

APPRAISAL OF



LOCATED AT:

440 Jewell St
Ferndale, MI 48220-2557

FOR:

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

BORROWER:

Rudalev MI I

AS OF:

May 31, 2017

BY:

Susan Nahra

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

File Number: ANS-221319

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

440 Jewell St
Ferndale, MI 48220-2557

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 31, 2017 is:

\$190,000
One Hundred Ninety 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.


Susan Nahra

Uniform Residential Appraisal Report

File No. ANS-221319

SUBJECT

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 Address440 Jewell StCityFerndaleStateMIZip Code48220-2557

BorrowerRudalev MI IOwner of Public RecordRudalev MI ICountyOakland

Legal DescriptionT1N, R11E, SEC 35 HUGO SCHERER'S SUB LOT 233, ALSO 1/2 OF VAC ALLEY ADJ TO SAME

Assessor's Parcel #2535306010Tax Year2016R.E. Taxes \$5,299

Neighborhood NameHugo Scherer's SubMap ReferenceMSA4764Census Tract1735.00

Occupant

☐ Owner

☒ Tenant

☐ Vacant

Special Assessments \$0

☐ PUD

HOA \$0

☐ per year

☐ per month

Property Rights Appraised

☒ Fee Simple

☐ Leasehold

☐ Other (describe)

Assignment Type

☐ Purchase Transaction

☐ Refinance Transaction

☒ Other (describe)Ascertain Market Value

Lender/ClientColony American FinanceAddress4 Park Plaza Suite 1950, Irvine, CA 92614

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).The subject property has not been listed for sale in the past 12 months on RealcompMLS.

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 ContractIs the property seller the owner of public record?

☐ Yes

☐ No

Data Source(s)

Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower?

☐ Yes

☐ No

If Yes, report the total dollar amount and describe the items to be paid.

NEIGHBORHOOD

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

Neighborhood Characteristics		One-Unit Housing Trends			One-Unit Housing		Present Land Use %	
Location	<div><input type="checkbox"/> Urban</div> <div><input checked="" type="checkbox"/> Suburban</div> <div><input type="checkbox"/> Rural</div>	Property Values	<div><input type="checkbox"/> Increasing</div> <div><input checked="" type="checkbox"/> Stable</div> <div><input type="checkbox"/> Declining</div>	PRICE	AGE	One-Unit	70 %	
Built-Up	<div><input checked="" type="checkbox"/> Over 75%</div> <div><input type="checkbox"/> 25-75%</div> <div><input type="checkbox"/> Under 25%</div>	Demand/Supply	<div><input checked="" type="checkbox"/> Shortage</div> <div><input type="checkbox"/> In Balance</div> <div><input type="checkbox"/> Over Supply</div>	\$(000)	(yrs)	2-4 Unit	4 %	
Growth	<div><input type="checkbox"/> Rapid</div> <div><input checked="" type="checkbox"/> Stable</div> <div><input type="checkbox"/> Slow</div>	Marketing Time	<div><input checked="" type="checkbox"/> Under 3 mths</div> <div><input type="checkbox"/> 3-6 mths</div> <div><input type="checkbox"/> Over 6 mths</div>	38 Low	14	Multi-Family	6 %	
Neighborhood BoundariesThe subject neighborhood is north of 8 Mile Rd, south of 9 Mile Rd, east of Woodward and west of West End within the Ferndale school district.				288 High	102	Commercial	14 %	
Neighborhood DescriptionSee Attached Addendum				150 Pred.	91	Other vac	6 %	
Market Conditions (including support for the above conclusions)See Attached Addendum								

SITE

Dimensions35 X 118.47Area4146 sfShapeRectangularViewN;Res;

Specific Zoning ClassificationR-1Zoning DescriptionSingle 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	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water	<input checked="" type="checkbox"/>	Street Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer	<input checked="" type="checkbox"/>	Alley None	<input type="checkbox"/>	<input type="checkbox"/>

FEMA Special Flood Hazard Area

☐ Yes

☒ No

FEMA Flood ZoneXFEMA Map #26125C0703FFEMA Map Date09/29/2006

Are the utilities and off-site improvements typical for the market area?

☒ Yes

☐ No

If No, describe.

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)?

☐ Yes

☒ No

If Yes, describe.

