

APPRAISAL OF



LOCATED AT:

27156 Blum St
Roseville, MI 48066

FOR:

Colony American Finance
4 Park Plaza, Suite 1950
Irvine, CA 92614

BORROWER:

Rudalev MI I

AS OF:

May 25, 2017

BY:

Matthew Talacko

Colony American Finance
4 Park Plaza, Suite 1950
Irvine, CA 92614

File Number: Blum

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

27156 Blum St
Roseville, MI 48066

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 May 25, 2017 is:

\$104,000
One Hundred 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.

Respectfully submitted,

Matthew Talacko

Matthew Talacko

ANS-221325
File No. Blum

SUBJECT

CONTRACT

NEIGHBORHOOD

SITE

IMPROVEMENTS

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

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SALES COMPARISON APPROACH

Uniform Residential Appraisal Report

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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) Recent vacant residential land sales within the city of Roseville over the prior 24 months and current land assessed value by the Roseville assessing department.

COST APPROACH

ESTIMATED	☐ REPRODUCTION OR	☒ REPLACEMENT COST NEW	OPINION OF SITE VALUE = \$				8,000		
Source of cost data	Marshall & Swift / Local Builders		Dwelling	1,800	Sq. Ft. @ \$	78.....	= \$	140,400	
Quality rating from cost service	Avg	Effective date of cost data	Bsmt: 576		Sq. Ft. @ \$	25.....	= \$	14,400	
Comments on Cost Approach (gross living area calculations, depreciation, etc.)									
Calculations were based on the Marshall & Swift handbook and the local online builder's cost calculator found at Homewyse.com			Garage/Carport	878	Sq. Ft. @ \$	18.....	= \$	15,804	
			Total Estimate of Cost-New				= \$	170,604	
			Less	100	Physical	Functional	External		
			Depreciation	\$69,386			= \$ (	69,386)	
			Depreciated Cost of Improvements				= \$	101,218	
			"As-is" Value of Site Improvements				= \$		
Estimated Remaining Economic Life (HUD and VA only)			70	Years	INDICATED VALUE BY COST APPROACH..... = \$				109,200

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ X Gross Rent Multiplier = \$ Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM)

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
Legal name of project
Total number of phases Total number of units Total number of units sold
Total number of units rented Total number of units for sale Data source(s)
Was the project created by the conversion of an existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion.
Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data source(s)
Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.

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

Describe common elements and recreational facilities.

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

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

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

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

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

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

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

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

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing 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.

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

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.
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 Matthew Talacko
Name Matthew Talacko
Company Name Shoreview Appraisal Services
Company Address 22921 Avon St.
St. Clair Shores, MI 48082
Telephone Number (586)879-4502
Email Address shoreviewappraisals@yahoo.com
Date of Signature and Report 06/11/2017
Effective Date of Appraisal 05/25/2017
State Certification # _____
or State License # 1201071115
or Other (describe) _____ State # _____
State MI
Expiration Date of Certification or License 07/31/2017

ADDRESS OF PROPERTY APPRAISED
27156 Blum St
Roseville, MI 48066

APPRAISED VALUE OF SUBJECT PROPERTY \$ 104,000

LENDER/CLIENT
Name Appraisal Nation
Company Name Colony American Finance
Company Address 4 Park Plaza, Suite 1950
Irvine, CA 92614
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 _____

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[illegible]

Condition Ratings and Definitions

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

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

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

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

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

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

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

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

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

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

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

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

Quality Ratings and Definitions

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

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

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

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

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

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

Definitions of Not Updated, Updated, and Remodeled

Not Updated

Little or no updating or modernization. This description includes, but is not limited to, new homes.

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

Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.

An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

Remodeled

Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/ or expansion.

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

Explanation of Bathroom Count

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

Uniform Appraisal Dataset Definitions

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Abbreviations Used in Data Standardization Text

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

Other Appraiser-Defined Abbreviations

[illegible]

ADDENDUM

Borrower: Rudalev MI I		File No.: Blum	
Property Address: 27156 Blum St		Case No.: ANS-221325	
City: Roseville	State: MI		Zip: 48066
Lender: Colony American Finance			

Neighborhood Description

The subject property is located within an established subdivision in the city of Roseville. This neighborhood consists predominately of single-family (one-unit) homes, along with some commercial properties generally located along the exterior thoroughfares as well as some multi-family complexes scattered throughout the area.

Single-family housing stock within this neighborhood consists predominately of ranch style dwellings, with some bungalow and colonial designs interspersed. Age typically ranges from new construction to 90 years of age, with the typical gross living area ranging from 900 to 1,500 square feet, and a quality of construction that spans the range of non to full masonry construction. Basement foundations are typical, with a 3 bedroom utility being the most common.

I-94, a major traffic artery, is within one mile and offer access to shopping, schools, places of worship, employment centers, freeways, and recreational areas. Commute times to Detroit's central business and entertainment districts consist of approximately 10 to 20 minutes. Improvements conform to the surrounding homes.

The subject is served by the Roseville School District.

There are no positive or negative influences within the subject's neighborhood which affect marketability of the subject property.

Neighborhood Market Conditions

Market condition search parameters were limited to sales in the defined neighborhood boundaries which are defined on Page 1 of the report.

Research of sales records and estimates of market times were based on MLS records. Financing was found to be readily available at attractive rates, and sales financing concessions were found to be prevalent. Bank owned sales, foreclosures and short sales were found in the subject properties market area.

The median sales price for the subject properties market area in the 12 month period preceeding the effective date of this appraisal is \$80,450 (26 sales) with an average sales price of \$82,868. The median sales price for the subject properties market area in the 13-24 month period preceeding the effective date of this appraisal is \$78,000 (29 sales) with an average sales price of \$79,276.

As indicated above and on the 1004MC, market trends reflect median sales prices which has remained relatively stable over the past 12 months, marketing times have been under 90 days for the past 6 months, the current supply is in balance or nearing a balance with the demand, and the sales to list price ratios have remained relatively stable over the past 12 months. Sellers concessions up to 6% are not atypical, however, a dollar for dollar adjustment is typically required to give cash equivalency. These concessions have influenced roughly 24% of overall sale volume in the past 12 months.

