

WELLS FARGO BANK, N.A.

WILMINGTON, NC 28403

File Number: 61340400

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

1492 SHEPPARD MILL ROAD
GREENVILLE, NC 27834-8273

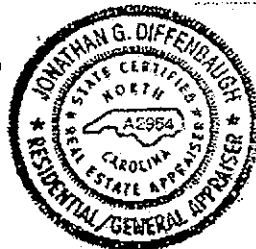
The purpose of this appraisal is to develop an opinion of the market value of the subject property, as improved. The property rights appraised are the fee simple interest in the site and improvements.

In my opinion, the market value of the property as of October 14, 2011 is:

\$569,000
Five Hundred Sixty-Nine 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.


JON DIFFENBAUGH



Uniform Residential Appraisal Report

File No. 61340400

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 **1492 SHEPPARD MILL ROAD** City **GREENVILLE** State **NC** Zip Code **27834-8273**
 Borrower **BRANCH & MELISSA GOODSON** Owner of Public Record **BRANCH & MELISSA GOODSON** County **PITT**
 Legal Description **DEED BOOK 1856, PAGE 653**
 Assessor's Parcel # **50062** Tax Year **2011** R.E. Taxes \$ **2200 est**
 Neighborhood Name **NONE** Map Reference **39-187** Census Tract **0009.00**
 Occupant Owner Tenant Vacant Special Assessments \$ **0.00** PUD HOA \$ **0.00** per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe) _____
 Assignment Type Purchase Transaction Refinance Transaction Other (describe) _____
 Lender/Client **WELLS FARGO BANK, N.A.** Address **WILMINGTON, NC 28403**
 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). **THIS PROPERTY WAS NOT LISTED IN PRIOR 12 MONTHS PER THE MLS.**

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		Two-Unit Housing		Business Land Use %	
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input checked="" type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	40 %		
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 type="checkbox"/> Stable <input checked="" type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input checked="" type="checkbox"/> Over 6 mths	90 Low	2	Multi-Family	%		
Neighborhood Boundaries Subject neighborhood bounded to north and east by Beaufort County line, south by hwy 264, west by Greenville Blvd.		595 High	50	Commercial	%		
		150 Pred.	20	Other VAC	60 %		

 Neighborhood Description **SUBJECT IS LOCATED IN A DESIRABLE RURAL SETTING, WHERE HOME AND LANDOWNERS EXHIBIT PRIDE OF OWNERSHIP. SALES AND DEVELOPMENT ARE SLOW DUE TO ITS RURAL LOCATION; BUT THIS IS TYPICAL OF ANY RURAL NEIGHBORHOOD.**
 Market Conditions (including support for the above conclusions) **SUPPLY AND DEMAND APPEAR TO BE IN BALANCE. TYPICAL 30 YEAR FIXED RATE MORTGAGES ARE RANGING FROM 4% TO 4.5% PRESENTLY.**

SITE
 Dimensions **34.86ACRES** Area **34.86 ac** Shape **RECT** View **B;Pstr;**
 Specific Zoning Classification **RA** Zoning Description **SINGLE FAMILY RESIDENTIAL**
 Zoning Compliance 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? Yes No If No, describe. _____
 Utilities Public Other (describe) _____ Public Other (describe) _____ Off-site Improvements—Type Public Private
 Electricity Water WELL Street **ASPHALT**
 Gas Sanitary Sewer SEPTIC TANK Alley **N/A**
 FEMA Special Flood Hazard Area Yes No FEMA Flood Zone **X** FEMA Map # **3720562800J** FEMA Map Date **01/02/2004**
 Are the utilities and off-site improvements typical for the market area? Yes No If No, describe. **SEPTIC TANKS/WELLS ARE TYPICAL FOR AREA**
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe. **THERE ARE NO KNOWN ADVERSE EASEMENTS, ENCROACHMENT, OR ANY OTHER KNOWN ADVERSE CONDITION.**