IMPROVEMENTS

GENERAL DESCRIPTION		FOUNDATION		EXTERIOR DESCRIPTION	materials/condition	INTERIOR	materials/condition
Units	<div><input checked="" type="checkbox"/> One</div> <div><input type="checkbox"/> One with Accessory Unit</div>	<input type="checkbox"/> Concrete Slab	<input type="checkbox"/> Crawl Space	Foundation Walls	concrete/avg	Floors	wood/avg
# of Stories	2	<input type="checkbox"/> Full Basement	<input checked="" type="checkbox"/> Partial Basement	Exterior Walls	vinyl/avg	Walls	ptd drywall/avg
Type	<div><input checked="" type="checkbox"/> Det.</div> <div><input type="checkbox"/> Att.</div> <div><input type="checkbox"/> S-Det./End Unit</div>	Basement Area	298 sq. ft.	Roof Surface	asph shing/avg	Trim/Finish	ptd wd/avg
<div><input checked="" type="checkbox"/> Existing</div> <div><input type="checkbox"/> Proposed</div> <div><input type="checkbox"/> Under Const.</div>		Basement Finish	0 %	Gutters & Downspouts	alum/avg	Bath Floor	vyl,cerm/avg
Design (Style)	Colonial	<input type="checkbox"/> Outside Entry/Exit	<input type="checkbox"/> Sump Pump	Window Type	vinyl dh/avg	Bath Wainscot	ceramic/avg
Year Built	1948	Evidence of	<input type="checkbox"/> Infestation	Storm Sash/Insulated	insulated/avg	Car Storage	<input type="checkbox"/> None
Effective Age (Yrs)	30	<input type="checkbox"/> Dampness	<input type="checkbox"/> Settlement	Screens	alum/avg	<input checked="" type="checkbox"/> Driveway	# of Cars1
Attic	<div><input type="checkbox"/> None</div>	Heating	<div><input checked="" type="checkbox"/> FWA</div> <div><input type="checkbox"/> HWBB</div> <div><input type="checkbox"/> Radiant</div>	Amenities	<div><input type="checkbox"/> WoodStove(s) #0</div>	Driveway Surface	concrete
<div><input type="checkbox"/> Drop Stair</div>	<div><input type="checkbox"/> Stairs</div>	<div><input type="checkbox"/> Other</div>	FuelGas	<div><input type="checkbox"/> Fireplace(s) #0</div> <div><input type="checkbox"/> FenceNone</div>	<div><input checked="" type="checkbox"/> Garage</div>	# of Cars	1
<div><input type="checkbox"/> Floor</div>	<div><input checked="" type="checkbox"/> Scuttle</div>	Cooling	<div><input checked="" type="checkbox"/> Central Air Conditioning</div>	<div><input type="checkbox"/> Patio/DeckNone</div> <div><input checked="" type="checkbox"/> Porchwood</div>	<div><input type="checkbox"/> Carport</div>	# of Cars	0
<div><input type="checkbox"/> Finished</div>	<div><input type="checkbox"/> Heated</div>	<div><input type="checkbox"/> Individual</div> <div><input type="checkbox"/> Other</div>	<div><input type="checkbox"/> PoolNone</div> <div><input type="checkbox"/> OtherNone</div>	<div><input type="checkbox"/> Att.</div> <div><input checked="" type="checkbox"/> Det.</div> <div><input type="checkbox"/> Built-in</div>			
Appliances <div><input type="checkbox"/> Refrigerator</div> <div><input type="checkbox"/> Range/Oven</div> <div><input type="checkbox"/> Dishwasher</div> <div><input type="checkbox"/> Disposal</div> <div><input type="checkbox"/> Microwave</div> <div><input type="checkbox"/> Washer/Dryer</div> <div><input type="checkbox"/> Other (describe)</div>							
Finished area above grade contains:		8 Rooms	5 Bedrooms	2.0 Bath(s)	1,776	Square Feet of Gross Living Area Above Grade	
Additional features (special energy efficient items, etc.).		None					
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.).C3;Kitchen-updated-six to ten years ago;Bathrooms-updated-six to ten years ago;The subject property is a two story home with four bedrooms and a full bathroom upstairs; one bedroom, full bathroom, living room, kitchen and family room on entry level. There is a small partial basement with laundry. There was a small amount of water in the basement as seen in photos.							
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <div><input type="checkbox"/> Yes</div> <div><input checked="" type="checkbox"/> No</div> If Yes, describe.							
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <div><input checked="" type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div> If No, describe.							