Foreclosure (REO) sales are a factor in this market making up roughly 15% of sales volume in the past 12 months.

Reasonable exposure time in the subject's market is 30 to 90 days

Comments on Sales Comparison

Due to the lack of current market data within the immediate market area the appraiser was compelled to expand Fannie Mae guidelines to include one or more comparables which exceed one mile from the subject property AND/OR six months sales. However, due to it's/their overall similarities this/these comparable(s) have been deemed reliable. (See market conditions regarding time adjustments).

The appraiser has utilized the principle of substitution and paired sales to derive the adjustments in the market approach. While this approach can be subjective at times, the appraiser has made all attempts to give the most accurate adjustments and representation of the affects of the improvements in the subject properties market area.

All comparables utilized in the report are the most similar in terms of gross living area and condition which are the two most driving factors of marketability within this market area and have been deemed the most reliable indicators of value for the subject property.

The appraiser was forced to expand comparable search boundaries outside of the defined neighborhood boundaries located on Page 1 of the report. This was due to the lack of similar colonial or bungalow style homes within 200 square feet of the subject. The comparables located outside of the subject's immediate market area (Comps 2-4) are located in similar and competitive neighborhoods and deemed reliable indicators of market value for the subject and no proximity adjustments were necessary.

Gross living area adjustments were given at a rate of \$20 per square foot for differences of 100 square feet or more.

Bathroom adjustments were given at a rate of \$4,000 per full bath, \$2,000 per half bath.

Basement adjustments were made based on overall percentage of finished area and quality of finished area.

Comps 1-3 are similar sales to the subject in terms of overall marketability which include the two main driving factors of marketability within this area which are overall GLA and condition. Comp 4 was given a downward condition adjustment of 10% based on its recent full remodel of the interior of the home including kitchen, bathroom, and all cosmetic updates.

Comp 2 received an upward location adjustment due to its adverse location on a busy traffic street (Frazho Road).

All other amenity adjustments were based on paired sales analysis within the subject's market area and the online builder's cost calculator found at Homewyse.com.

ADDENDUM

Borrower: Rudalev MI I		File No.: Blum
Property Address: 27156 Blum St		Case No.: ANS-221325
City: Roseville	State: MI	Zip: 48066
Lender: Colony American Finance		

Final Reconciliation

The sales comparison approach is considered the most reliable approach to value in considering the subject's market value.

All sold comparables were considered in determining final opinion of value, however, Comp 1 was given the most weight due to its overall similarities including overall condition and location within the subject's immediate market area.

Conditions of Appraisal

I have not provided services regarding the subject property in the prior three years.

Appraisers are required to be licensed and are regulated by the Department of Licensing and Regulatory Affairs, P.O. Box 30018, Lansing, MI 48909.

Market value was estimated in fee simple title, assuming no outstanding liens which could affect marketability. All sales were given similar consideration. This appraisal is prepared as a summary appraisal under USPAP.

The report contains digital signatures, The Appraisal Standard Board of the Foundation has addressed electronic signatures in Statement No. 8 dated January 1, 1999. The Board states " electronically affixing a signature to a report carries the same level of authority and responsibility as an ink signature on a paper copy report".

Market Conditions Addendum to the Appraisal Report

ANS-221325
File No. Blum

MARKET RESEARCH & ANALYSIS

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 27156 Blum St City Roseville State MI Zip Code 48066
Borrower Rudalev MI I

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)	3	4	3	☐ Increasing	☒ Stable	☐ Declining
Absorption Rate (Total Sales/Months)	0.50	1.33	1.00	☐ Increasing	☒ Stable	☐ Declining
Total # of Comparable Active Listings			3	☐ Declining	☐ Stable	☐ Increasing
Months of Housing Supply (Total Listings/Ab.Rate)			3.00	☐ 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	101,220	108,010	107,550	☐ Increasing	☒ Stable	☐ Declining
Median Comparable Sales Days on Market	56	28	33	☐ Declining	☒ Stable	☐ Increasing
Median Comparable List Price			129,900	☐ Increasing	☐ Stable	☐ Declining
Median Comparable Listings Days on Market			34	☐ Declining	☐ Stable	☐ Increasing
Median Sale Price as % of List Price	98.00%	99.00%	98.00%	☐ 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.). Roughly 28% of sales volume for the past 12 months included seller's concessions. Sellers concessions up to 6% are not atypical, however, a dollar for dollar adjustment is typically required to give cash equivalency.

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). Distressed sales were found in the subject property's market area, accounting for approximately 15% of the total sales over the past 12 months. Distressed sales tend to sell for less than market value and contribute to the overall supply and demand of the market area. The result is an increase in competition, which will drive the values of non distressed property's downwards.

Cite data sources for above information. Realcomp MLS

Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions. Local MLS limitations due not allow for the research of historical active listings. Analysis of past supply/demand trends is not possible without such data. Areas of the 1004MC grid have been filled with N/A where data is not available. Corresponding trend boxes have been left blank.

Median sales prices were utilized, while averages were utilized for marketing time and sales to list price ratios.

See 2055 05UAD market conditions summary for analysis breakdown.