GENERAL DESCRIPTION	FOUNDATION	EXTERIOR DESCRIPTION materials/condition	INTERIOR materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input checked="" type="checkbox"/> Crawl Space	Foundation Walls BRK&con/good	Floors hdwd/cpt/tll/gd
# of Stories 2	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls hardplk/good	Walls DW/good
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Alt. <input type="checkbox"/> S./Det./End Unit	Basement Area 0 sq. ft.	Roof Surface FG/good	Trim/Finish WOOD/good
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 0%	Gutters & Downspouts alum/gd	Bath Floor vin/good
Design (Style) TRAD'L	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type DH fg/gd	Bath Wainscot FG/good
Year Built 1994	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated YES/YES/good	Car Storage <input type="checkbox"/> None
Effective Age (Yrs) 8	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens YES/good	<input checked="" type="checkbox"/> Driveway # of Cars 3
Attic <input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities <input type="checkbox"/> Wood Stove(s) # 0	Driveway Surface garvel
<input type="checkbox"/> Drop Stair <input checked="" type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel ELC	<input checked="" type="checkbox"/> Fireplace(s) # 2	<input type="checkbox"/> Garage # of Cars 2
<input checked="" type="checkbox"/> Floor <input type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Patio/Deck none	<input checked="" type="checkbox"/> Carport # of Cars 3
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool none	<input checked="" type="checkbox"/> Other wkshp <input type="checkbox"/> Alt. <input type="checkbox"/> Det. <input checked="" type="checkbox"/> Built-in
Appliances <input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe) _____			

IMPROVEMENTS
 Finished area above grade contains: **9 Rooms 4 Bedrooms 3.1 Bath(s) 3,435 Square Feet of Gross Living Area Above Grade**
 Additional features (special energy efficient items, etc.). **porch/screen porch/ workshop/security system/sprinkler system/sound system/600 sq.ft**
 unfinished areas **3rd floor/arge pond on site/professionally excavated**
 Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). **C3;Kitchen-updated-one to five years ago;Bathrooms-updated-one to five years ago;SUBJECT NEEDS NO REPAIRS.IT HAS BEEN METICULOUSLY MAINTAINED.OWNER/BUILDER OF SUBJECT IS AN ARCHITECT.NUMEROUS FEATURES AS OUTLINED IN THE REPORT ARE OF EXCEPTIONAL QUALITY AND DESIGN.**

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 No. 61340400

There are **6** comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ **450,000** to \$ **750,000**

There are **6** comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ **392,000** to \$ **625,000**

FEATURE	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3			
1492 SHEPPARD MILL ROAD Address GREENVILLE, NC 27834	2010 ivy road GREENVILLE, NC 27858	4405 donegal ct winterville, NC 28590	936 nottingham rd GREENVILLE, NC 27858				
Proximity to Subject	13.11 MILES SW	13.13 MILES WSW	11.63 MILES WSW				
Sale Price	\$ 392,000	\$ 515,000	\$ 625,000				
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 115.77 sq. ft.	\$ 128.98 sq. ft.	\$ 136.58 sq. ft.			
Data Source(s)	MLS #97269;DOM 436	MLS #98105;DOM 14	MLS #99422;DOM 1				
Verification Source(s)	INSPECTION	INSPECTION	INSPECTION				
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	(+) \$ Adjustment	DESCRIPTION	(-) \$ Adjustment	DESCRIPTION	(-) \$ Adjustment
Sale or Financing Concessions	ArmLth Conv;5000	ArmLth Conv;0		ArmLth Conv;0		ArmLth Conv;0	
Date of Sale/Time	s07/11;Unk	s12/10;Unk		s03/11;Unk		s03/11;Unk	
Location	B;Res;Res	B;Res;Res		B;Res;Res		B;superior;Res	-75,000
Leasehold/Fee Simple	Fee Simple	FEE SIMPLE		FEE SIMPLE		FEE SIMPLE	
Site	34.86 ac	7.89 ac	80,000	3.62 ac	90,000	20473 sf	100,000
View	B;Pstrl;	B;Pstrl;		B;Res;		B;Res;	
Design (Style)	TRADL	TRAD		trad		TRAD	
Quality of Construction	Q1	Q3	50,000	Q1		Q1	
Actual Age	17	8	-3,600	6	-4,400	4	-1,600
Condition	C3	C3		C3		C2	-10,000
Above Grade	Total Bdrms: 4 Baths: 3.1	Total Bdrms: 10 Baths: 5.3.1		Total Bdrms: 10 Baths: 5.4.0	-3,000	Total Bdrms: 11 Baths: 4.3.1	
Room Count	9 4	10 5		10 5		11 4	
Gross Living Area 50.00	3,435 sq. ft.	3,386 sq. ft.	2,450	3,993 sq. ft.	-27,900	4,576 sq. ft.	-57,050
Basement & Finished Rooms Below Grade	0sf	0sf		0sf		0sf	
Functional Utility	AVG	AVG		AVG		AVG	
Heating/Cooling	CENTRAL	CENTRAL		CENTRAL		CENTRAL	
Energy Efficient Items	TYPICAL	TYPICAL		TYPICAL		TYPICAL	
Garage/Carport	2 gar/3 cp det	2 garage	3,000	2 garage	3,000	3 GARAGE	-4,000
Porch/Patio/Deck	Porch/sc porch	porch/patio	0	porch/sc porch	0	porch/patio	
FP	2 F/P	1 FP	3,000	1 FP	3,000	2 FP	
other	wkshp	barn	-5,000	none	7,500	none	7,500
unfinished areas	600 sq. ft	none	6,000	none	6,000	none	6,000
Net Adjustment (Total)		[X] + [] - \$ 135,850		[X] + [] - \$ 74,200		[] - [X] - \$ 34,150	
Adjusted Sale Price of Comparables		Net Adj. 34.7% Gross Adj. 39.0% \$ 527,850		Net Adj. 14.4% Gross Adj. 28.1% \$ 589,200		Net Adj. -5.5% Gross Adj. 41.8% \$ 590,850	