Uniform Residential Appraisal Report

File No. ANS-221319

SALES COMPARISON APPROACH

There are 5 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 179,900 to \$ 265,000 .																
There are 16 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 131,000 to \$ 230,000 .																
FEATURE		SUBJECT		COMPARABLE SALE NO. 1			COMPARABLE SALE NO. 2			COMPARABLE SALE NO. 3						
440 Jewell St				250 Channing St			823 E Bennette St			267 Ardmore Dr						
Address		Ferndale, MI 48220-2557		Ferndale, MI 48220-2502			Ferndale, MI 48220-2640			Ferndale, MI 48220-3319						
Proximity to Subject				0.28 miles NW			0.31 miles SE			0.68 miles NW						
Sale Price		\$		\$ 201,000			\$ 175,000			\$ 195,000						
Sale Price/Gross Liv. Area		\$ 0.00 sq. ft.		\$ 118.17 sq. ft.			\$ 114.16 sq. ft.			\$ 155.50 sq. ft.						
Data Source(s)				Rlcmp #216057860;DOM 12			Rlcmp #216103215;DOM 117			Rlcm[#217022748;DOM 1						
Verification Source(s)				Deed Rcds			Deed Rcds			Deed Rcds						
VALUE ADJUSTMENTS		DESCRIPTION		DESCRIPTION		+(-) \$ Adjustment		DESCRIPTION		+(-) \$ Adjustment		DESCRIPTION		+(-) \$ Adjustment		
Sale or Financing				ArmLth				ArmLth				ArmLth				
Concessions				Conv;0				Conv;0				Cash;0				
Date of Sale/Time				s07/16;c06/16				s04/17;c02/17				s04/17;c03/17				
Location		N;Res;		N;Res;				N;Res;				N;Res;				
Leasehold/Fee Simple		Fee Simple		Fee Simple				Fee Simple				Fee Simple				
Site		4146 sf		5600 sf		0		3762 sf		0		3630 sf		0		
View		N;Res;		N;Res;				N;Res;				N;Res;				
Design (Style)		DT2;Colonial		DT1.5;Bungalow		0		DT2;Colonial				DT1.5;Bungalow		0		
Quality of Construction		Q4		Q4				Q4				Q4				
Actual Age		69		97		0		90		0		95		0		
Condition		C3		C3				C3				C3				
Above Grade		Total	Bdrms	Baths	Total	Bdrms	Baths	Total	Bdrms	Baths	Total	Bdrms	Baths			
Room Count		8	5	2.0	8	4	2.0	0	7	4	2.0	0	7	3	1.1	2,000
Gross Living Area20		1,776 sq. ft.			1,701 sq. ft.			0	1,533 sq. ft.			4,900	1,254 sq. ft.			10,400
Basement & Finished Rooms Below Grade		298sf0sfin			969sf0sfin			-1,300	800sf0sfin			-1,000	879sf0sfin			-1,200
Functional Utility		5 bedroom			4 bedroom			0	4 bedroom			0	3 bedroom			0
Heating/Cooling		FWA C/Air			FWA			1,000	FWA C/Air				FWA C/Air			
Energy Efficient Items		None			None				None				None			
Garage/Carport		1gd1dw			None			3,000	None			3,000	1gd1dw			
Porch/Patio/Deck		Porch			Porch, Deck			-500	Porch				Porch, Patio			-500
Fireplace		None			1 F/P			-1,500	None				None			
Fence, Etc		none			Fence			0	Fence			0	Fence			0
Net Adjustment (Total)					<input checked="" type="checkbox"/> + <input type="checkbox"/> -			\$ 700	<input checked="" type="checkbox"/> + <input type="checkbox"/> -			\$ 6,900	<input checked="" type="checkbox"/> + <input type="checkbox"/> -			\$ 10,700
Adjusted Sale Price of Comparables					Net Adj. 0.3%				Net Adj. 3.9%				Net Adj. 5.5%			
					Gross Adj. 3.6%			\$ 201,700	Gross Adj. 5.1%			\$ 181,900	Gross Adj. 7.2%			\$ 205,700

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

My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.
Data source(s) RealcompMLS; Deed Rcds
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.
Data source(s) RealcompMLS; Deed Rcds
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Date of Prior Sale/Transfer				
Price of Prior Sale/Transfer				
Data Source(s)	RlcmpMLS; Deed Rcds	RlcmpMLS; Deed Rcds	RlcmpMLS; Deed Rcds	RlcmpMLS; Deed Rcds
Effective Date of Data Source(s)	05/31/2017	05/31/2017	05/31/2017	05/31/2017

Analysis of prior sale or transfer history of the subject property and comparable sales No prior sales or transfers found for the subject property in the past 36 months. No prior sales or transfers found for comparables in past 12 months.