CONDO / CO-OP PROJECTS

If the subject is a unit in a condominium or cooperative project, complete the following:				Project Name:		
Subject Project Data	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)				☐ Increasing	☐ Stable	☐ Declining
Absorption Rate (Total Sales/Months)				☐ Increasing	☐ Stable	☐ Declining
Total # of Active Comparable Listings				☐ Declining	☐ Stable	☐ Increasing
Months of Unit Supply (Total Listings/Ab. Rate)				☐ Declining	☐ Stable	☐ Increasing

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

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

APPRAISER

APPRAISER

Signature Matthew Talacko
Name Matthew Talacko
Company Name Shoreview Appraisal Services
Company Address 22921 Avon St.
St. Clair Shores, MI 48082
State License/Certification # 1201071115 State MI
Email Address shoreviewappraisals@yahoo.com

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

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

DIMENSION LIST ADDENDUM

Borrower: Rudalev MI I	File No.: Blum
Property Address: 27156 Blum St	Case No.: ANS-221325
City: Roseville	State: MI Zip: 48066
Lender: Colony American Finance	

GROSS BUILDING AREA (GBA)		<u>1,800</u>	
GROSS LIVING AREA (GLA)		<u>1,800</u>	
Area(s)	Area	% of GLA	% of GBA
Living	<u>1,800</u>		<u>100.00</u>
Level 1	<u>792</u>	<u>44.00</u>	<u>44.00</u>
Level 2	<u>1,008</u>	<u>56.00</u>	<u>56.00</u>
Level 3	<u>0</u>	<u>0.00</u>	<u>0.00</u>
Other	<u>0</u>	<u>0.00</u>	<u>0.00</u>
	GBA		
Basement	☐ <u>576</u>		<u> </u>
Garage	☐ <u>878</u>		<u> </u>
Other	☐ <u>144</u>		<u> </u>

Area Measurements					Area Type							
Measurements		Factor		Total	Level 1	Level 2	Level 3	Other	Bsmt.	Garage		
<u>12.00</u>	x	<u>18.00</u>	x	<u>1.00</u> =	<u>216.00</u>	☒	☐	☐	☐	☐	☐	
<u>24.00</u>	x	<u>24.00</u>	x	<u>1.00</u> =	<u>576.00</u>	☒	☐	☐	☐	☐	☐	
<u>42.00</u>	x	<u>24.00</u>	x	<u>1.00</u> =	<u>1,008.00</u>	☐	☒	☐	☐	☐	☐	
<u>24.00</u>	x	<u>24.00</u>	x	<u>1.00</u> =	<u>576.00</u>	☐	☐	☐	☐	☒	☐	
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_____	x	_____	x	=	_____	☐	☐	☐	☐	☐	☐	
_____	x	_____	x	=								

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Rudalev MI I		File No.: Blum
Property Address: 27156 Blum St		Case No.: ANS-221325
City: Roseville	State: MI	Zip: 48066
Lender: Colony American Finance		



FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: May 25, 2017
Appraised Value: \$ 104,000



REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE

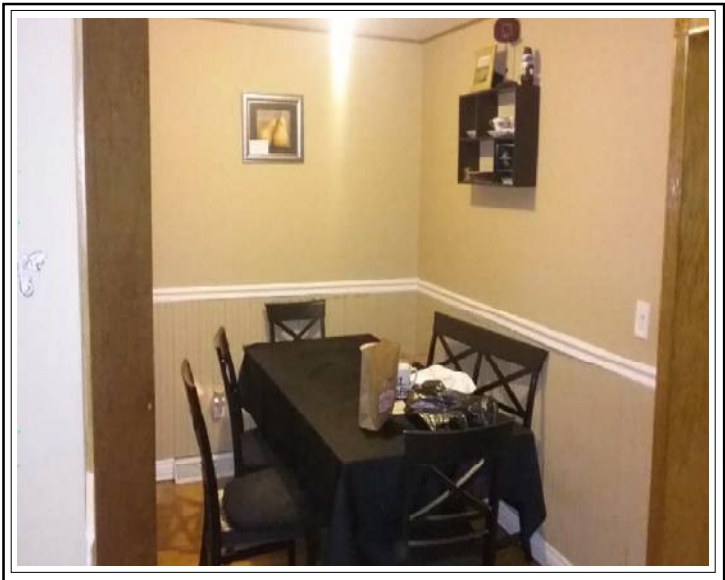
Borrower: Rudalev MI I	File No.: Blum
Property Address: 27156 Blum St	Case No.: ANS-221325
City: Roseville	State: MI
Lender: Colony American Finance	Zip: 48066



