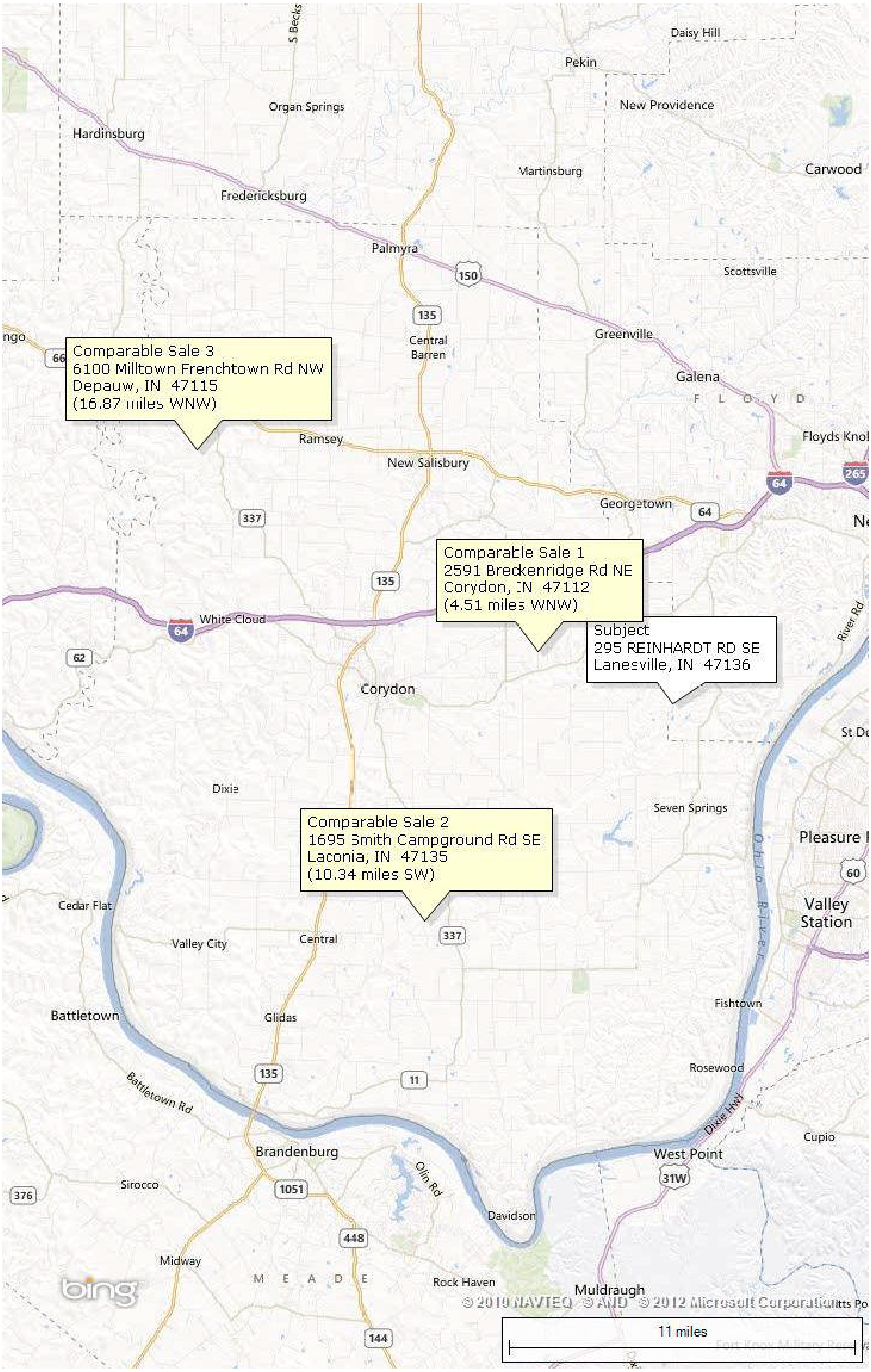
Borrower: SHARON SMITH		File No.: 2013-10	
Property Address: 295 Reinhardt Rd SE		Case No.:	
City: Lanesville	State: IN		Zip: 47136
Lender: FIRST HARRISON BANK			