Summary of Sales Comparison Approach. See Attached Addendum

Indicated Value by Sales Comparison Approach \$ 190,000

Indicated Value by: Sales Comparison Approach \$ 190,000 Cost Approach (if developed) \$ 223,500 Income Approach (if developed) \$ See Attached Addendum

RECONCILIATION

This appraisal is made <input checked="" type="checkbox"/> "as is," <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: No personal property has been included in the estimate of market value.
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 \$ 190,000 as of 05/31/2017 , which is the date of inspection and the effective date of this appraisal.

Uniform Residential Appraisal Report

File No. ANS-221319

ADDITIONAL COMMENTS

This appraiser is not a contractor or builder or home inspector - Let the reader be aware, this appraiser is not a qualified expert in construction methods or construction components. Therefore, the appraiser recommends that the client/owner purchaser obtain the services of a qualified construction expert to conduct a detailed inspection of the subject property, if for any reason; such intended user(s) of this report deems such action necessary/appropriate.

No employee, director, office, or agent of the lender, or any other third party acting as a joint venture partner, independent contractor, appraisal management company, or partner on behalf of the lender has influenced or attempted to influence the development, reporting, result, or review of this assignment through coercion, extortion, collusion, compensation, instruction, inducement, intimidation, bribery or in any other manner.

I have not been contacted by anyone other than the intended user (lender/client as identified on the first page of the report), borrower, or designated contact to make an appointment to enter the property.

The appraiser attempted to obtain an adequate amount of information in the normal course of business regarding the subject and comparable properties.

Some of the standardized responses required by the UAD, especially those in which the appraiser has not had the opportunity to verify personally or measure, could mistakenly imply greater precision and reliability in the data than is factually correct or typical in the normal course of business.

Examples include condition and quality ratings as well as comparable sales and listing data. Not every element of the subject property was viewable and comparable property data was generally obtained from third-party sources including MLS, county records, agents, brokers, etc.

Consequently, this information should be considered an "estimate" Unless otherwise noted by the appraiser.

EXPOSURE TIME is defined as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market. For appraisal assignments that include a 1004MC form the Subject's exposure time falls in the days on market range from this form. For assignments with no 1004MC the exposure time falls within the range of the days on market for the utilized comparable sales.

The borrower is not specifically the client or intended user for this assignment and should not rely upon this report in making any financial, insurance, purchase or disposition decisions based upon the information contained in this report or the results of this assignment. The results in this report are provided to the client for mortgage lending purposes. The lender is the client and has hired the appraiser on a per assignment basis as an independent contractor to conduct the appraisal process for lending or potential lending purposes. Although the borrower is named in the report in the borrower section or as current owner of record, this does not entitle the borrower to claim ownership of this report. The borrower is not an intended user but is allowed to have a copy of the report as part of current lending business practice. The borrower may hire the appraiser under separate assignment conditions for reasons determined by the borrower now or at a later date. (ie. Personal financial decisions, Tax appeal, divorce, probate, potential listing, cost to rebuild for insurance, easement or eminent domain or any other purpose.)

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) Site value is taken from analysis of the few vacant site sales in this area in the past 24 months.

ESTIMATED	<input type="checkbox"/> REPRODUCTION OR	<input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE = \$			12,000	
Source of cost data	House Cost Estimator		Dwelling	1,776 Sq. Ft. @ \$	164.00..... = \$	291,264	
Quality rating from cost service	avg	Effective date of cost data	Bsmt: 298	Sq. Ft. @ \$	40.00..... = \$	11,920	
Comments on Cost Approach (gross living area calculations, depreciation, etc.)			Porch			2,000	
depreciation based on age/life method of effective age of the subject property. Estimated remaining life is 60 years.			Garage/Carport	378 Sq. Ft. @ \$	32.00..... = \$	12,096	
			Total Estimate of Cost-New = \$			317,280	
			Less	90 Physical	Functional	External	
			Depreciation	\$105,760		= \$ (105,760)	
			Depreciated Cost of Improvements = \$			211,520	
			"As-is" Value of Site Improvements = \$				
Estimated Remaining Economic Life (HUD and VA only)			60 Years	INDICATED VALUE BY COST APPROACH = \$			223,500

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)

PROJECT INFORMATION FOR PUDs (if applicable)

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

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

Legal name of project

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

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

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

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

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

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

Describe common elements and recreational facilities.