Enclosed Porch



Living Room



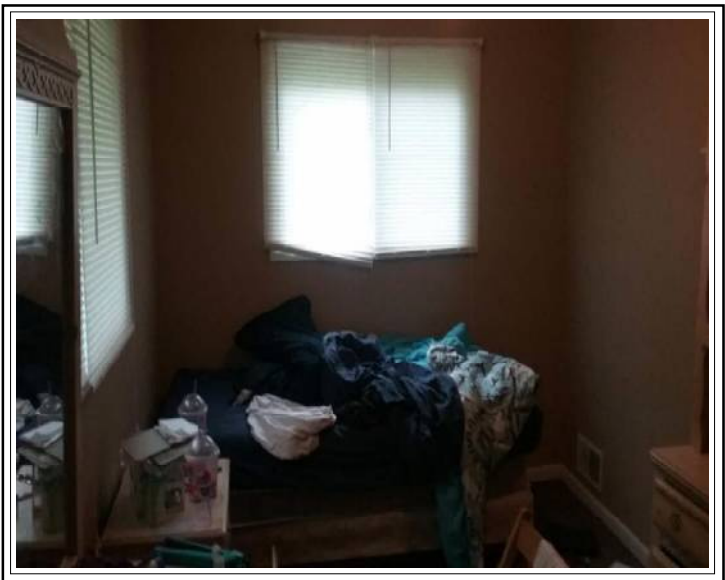
Dining Room



Kitchen



Bathroom

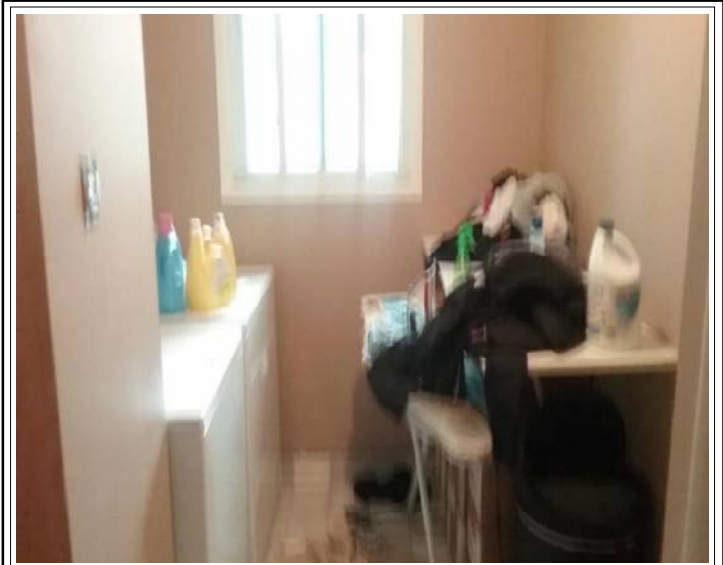


Bedroom

Borrower: Rudalev MI I		File No.: Blum
Property Address: 27156 Blum St		Case No.: ANS-221325
City: Roseville	State: MI	Zip: 48066
Lender: Colony American Finance		



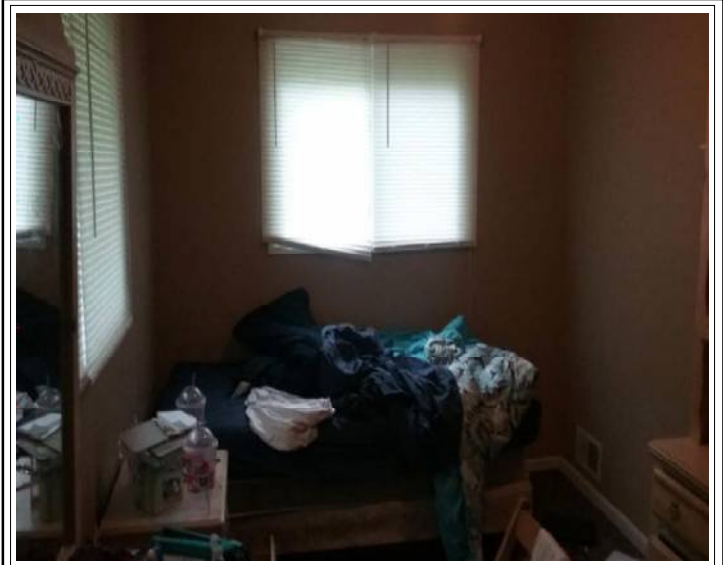
Bedroom



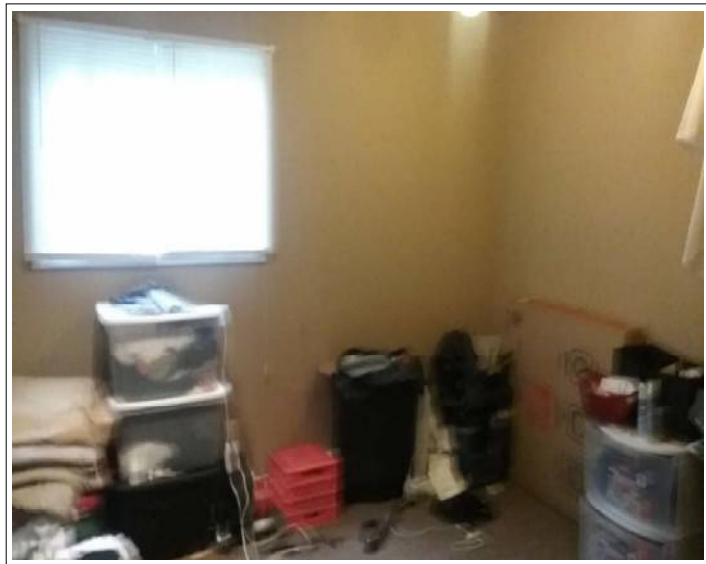
Laundry



Bathroom



Bedroom



Bedroom



Basement

Borrower: Rudalev MI I		File No.: Blum
Property Address: 27156 Blum St		Case No.: ANS-221325
City: Roseville	State: MI	Zip: 48066
Lender: Colony American Finance		