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

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

Data source(s) **MLS**

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

Data source(s) **MLS**

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	\$0	\$0	\$0	\$0
Data Source(s)	MLS	MLS	MLS	MLS
Effective Date of Data Source(s)	09/01/2011	09/01/2011	09/01/2011	09/01/2011

Analysis of prior sale or transfer history of the subject property and comparable sales **THIS MARKET PERFORMED AT 4% IN 2006, 2% IN 2007, AND HAS BEEN STABLE THROUGH 2008-2011. SUBJECT HAS NEW CENTRAL HEAT AND AIR AND NEW REAR PORCH SINCE SALE DATE.**

Summary of Sales Comparison Approach. **ALL SALES FORM A NARROW RANGE AFTER ADJUSTMENTS. DUE TO THE SCARCITY OF SALES IN THE SUBJECT'S RURAL NEIGHBORHOOD AND ITS ACREAGE, IT WAS NECESSARY TO EXCEED TYPICAL RURAL DISTANCE GUIDELINES IN SELECTING COMPS. THEREFORE CHOOSING SALES FROM A WIDER RADIUS AND OLDER TIMEFRAME IS WARRANTED. SALE & LISTINGS THAT CROSS MAJOR THOROUGHFARES ARE OFTEN CONSIDERED SIMILARLY BY POTENTIAL BUYERS. NO PENDING SALES ARE INCLUDED AS NONE THAT ARE CONSIDERED COMPARABLE WERE FOUND DURING A COMP SEARCH. EQUAL WEIGHT IS GIVEN TO THE 3 SALES, THE LISTINGS ARE IN SUPPORT ONLY. BRACKETING THE SITE SIZE WAS NOT POSSIBLE DUE TO ANY COMPARABLES THAT EXCEED THE SUBJECT'S SITE SIZE. LARGE NET/GROSS PERCENTAGE ADJUSTMENTS WERE UNAVOIDABLE DUE TO ACREAGE DIFFERENTIALS.**

Indicated Value by Sales Comparison Approach \$ **569,000**

Indicated Value by: Sales Comparison Approach \$ **569,000** Cost Approach (if developed) \$ **598,300** Income Approach (if developed) \$ **not developed**

THIS IS A SUMMARY APPRAISAL REPORT. THE INCOME APPROACH DOES NOT APPLY DUE TO TYPICAL OWNER OCCUPANCY IN THE NEIGHBORHOOD.

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

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ **569,000** as of **10/14/2011**, which is the date of inspection and the effective date of this appraisal.



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).

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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.

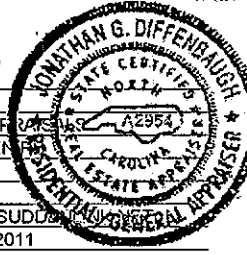
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

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 [Handwritten Signature]
Name JON DIFFENBAUGH
Company Name DIFFENBAUGH APPRAISERS
Company Address 213 WOODHAVEN
GREENVILLE NC 27834
Telephone Number 252-355-1606
Email Address JDIFFENBAUGH1@SUDLOR.COM
Date of Signature and Report 10/18/2011
Effective Date of Appraisal 10/14/2011
State Certification # A2954
or State License #
or Other (describe) State #
State NC
Expiration Date of Certification or License 06/30/2012



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

ADDRESS OF PROPERTY APPRAISED
1492 SHEPPARD MILL ROAD
GREENVILLE, NC 27834-8273

APPRAISED VALUE OF SUBJECT PROPERTY \$ 569,000

LENDER/CLIENT
Name
Company Name WELLS FARGO BANK, N.A.
Company Address
WILMINGTON, NC 28403
Email Address

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



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.