SHED

BARN

LOCATION MAP

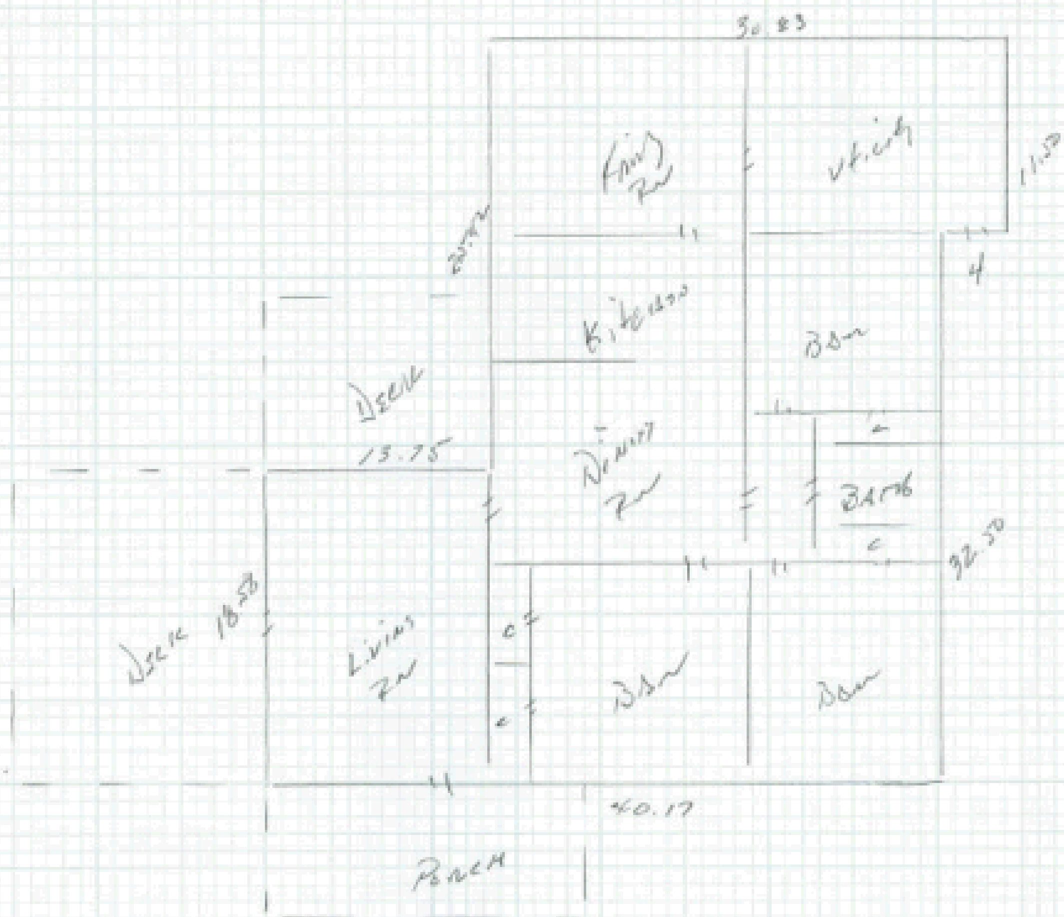
Borrower: SHARON SMITH		File No.: 2013-10
Property Address: 295 Reinhardt Rd SE		Case No.:
City: Lanesville	State: IN	Zip: 47136
Lender: FIRST HARRISON BANK		



FLOOR PLAN

Borrower: SHARON SMITH	File No.: 2013-10
Property Address: 295 Reinhardt Rd SE	Case No.:
City: Lanesville State: IN	Zip: 47136
Lender: FIRST HARRISON BANK	