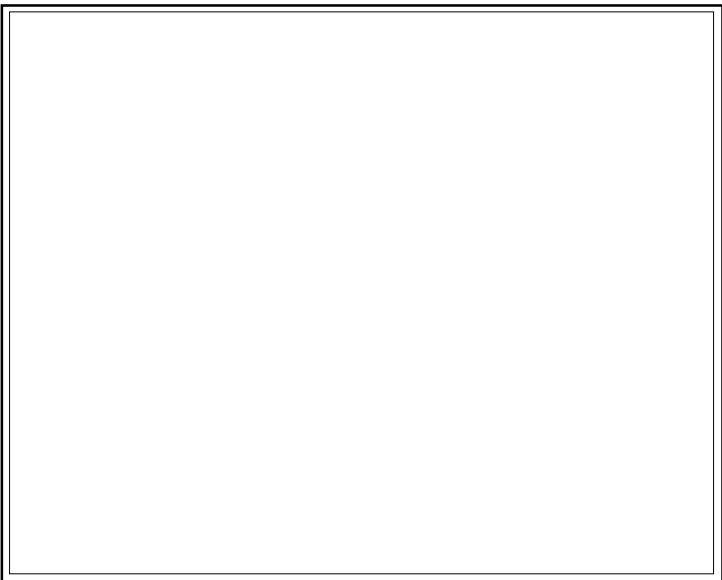
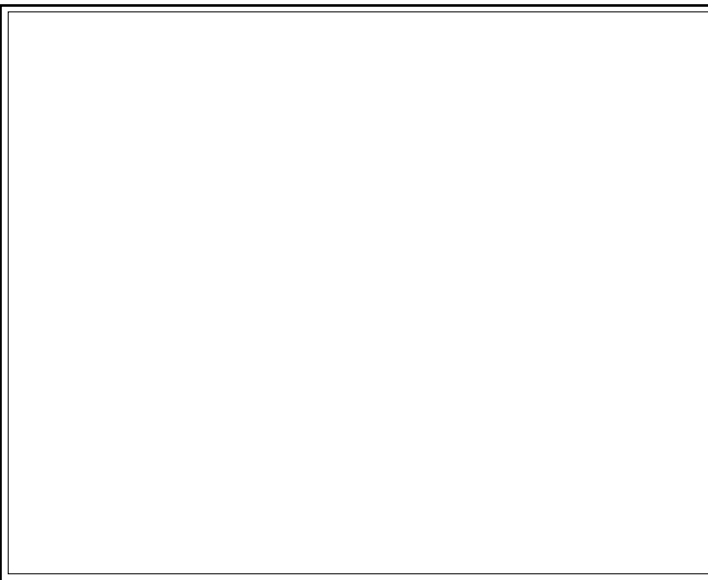
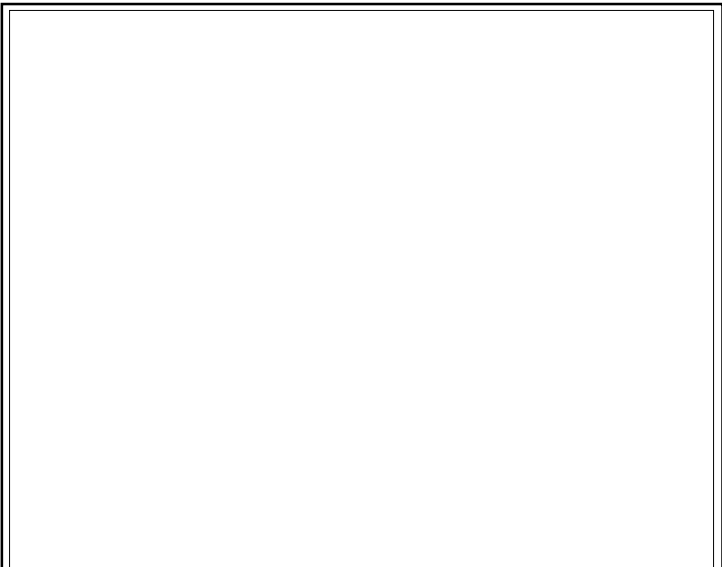
Mechanicals



Side View



Side View



COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Rudalev MI I		File No.: Blum
Property Address: 27156 Blum St		Case No.: ANS-221325
City: Roseville	State: MI	Zip: 48066
Lender: Colony American Finance		



COMPARABLE SALE #1

27260 Bohn St
Roseville, MI 48066
Sale Date: s07/16;c05/16
Sale Price: \$ 108,000



COMPARABLE SALE #2

16240 Frazho Rd
Roseville, MI 48066
Sale Date: s07/16;c07/16
Sale Price: \$ 97,000



COMPARABLE SALE #3

25836 Hoffmeyer St
Roseville, MI 48066
Sale Date: s12/16;c11/16
Sale Price: \$ 106,000

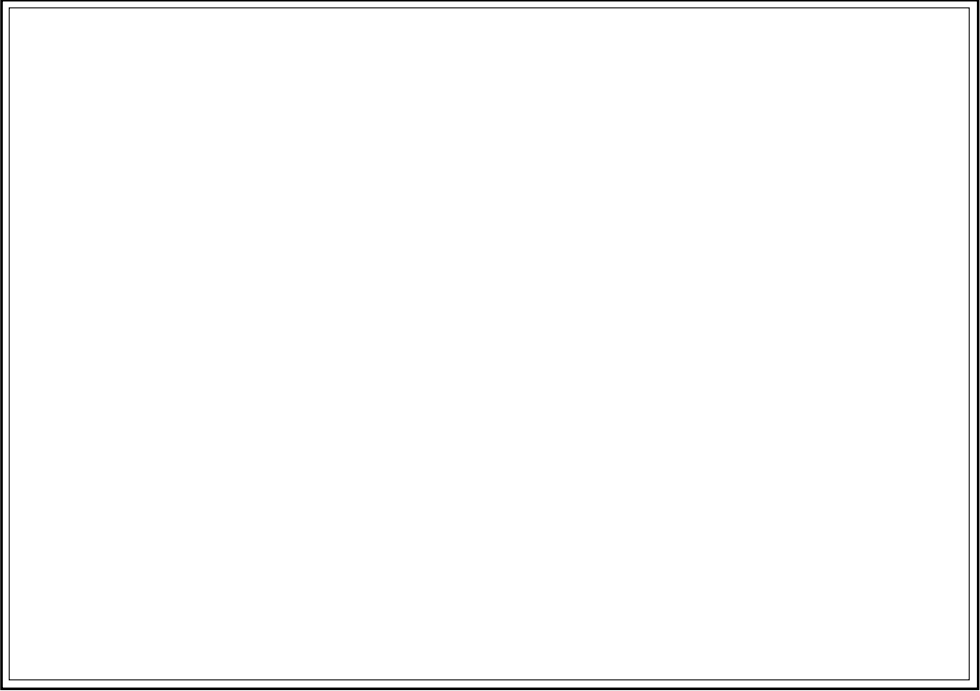
COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Rudalev MI I		File No.: Blum
Property Address: 27156 Blum St		Case No.: ANS-221325
City: Roseville	State: MI	Zip: 48066
Lender: Colony American Finance		