Treatment Of Bathroom Counts

For purposes of this report, in the Improvements Section, Finished Rooms Above Grade, the count of bathrooms is represented as the number of "full" bathrooms to the left of the period and the count of "half" bathrooms to the right of the period. A three-quarter bath is counted as a full bath. Quarter baths (baths that feature only a toilet) are not included in the bathroom count.

Abbreviations Used in Data Standardization Text

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



Market Conditions Addendum to the Appraisal Report File No. 61340400

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 **1492 SHEPPARD MILL ROAD** City **GREENVILLE** State **NC** Zip Code **27834-8273**
 Borrower **BRANCH & MELISSA GOODSON**

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.

Inventory Analysis		Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	5	0	1	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	
Absorption Rate (Total Sales/Months)	0.8	0.7	0.3	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	
Total # of Comparable Active Listings	4	4	6	<input checked="" type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing	
Months of Housing Supply (Total Listings/Ab.Rate)	5.0	5.7	20.0	<input checked="" type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing	
Median Sale & List Price, DOM, Sales/List %		Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Median Comparable Sale Price	553,000	0	392,000	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	
Median Comparable Sales Days on Market	411	166	436	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing	
Median Comparable List Price	565,000	555,000	539,000	<input checked="" type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	
Median Comparable Listings Days on Market	167	290	211	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing	
Median Sale Price as % of List Price	96.0%	96.0%	96.0%	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	
Seller (developer, builder, etc.) paid financial assistance prevalent?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> 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.).
THE USE OF SELLER CONCESSIONS HAS BEEN AS STABLE AS THE MARKET. CONCESSIONS DO OCCUR IN MAYBE 30% OF TRANSACTIONS, THEY RANGE FROM 2% TO 4% TYPICALLY.

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).
FORECLOSURES ARE OCCURRING BUT AT A RATE NOT EXCEEDING WHAT HAS BEEN PRESENT IN THIS MARKET OVER THE PAST DECADE. THE RECENT FORECLOSURE AN CREDIT CRISIS WHICH HAS AFFECTED MUCH OF THE NATION HAS NOT HAD AN ADVERSE AFFECT ON EASTERN NORTH CAROLINA PRICES. MARKETING TIMES HOWEVER SEEM TO HAVE BEEN EXPANDED.

Cite data sources for above information. **MLS/REALTORS**

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.
TYPICAL 30 YEAR FIXED RATE MORTGAGES ARE CURRENTLY RANGING 4.9% TO 5.3%. SUPPLY AND DEMAND APPEAR TO BE IN BALANCE.

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

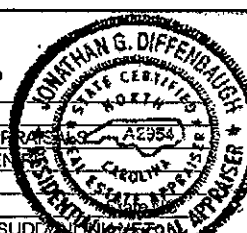
Subject Project Data		Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	N/A				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	N/A				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings	N/A				<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab. Rate)	N/A				<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing

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

Summarize the above trends and address the impact on the subject unit and project. **AGAIN, THE RECENT CREDIT CRISIS IN 2009 HAS NOT PLAYED A MAJOR ROLE IN EASTERN NC REAL ESTATE PRICES. THEY HAVE DAMPENED 3-4% GROWTH IN MARKET VALUES TO 0% GROWTH IN 2008-2009. EASTERN NC IS ONE OF ONLY A "HANDFUL" OF MARKETS WHICH HAS NOT EXPERIENCED NEGATIVE HOUSE VALUE GROWTH.**

APPRaiser Signature [Signature] Name **JOY DIFFENBAUGH**
 Company Name **DIFFENBAUGH APPRAISERS**
 Company Address **213 WOODHAVEN GREENVILLE NC 27834**
 State License/Certification # **NC**
 Email Address **JDIFFENBAUGH1@SUDD**

SUPERVISORY APPRAISER (ONLY IF REQUIRED) Signature _____ Name _____
 Company Name _____ Company Address _____
 State License/Certification # _____ State _____
 Email Address _____