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

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

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

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

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

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

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

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

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

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

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.
21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

Uniform Residential Appraisal Report

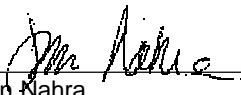
File No. ANS-221319

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

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

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature 
Name Susan Nahra
Company Name RE Consulting Services, LLC
Company Address 1417 Morningdove
Wixom, MI 48393
Telephone Number 248 797-1094
Email Address snnahra@comcast.net
Date of Signature and Report 06/09/2017
Effective Date of Appraisal 05/31/2017
State Certification # 1201069532
or State License # _____
or Other (describe) _____ State # _____
State MI
Expiration Date of Certification or License 07/31/2018

ADDRESS OF PROPERTY APPRAISED
440 Jewell St
Ferndale, MI 48220-2557

APPRAISED VALUE OF SUBJECT PROPERTY \$ 190,000

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 _____

Uniform Residential Appraisal Report

File No. **ANS-221319**

[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

File No. **ANS-221319**

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.: ANS-221319	
Property Address: 440 Jewell St		Case No.:	
City: Ferndale	State: MI	Zip: 48220-2557	
Lender: Colony American Finance			

Requirements for compliance with the law (including the Uniform Standards of Professional Appraisal Practice - USPAP):

In compliance with the law, the following narrative has been prepared by this appraiser to assist the client and intended user(s) to understand and properly apply the use of this appraisal report in accordance with its stated intended use to produce a credible appraisal report.

The law dictates that appraisers are required to be licensed and are regulated by the State of Michigan, Department of Licensing and Regulatory Affairs P.O. Box 30018 Lansing, MI 48909. This appraiser has completed the requirements of continuing education programs and is currently licensed/certified by the State of Michigan. The signature page of this report reflects the specific level of license/certification that this appraiser has achieved.

This appraisal assignment is in compliance with federal law, including FIRREA.

USPAP Report Option:

This appraiser has reported this assignment under the option of an Appraisal Report, unless stated otherwise to the contrary within this report.

Client and Intended User:

These terms are referenced in this FNMA form as appropriate according to the law. These terms may only be extended to the degree that the law will accommodate.

The client and/or intended user for this assignment may also be referenced in this section of this appraisal report if such further clarity is deemed necessary by this appraiser. The intended user is Colony American Finance.

Intended Use:

This report is to be used only to ascertain market value. Any use of this appraisal report that does not fall within this stated intended use is strictly prohibited.

Type and Definition of value:

This appraisal report is stating a market value for the subject property that is consistent with the requirements of federal law (12 CFR part 34) and consistent with the definition given within the FNMA form.

Scope of Work:

1a. *The inspection* - This appraiser’s inspection of the subject property focuses on the following: to confirm the geographic location of the subject property; to confirm the approximate square footage of the site and the improvements as applicable; to confirm its internal and external amenities; to consider different types of depreciation (when applicable) and their affect (if any) on value and/or marketability; to photograph the subject property; and to consider the overall quality of construction of the subject property’s improvements, or lack thereof.

1b. The appraiser is not qualified to perform an overall structural inspection of the subject property nor is the appraiser qualified to inspect or perform tests of the mechanical systems or appliances located within the subject property. Therefore, no such inspections or testing was performed. It is recommended that the Client/Intended user of this report obtain the services of qualified professionals to perform such inspections and/or testing.

2. *1 mile rule* - This appraiser has researched sales within 1 mile of the subject property. If a minimum of three comparable sales were not available within one mile, this appraiser then searched beyond one mile.

3. *6 months rule* - This appraiser has viewed sales within the past 6 months (based on the “as of” (effective) date stated within this report). If a minimum of three comparable sales were not found by the initial search, this appraiser then expanded the search criteria up to 12 months and beyond as deemed appropriate.

4. *Condition of average* - If any such condition of any appliances (i.e. furnace/central air) have the term "avg" or "average" or any like variation, it is to be concluded by any reader of this report that this appraiser is not an expert with the ability to test the appliances and therefore this rating of the condition is not a conclusive indicator of the remaining life of the item referred to in the report.

5. *The use of words, average, typical, and/or good* - When describing the subject property's condition as a whole, other comparable properties, or amenities within the subject's market, these words may be used. Since the client has requested an opinion of market value for this property, this appraiser's use of these words is meant to reflect this appraiser's perception as it relates to the subject property and the comparable data. It is this appraiser's intention to communicate to the reader of this report how the subject relates to its market in terms of market value.

ADDENDUM

Borrower: Rudalev MI I		File No.: ANS-221319	
Property Address: 440 Jewell St		Case No.:	
City: Ferndale	State: MI	Zip: 48220-2557	
Lender: Colony American Finance			

6. *Title issues* – this appraiser is typically not provided with a copy of a title report or commitment of title insurance; therefore, the appraiser has relied upon information available via the multi-list (on-line data) services, the city or township assessor, and the county register of deeds to confirm the owner of the property. This appraiser is not a qualified title examiner; therefore, it is recommended that the client/intended user obtain proper title information from a qualified title expert or title company as to the identification of the owner of record.