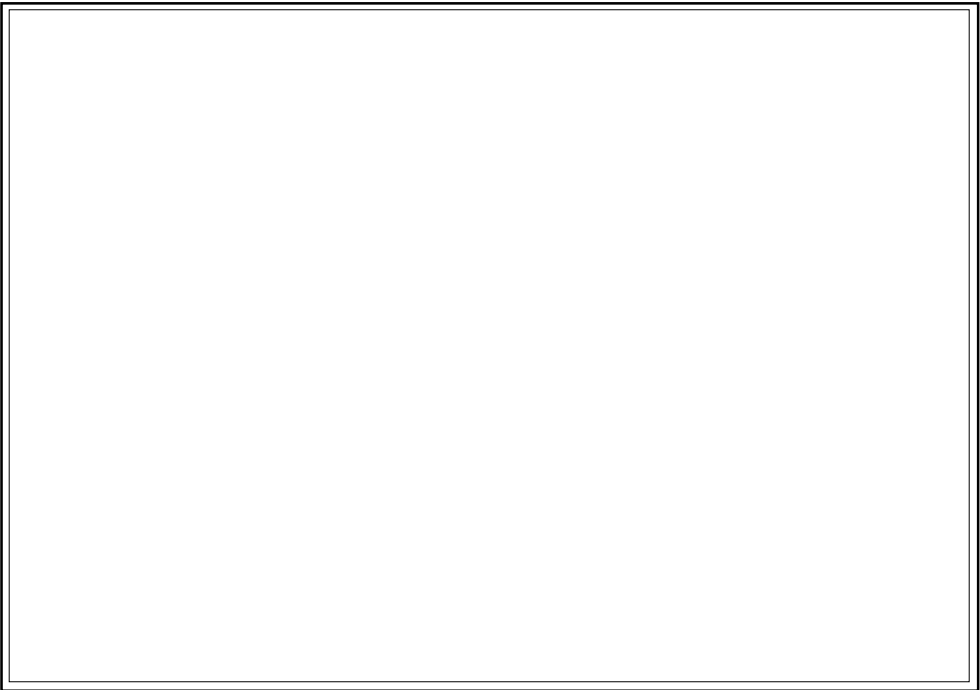
COMPARABLE SALE #4

16787 Sarmorr St
Roseville, MI 48066
Sale Date: s01/17;c11/16
Sale Price: \$ 133,000



COMPARABLE SALE #5

Sale Date:
Sale Price: \$



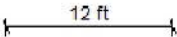
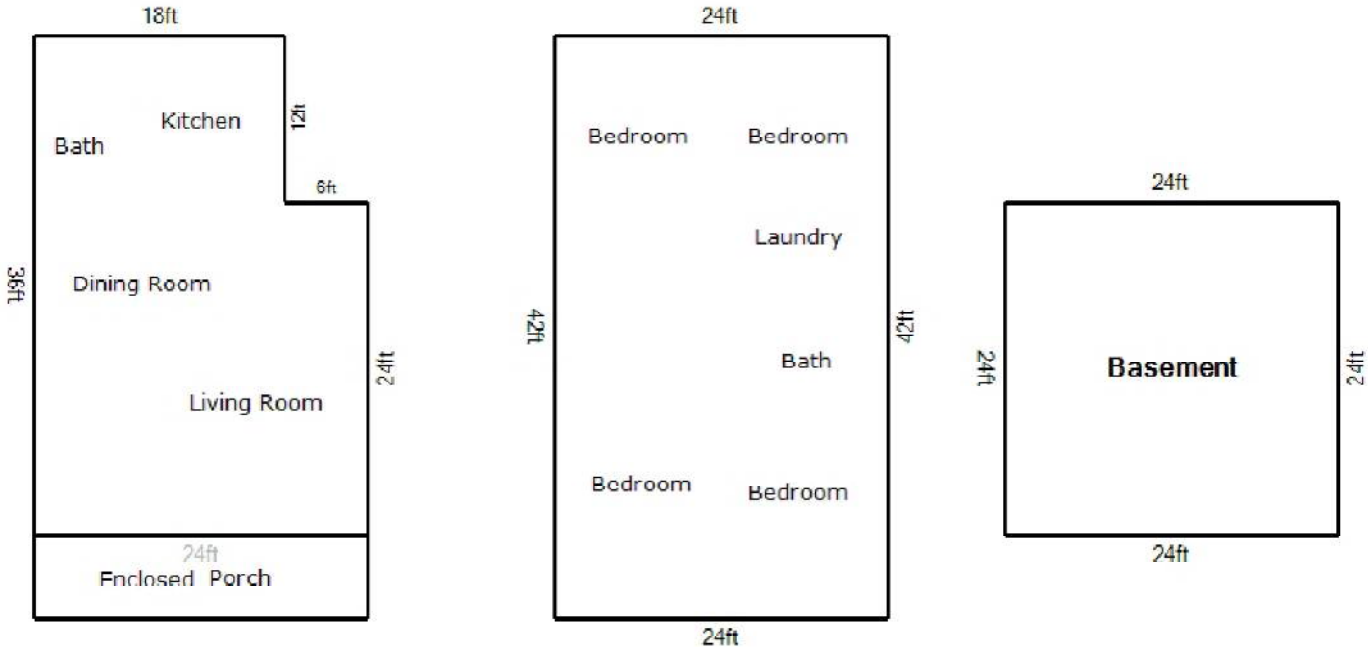
COMPARABLE SALE #6

Sale Date:
Sale Price: \$

FLOORPLAN SKETCH

Borrower: Rudalev MI I		File No.: Blum
Property Address: 27156 Blum St		Case No.: ANS-221325
City: Roseville	State: MI	Zip: 48066
Lender: Colony American Finance		