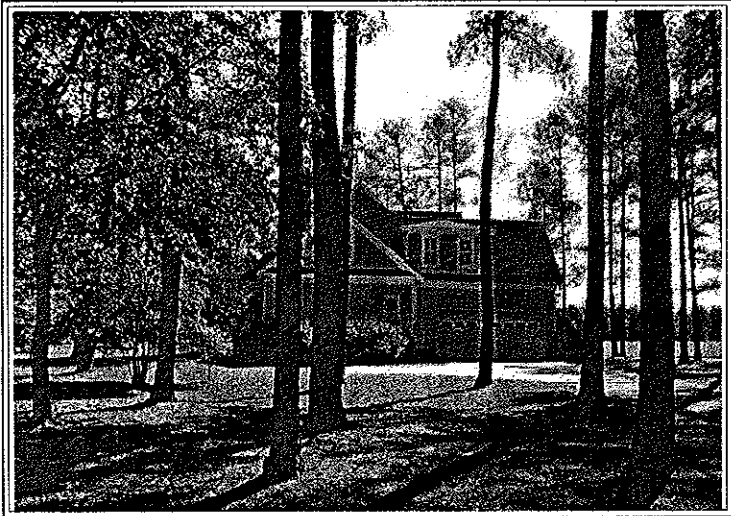
SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: BRANCH & MELISSA GOODSON	File No.: 61340400
Property Address: 1492 SHEPPARD MILL ROAD	Case No.:
City: GREENVILLE	State: NC
Lender: WELLS FARGO BANK, N.A.	Zip: 27834-8273



FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: October 14, 2011
Appraised Value: \$ 569,000



REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE



COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: BRANCH & MELISSA GOODSON	File No.: 61340400	
Property Address: 1492 SHEPPARD MILL ROAD	Case No.:	
City: GREENVILLE	State: NC	Zip: 27834-8273
Lender: WELLS FARGO BANK, N.A.		



COMPARABLE SALE #1

2010 ivy road
GREENVILLE, NC 27858
Sale Date: s07/11;Unk
Sale Price: \$ 392,000



COMPARABLE SALE #2

4405 donegal ct
winterville, NC 28590
Sale Date: s12/10;Unk
Sale Price: \$ 515,000



COMPARABLE SALE #3

936 nottingham rd
GREENVILLE, NC 27858
Sale Date: s03/11;Unk
Sale Price: \$ 625,000

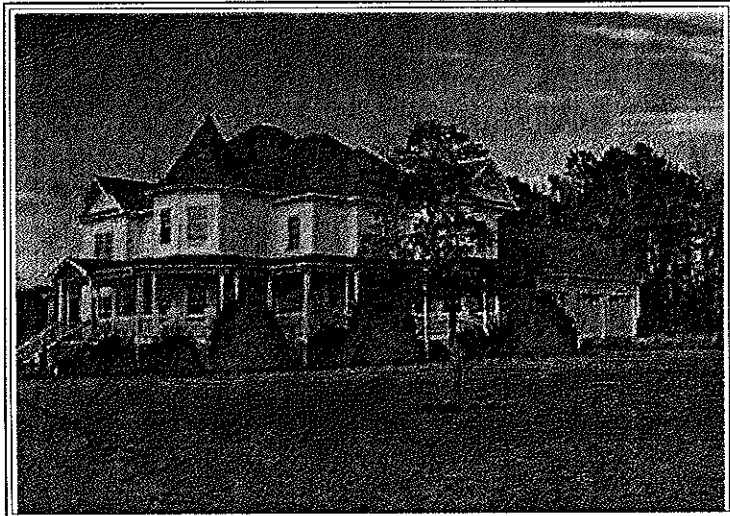
COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: BRANCH & MELISSA GOODSON	File No.: 61340400	
Property Address: 1492 SHEPPARD MILL ROAD	Case No.:	
City: GREENVILLE	State: NC	Zip: 27834-8273
Lender: WELLS FARGO BANK, N.A.		



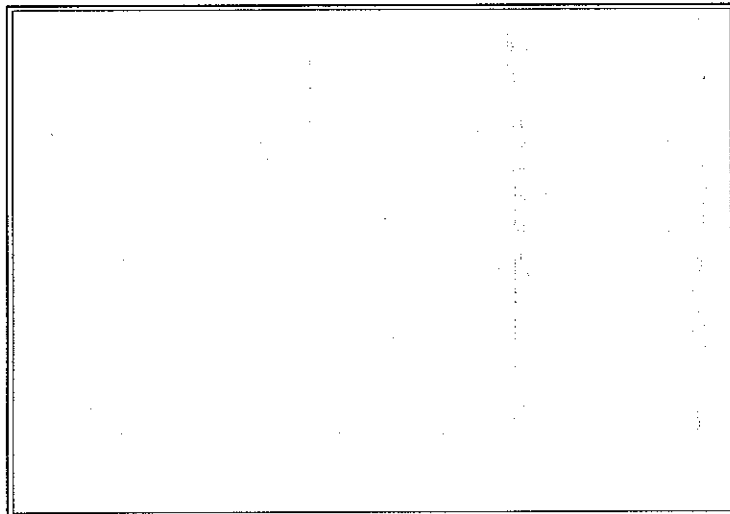
COMPARABLE SALE #4

5733 marvin taylor rd
ayden, NC 28513
Sale Date: Active
Sale Price: \$ 520,000



COMPARABLE SALE #5

7264 nc hwy 43
maclesfield, NC 27852
Sale Date: Active
Sale Price: \$ 595,000



COMPARABLE SALE #6

Sale Date:
Sale Price: \$



Borrower: BRANCH & MELISSA GOODSON
Property Address: 1492 SHEPPARD MILL ROAD
City: GREENVILLE
Lender: WELLS FARGO BANK, N.A.