7. The conclusions from researching the sales comparable data have been summarized under the section called “**Summary of Sales Comparison Approach.**”

8a. **Reconciliation** - The market data or sales comparison approach to value has been calculated by this appraiser to establish an opinion of market value for the subject property based on the “as of” date of this appraisal assignment. Unless stated specifically to the contrary, this appraiser is relying solely upon this approach to value to establish an opinion of market value for the subject property.

8b. The cost and income approaches may also be displayed in this report, but since this appraiser’s experience has revealed that these two approaches do not typically reflect market value for the majority of assignments done by this appraiser, this appraiser places minimal or no weight on the conclusions of value calculated by these two approaches.

8c. One primary reason the cost and/or income approach may be displayed in this report is by request of the client. The section called "**Reconciliation**" (or **Final Reconciliation**) will clarify the approach(es) used to establish market value for the subject property and will clarify if the approach(es) was done specifically in response to a request by the client and/or by the appraiser's choice.

8d. If an approach to value was calculated by this appraiser pursuant to a request from a client but the appraiser has concluded that the particular approach to value is not consistent with the definition of market value, the intended use, and/or the scope of work for this assignment, this appraiser will reference this by stating that the appraiser did not rely upon the conclusion of that approach to value.

9. *Right to Amend* - This appraiser’s intention during the appraisal Development (Rule 1) process is to gather factual evidence/data that will establish a basis for an opinion of market value for the subject that is specific to an “as is” (effective) date. The Reporting (Rule 2) process allows the appraiser the opportunity to summarize the evidence/data into a format wherein the client may use the conclusions to make financial decisions. If further evidence is brought forward to this appraiser’s attention after the initial Development and Reporting processes are complete and the client/intended user(s) has received this report, this appraiser reserves the right to amend this summary appraisal report accordingly if necessary/applicable in order to comply at a minimum with Standard Rule 2-1 (a), (b), (c). The amending of this report is strictly up to the discretion of the appraiser. Each inquiry to amend will be treated separately on a case by case basis.

10. *This appraiser is not a contractor, builder, or home inspector* - Let the reader be aware, this appraiser is not a qualified expert in construction methods or construction components. Therefore, the appraiser recommends that the client/owner/ purchaser obtain the services of a qualified construction expert to conduct a detailed inspection of the subject property, if for any reason; such intended user(s) of this report deems such action necessary/appropriate.

11. *Cost to Cure* - Any/all estimates of cost to cure requested by the client/intended user shall not be construed or interpreted as a contractor’s bid or estimate since this appraiser is not a contractor. Any cost to cure estimates shall strictly be interpreted by the intended user(s) of this report as only the opinion of this appraiser. The cost to cure estimates that may be stated in this report are strictly the perception of this appraiser and are not based on contractors’/builders’ bids, unless stated specifically to the contrary within this report. There are no contractor bids or price indexes in this appraiser’s work-file to support these estimates of cost to cure, unless stated to the contrary within this report. This appraiser is not currently and has no intention of performing any other services specific to this current transaction as any person except an appraiser, so no conflict of interest may be inferred or misinterpreted regarding any cost to cure references. It is also recommended that the client/intended user does not base their financing decisions on a cost to cure estimate stated by this appraiser. Instead, it is recommended by this appraiser that the lender/client get a verified/certified contractors’/builders’ bid/statement since this summary appraisal report shall not be construed or interpreted as a verified/certified statement from a contractor/builder.

12. *Site Condo vs. Condominium (the explanation)* - Note: If subject is a site condominium, a statement clarifying this will be stated in the Reconciliation section of this report and other sections as deemed applicable by this appraiser. THE EXPLANATION: In the case of a site condo, the primary difference between a single family residential dwelling and a site condo is the way the documents have been prepared. In other words, site condo documents are prepared in a similar fashion as condominium documents are prepared. Physically the site condo is identical to the single family residential dwellings. For this reason, the comparable sales which are chosen for the site condominiums are typically non-condominium comparables. In addition a site condo does have its own lot (site dimensions) while a condominium does not have its own lot, conversely all property outside the condominium is considered "common ground". For the reason stated above, site condos are reported on a 1004 single family residential form. The concept of a site condo does appear to be somewhat unique and new concept in only a few states (i.e. Michigan).