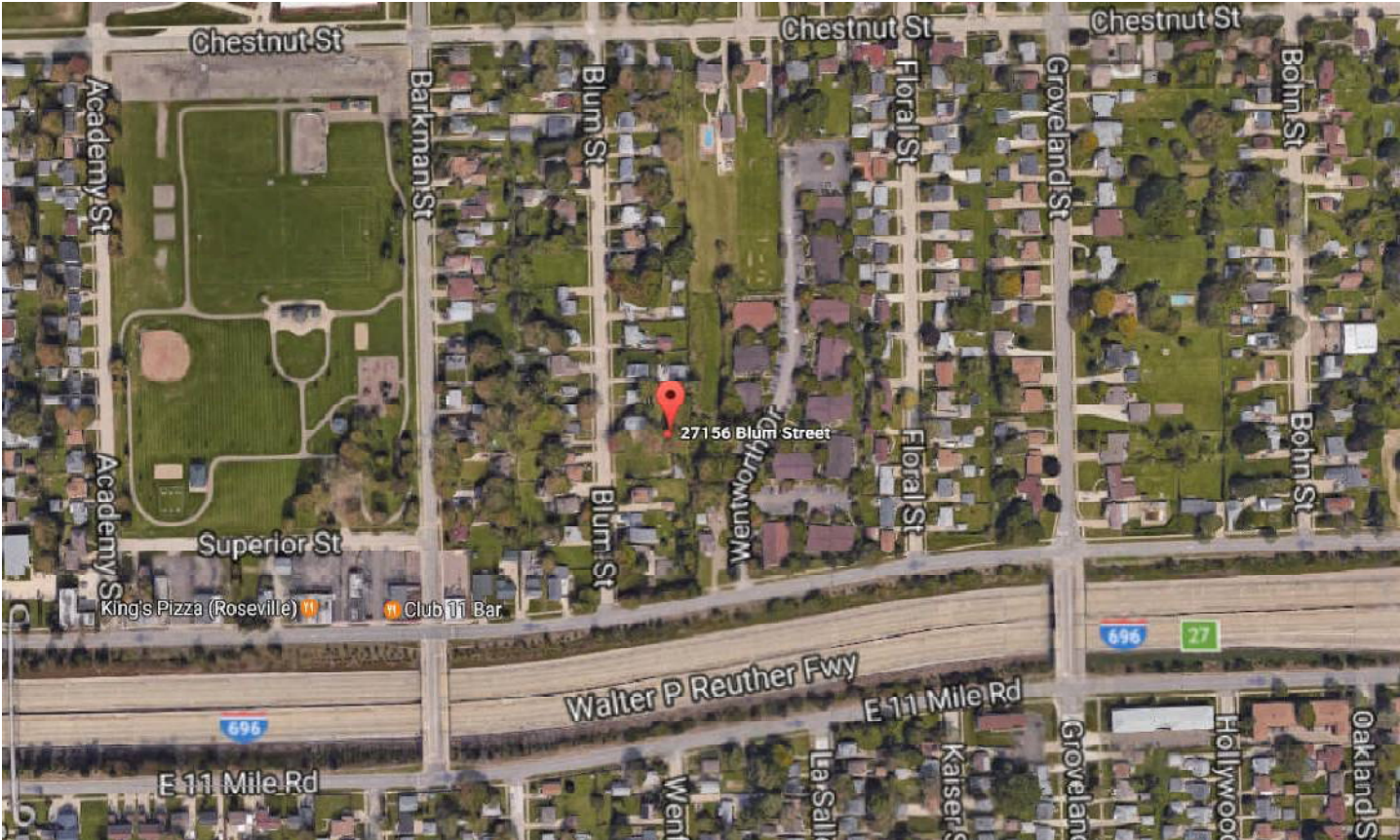
Sketch



Living Area		Area Calculation			
First Floor	792 ft²	First Floor		x 1.00 = 792 ft²	
Second Floor	1008 ft²	12ft x	18ft x	1.00 =	216 ft²
Nonliving Area		24ft x	24ft x	1.00 =	576 ft²
Screened Porch	144 ft²	Second Floor		x 1.00 = 1008 ft²	
Basement	576.00 ft²	42ft x	24ft x	1.00 =	1008 ft²
Total Living Area (rounded):		1800 ft²			