City County State Zip Code
Lender

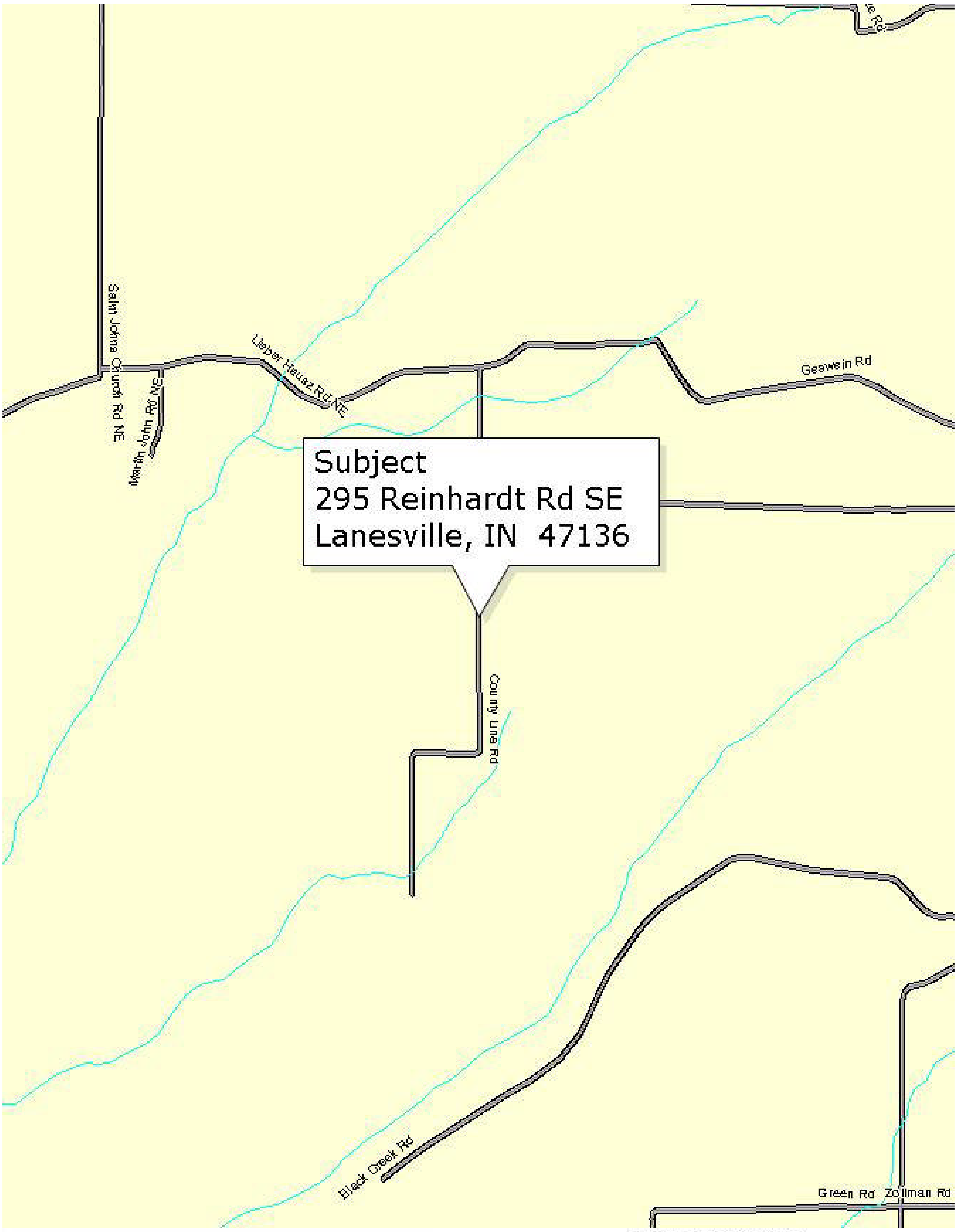


44.00 x 26.42 x 1 = 1162.48
11.50 x 4.00 x 1 = 46.00
18.50 x 13.75 x 1 = 255.48
Total = 1463.96
Round = 1464.00

Floor Plan

FLOOD MAP

Borrower: SHARON SMITH		File No.: 2013-10	
Property Address: 295 Reinhardt Rd SE		Case No.:	
City: Lanesville	State: IN		Zip: 47136
Lender: FIRST HARRISON BANK			



FloodMap Legend

Flood Zones

- Areas inundated by 500-year flooding
- Areas outside of the 100- and 500-year floodplains
- Areas inundated by 100-year flooding
- Areas inundated by 100-year flooding with velocity hazard
- Floodway areas
- Floodway areas with velocity hazard
- Areas of undetermined but possible flood hazards
- Areas not mapped on any published FIRM

Flood Information

Community: 180085 - UNINCORPORATED AREA

Property is not in a FEMA special flood hazard area.

Map Number: 1800850008B
Map Date: 11/01/1995
Panel: 0008B
FIPS: 18061
Zone: X

Neither Transamerica Flood Hazard Certification (TFHC) nor ACI make any representations or warranties to any party concerning the content, accuracy or completeness of this flood report, including any warranty of merchantability or fitness for a particular purpose. Neither TFHC nor ACI nor the seller of this flood report shall have any liability to any third party for any use or misuse of this flood report.

LICENSE

Borrower: SHARON SMITH		File No.: 2013-10
Property Address: 295 Reinhardt Rd SE		Case No.:
City: Lanesville	State: IN	Zip: 47136
Lender: FIRST HARRISON BANK		

Indiana Professional Licensing Agency
402 W. Washington Street, Room W072
Indianapolis, IN 46204

RICHARD McCARTIN
has completed all requirements for licensure in Indiana as a

LICENSED RESIDENTIAL APPRAISER

Expiring

June 30, 2014

To check the current status and expiration date for this license, please visit
http://mylicense.in.gov/eVerification

Frances L. Kelly
Executive Director
Indiana Professional Licensing Agency

********* INVOICE *********

File Number: 2013-10 JANUARY 7, 2013

FIRST HARRISON BANK
5100 STATE ROAD 64
GEORGETOWN, IN 47122

Borrower : SHARON SMITH

Invoice # : 2013-10
Order Date :
Reference/Case # :
PO Number :

295 Reinhardt Rd SE
Lanesville, IN 47136

	$	
APPRAISAL FEE	$	300.00
Invoice Total	$	300.00
State Sales Tax @	$	0.00
Deposit	($	)
Deposit	($	)
Amount Due	$	300.00

Terms: PAYMENT WITHIN 30 DAYS

Please Make Check Payable To:

RICHARD McCARTIN
1609 REINDINGER RIDGE
NEW ALBANY, IN 47150

Fed. I.D. #: 308-74-3100