ADDENDUM

Borrower: Rudalev MI I		File No.: ANS-221319	
Property Address: 440 Jewell St		Case No.:	
City: Ferndale	State: MI	Zip: 48220-2557	
Lender: Colony American Finance			

13. *How to determine if this property is a site condo* - Note: If subject is a site condominium, a statement clarifying this will be stated in the Reconciliation section of this report and other sections as deemed applicable by this appraiser. THE EXPLANATION: There are two primary items to look for to determine if subject is a single family residence or a site condo. If the following two items are found, the property is most likely a site condo and not a single family residence. The first is look at the legal description. If the words "condominium" and "plan # . . ." are discovered, then look to see if site dimensions for the subject property exist. If both the legal and the site dimensions are listed in your report as described within this section, you probably have a site condo.

14. *Extraordinary Assumption (EA)* - As defined by USPAP: “all assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions.” This appraiser may be relying on third party data for specifics on items not personally known to this appraiser or other related data that is not within the Scope of Work and/or scope of expertise/training that this appraiser is required by law to know or by agreement from the client or intended user(s) to perform. The section of this report called Reconciliation will summarize if an EA has been invoked. An EA may also be stated in other sections of this report as deemed applicable by this appraiser.

15. *Hypothetical Condition (HC)* - As defined by USPAP: “that which is contrary to what exists but is supposed for the purpose of analysis.” A few applications of this condition are referenced in the Reconciliation section of this report per FNMA. However, if an HC is invoked beyond the generally accepted applications of FNMA per the Reconciliation section, this appraiser will clarify any such HC in the Reconciliation section of this report in a narrative format. This appraiser may also reference an HC in other sections as deemed appropriate.

16. *Sources of information*- The appraiser has obtained and utilized information from the appropriate township, city or county records as was applicable based on the scope of work required. In addition, this appraiser may also house utilized information from the Southeast Michigan Council of Governments (SEMCOG), REALCOMP II, Access Oakland, the appraiser's office files, other appraisers, and/or other real estate professionals pursuant to the scope of work required. Information obtained or provided by the aforementioned sources is deemed to be reliable.

17. *Adverse Site Conditions* - Typical easements for public utilities may be present on the subject property. The appraiser observed no obvious site encroachments unless otherwise stated herein. No adverse environmental conditions were observed unless otherwise stated herein. The appraiser assumes no hidden or unapparent conditions of the property, subsoil conditions or structures exist, which would render it more or less valuable. The appraiser has made no attempt to determine if hazardous materials inclusive of but not limited to mold or toxic substances are present on or in the subject property. The appraiser is not an expert in this field and is therefore, not qualified to make such a determination. The value estimated herein is predicated on the assumption that there are no such materials on or in the property that may cause a loss in value. No responsibility is accepted by the appraiser for any such condition or the expertise to determine such condition.

18. *Bracketing of sales data* - In an attempt to verify the best possible sales data to support the opinion of value stated within this report, this appraiser has attempted to bracket one or more of the following items when applying the sales comparison approach to value in the market grid within this report: a) square footage, b) net adjustments, c) and other comparable indicators referenced in the comparable market grid that are considered significant towards estimating subject’s market value within the subject’s neighborhood.

19. The appraiser reserves the right to inform any future potential client of any prior assignment or services regarding the subject property, or any part thereof, in accordance with the provisions required within the Ethics Section of USPAP 2010-2011. Such notification shall be of the fact of the existence of a previous assignment or service performed within the prior 36 months and shall not include specifics or details of the analysis or the results of any conclusions drawn from such analysis.

Additional Certifications:

- 1. Pursuant to USPAP requirement, the appraiser is required to disclose any services performed at the subject address in past 3 years. In the 3 years preceding this assignment, this appraiser has not performed any services at the subject property.
- 2. USPAP requires the disclosure of any fees the appraiser pays in order to procure an appraisal assignment. This appraiser has not paid fees to any third party in order to procure this appraisal assignment.

Highest and Best Use (defined):

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

Based on this appraiser's personal knowledge of the area and research that has been done for properties in this neighborhood recently by this appraiser, and this appraiser's personal first hand knowledge of subject property, this appraiser has determined that the zoning designation as noted on the FNMA form reflects current highest and best use for subject property.

ADDENDUM

Borrower: Rudalev MI I		File No.: ANS-221319	
Property Address: 440 Jewell St		Case No.:	
City: Ferndale		State: MI	Zip: 48220-2557
Lender: Colony American Finance			

Neighborhood Description

The subject property is located in a suburban setting of single family homes that vary in size, style, age and conditions. The subject is within 1 mile of main thoroughfares, employment, schools, recreational areas, shopping and restaurants. Downtown Ferndale is along 9 Mile west of Woodward with restaurants, local shops and businesses. Some industrial property nearby along the railroad tracks and 8 Mile Rd.