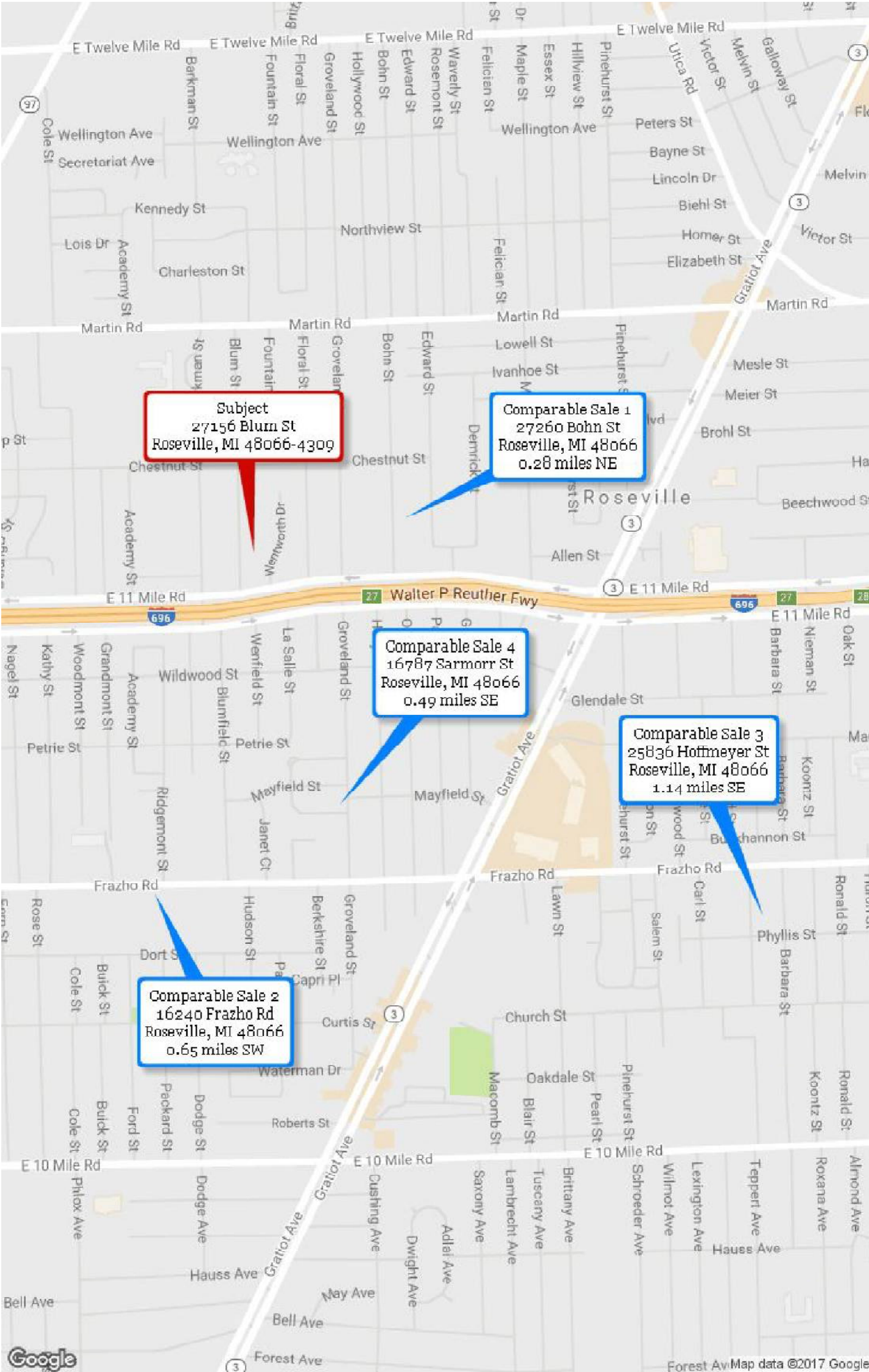
PLAT MAP

Borrower: Rudalev MI I		File No.: Blum
Property Address: 27156 Blum St		Case No.: ANS-221325
City: Roseville	State: MI	Zip: 48066
Lender: Colony American Finance		

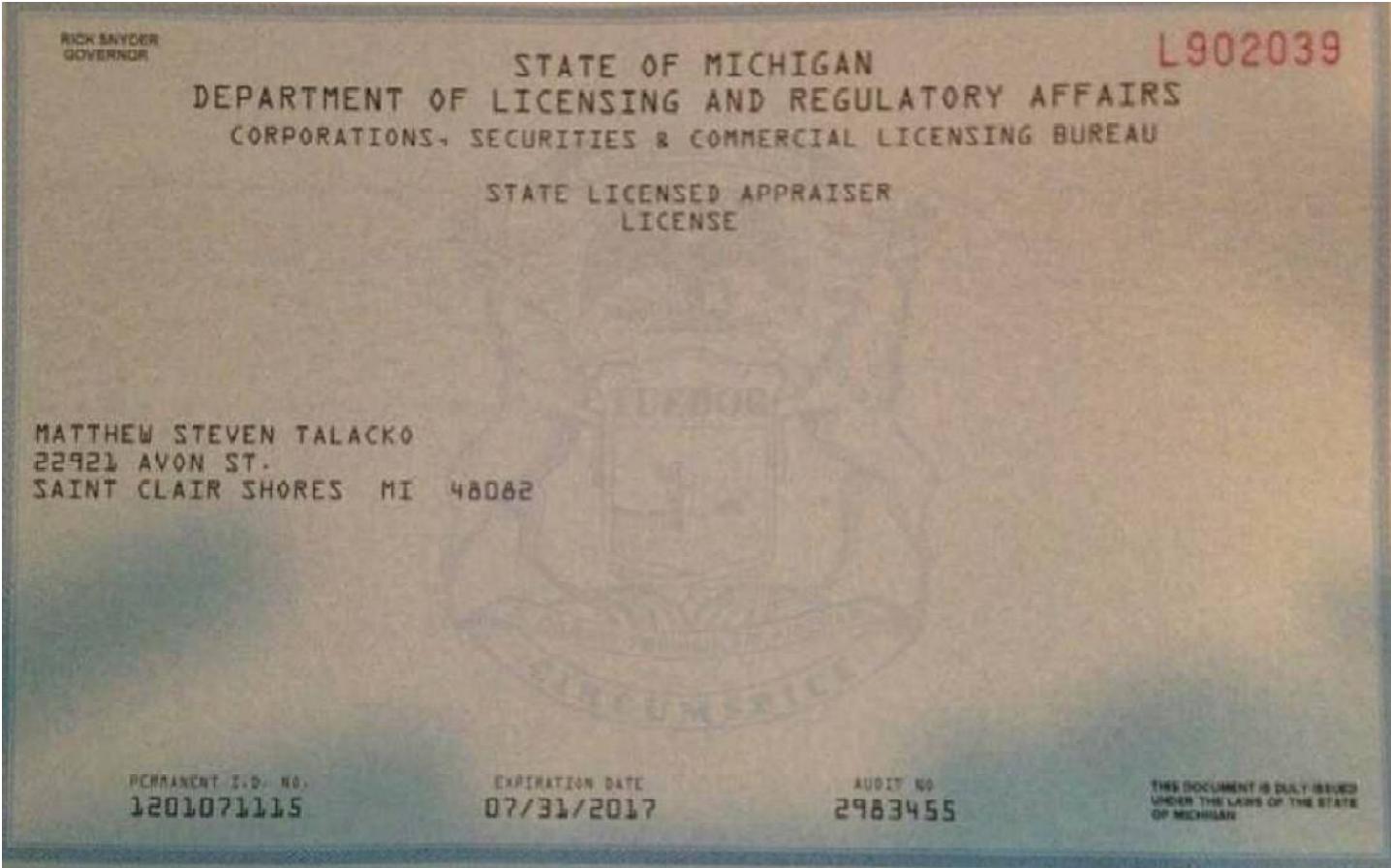


LOCATION MAP

Borrower: Rudalev MI I		File No.: Blum	
Property Address: 27156 Blum St		Case No.: ANS-221325	
City: Roseville		State: MI	Zip: 48066
Lender: Colony American Finance			



Borrower: Rudalev MI I		File No.: Blum
Property Address: 27156 Blum St		Case No.: ANS-221325
City: Roseville	State: MI	Zip: 48066
Lender: Colony American Finance		



File No.: Blum

Case No.: ANS-221325

State: MI

Zip: 48066

REAL ESTATE APPRAISERS ERRORS & OMISSIONS INSURANCE POLICY

DECLARATIONS PAGE

Renewal of Number:

- Page 1 of 1