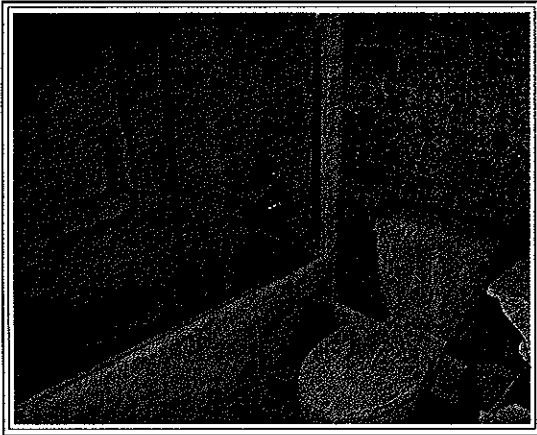
File No.: 61340400
Case No.:
State: NC
Zip: 27834-8273



KITCHEN



living room



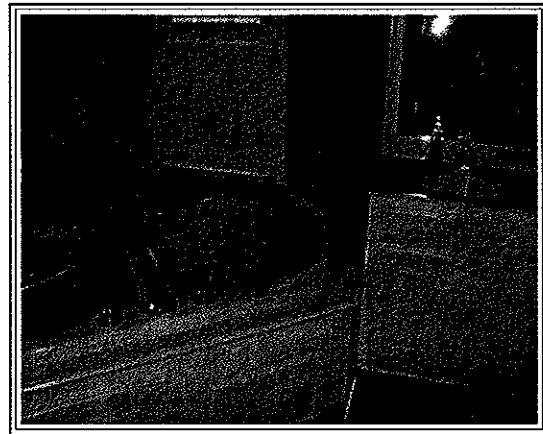
BATHROOM



bathroom



1/2 bath

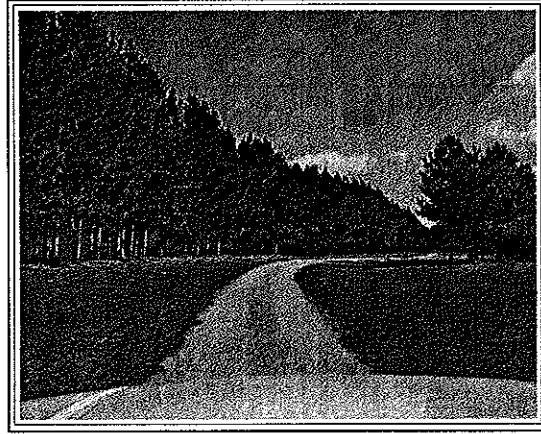


bathroom

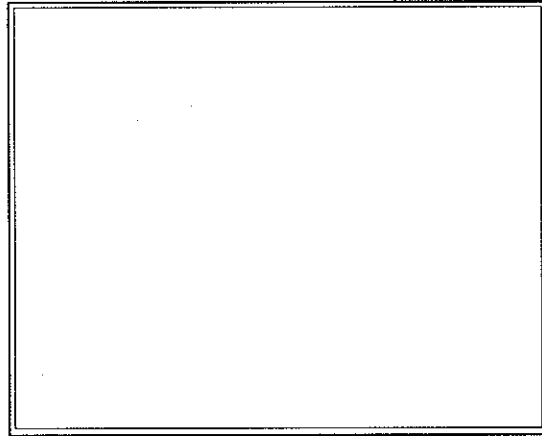
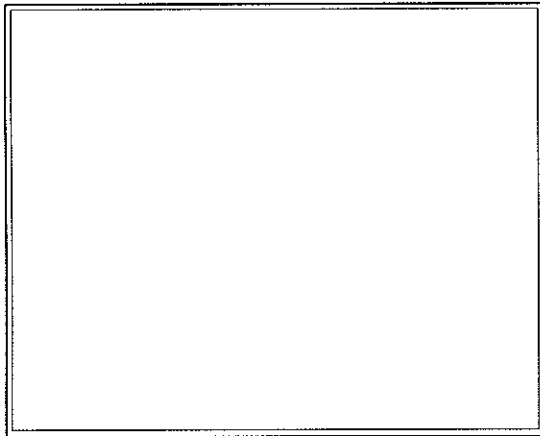
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Property Address: 1492 SHEPPARD MILL ROAD	Case No.:
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workshop

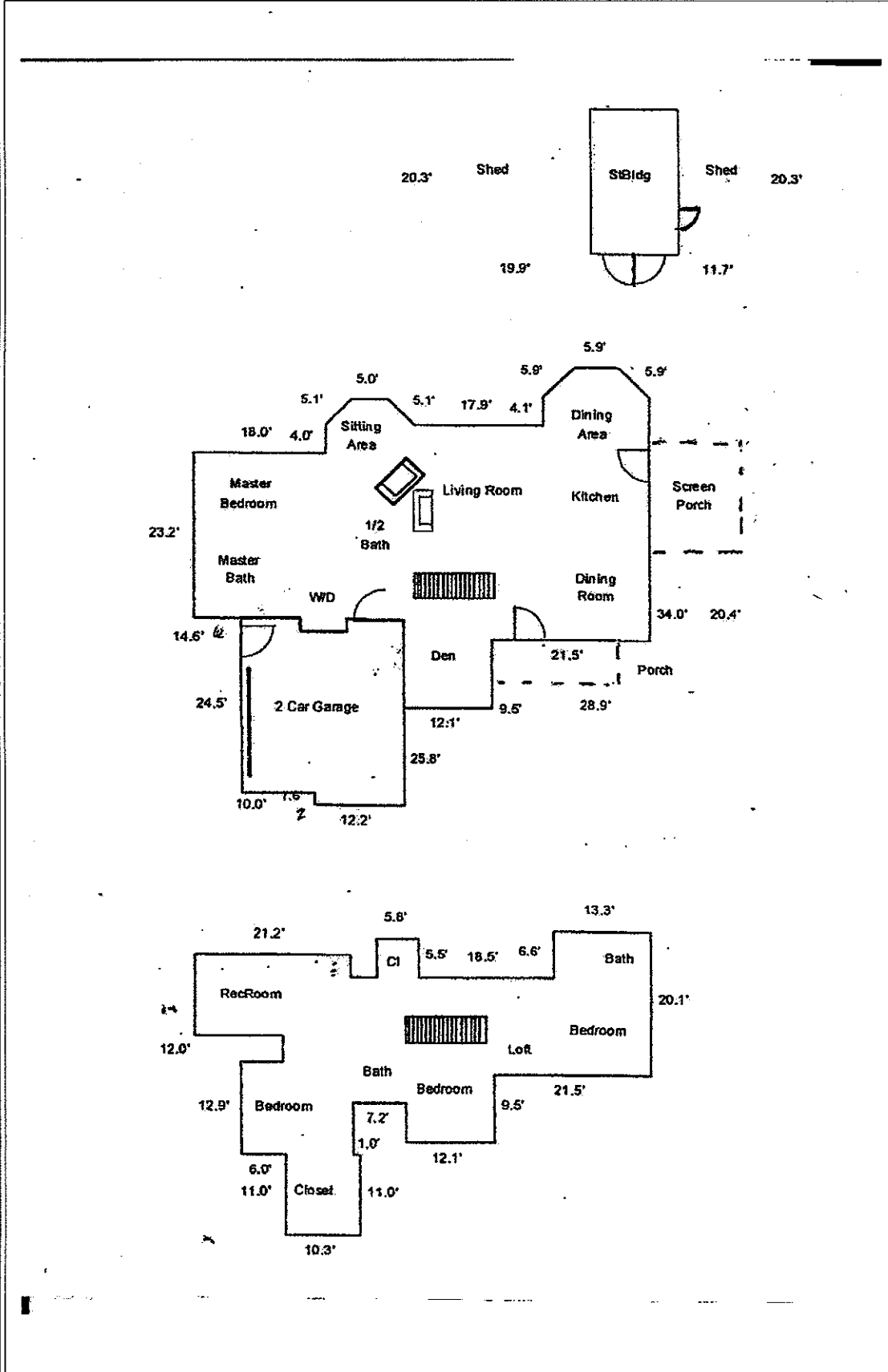


plantation style driveway/lane approach



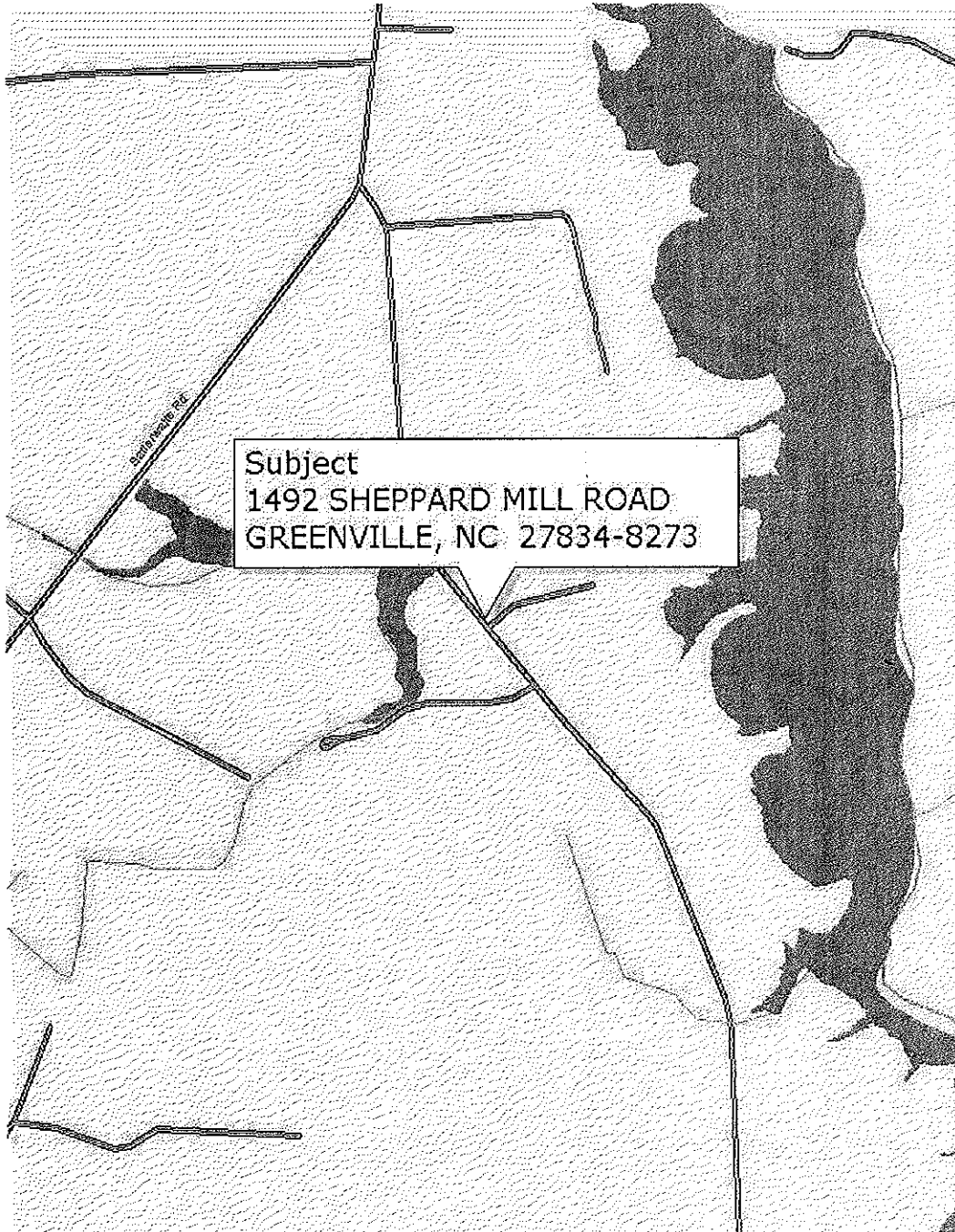
FLOORPLAN

Borrower: BRANCH & MELISSA GOODSON	File No.: 61340400
Property Address: 1492 SHEPPARD MILL ROAD	Case No.:
City: GREENVILLE	State: NC
Lender: WELLS FARGO BANK, N.A.	Zip: 27834-8273



FLOOD MAP

Borrower: BRANCH & MELISSA GOODSON	File No.: 61340400
Property Address: 1492 SHEPPARD MILL ROAD	Case No.:
City: GREENVILLE	State: NC
Lender: WELLS FARGO BANK, N.A.	Zip: 27834-8273



Subject
 1492 SHEPPARD MILL ROAD
 GREENVILLE, NC 27834-8273

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: 370372 - UNINCORPORATED AREA
 Property is not in a FEMA special flood hazard area.
 Map Number: 3720562800J Map Date: 01/02/2004
 Panel: 5628J FIPS: 37147
 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.