Neighborhood Market Conditions

48220 market trends indicate an increase of 8% in median home sales over the past year. The average price per square foot for this same period rose to \$152, up from \$133. Sales in this market have increased in the past 2 years with few available listings on the market currently. With the shortage of listings on the market, homes are selling quickly, often in under 30 days at high list to sale price ratios.

Comments on Sales Comparison

In order to locate comparable sales, a search of the market area was conducted using REALCOMPONLINE for Southeastern Michigan within a 1 mile radius of the subject property for single family homes, 1200- 2500sf within Ferndale, east of Woodward, built before 1970. With the majority of homes smaller in this neighborhood, there was not a comparable sale found larger in square feet. Sales selected are considered to be the best available at this time for comparison to the subject property.

Comparables 5 and 6 are not adjusted at the list price due to high list price ratios indicated in the 1004MC.

Square foot adjustments are based on \$20.00 per square foot where the difference exceeds 100 square feet. Adjustments for differences of 100 square feet or less were not considered necessary. Basement is adjusted for difference in square feet on the first line of the basement section of the grid, on the second line of this section of the grid for difference in finished area of the basement.

The appraiser has adjusted dissimilarities between the subject and comparables according to the market reaction. Therefore, the dissimilarities that have a “0” indicated in the adjustment column means the appraiser has acknowledged the difference: however, the market does not support any adjustment.

Comparables provide a value range for the subject property after adjustment that is considered to be relevant. The opinion of value is weighted heavier on comparable sale 2 for most recent closed date, similar room count and proximity and comparable sale 2 also for recent closed date, similar amenities although smaller in gross living area.

All sales were verified closed by local MLS.

comparable 4 closed after effective date of this appraisal on 06/07/2017 for \$219,900 with \$2,000 in concessions.

MLS photo is used for comparable 6 with original photo of closed street under construction provided on extra photo page.

Final Reconciliation

The market data or sales comparison approach to value has been calculated by the appraiser to establish an opinion of market value for the subject property based on the "as of" date of this appraisal assignment. The sales comparison is considered to be the best approach to value to determine market value.

The comparable sales were selected from the subject neighborhood that are similar in style and overall appeal providing a value range for the subject property. The opinion of value is weighted heavier on comparables 2 and 3 that are more recent closed dates.

Extra Comments

The source of the basement water is unknown. There was no structural damage noticed on inspection however this appraiser is not a structural engineer or qualified inspector for structural damages. An inspection by a structural engineer would be recommended to determine if there is any structural damage to the subject property.

Market Conditions Addendum to the Appraisal Report

File No. ANS-221319

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 440 Jewell St City Ferndale State MI Zip Code 48220-2557
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)	10	3	3	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	1.67	1.00	1.00	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	11	10	5	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	6.59	10.00	5.00	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Median Comparable Sale Price	198,500	155,000	219,900	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	60	84	61	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	165,000	159,950	225,000	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	117	227	205	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	100	94	100	<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.).
concessions are present in this market, typically offered at up to 6% of the contract price to be used towards allowable mortgage costs.

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).
REO sales are not a driving factor in this market. About 8% of the sales in this neighborhood were REO in the past 12 months.

Cite data sources for above information. RealcompMLS for southeastern MI, single family homes,1200-2500sf, within Ferndale, built before 1970.


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.
Sales remain steady in this market with a decrease in available listings on the market currently considered to be a shortage. With few listings on the market, days on market are low, list to sale price ratios are high and list prices are rising.

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)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab. Rate)				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Are foreclosure sales (REO sales) a factor in the project? <input type="checkbox"/> Yes <input type="checkbox"/> 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 
Name Susan Nahra
Company Name RE Consulting Services, LLC
Company Address 1417 Morningdove
Wixom, MI 48393
State License/Certification # 1201069532 State MI
Email Address snnahra@comcast.net

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

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Rudalev MI I		File No.: ANS-221319
Property Address: 440 Jewell St		Case No.:
City: Ferndale	State: MI	Zip: 48220-2557
Lender: Colony American Finance		



FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: May 31, 2017
Appraised Value: \$ 190,000



REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE

Borrower: Rudalev MI I		File No.: ANS-221319
Property Address: 440 Jewell St		Case No.:
City: Ferndale	State: MI	Zip: 48220-2557
Lender: Colony American Finance		



FRONT RIGHT



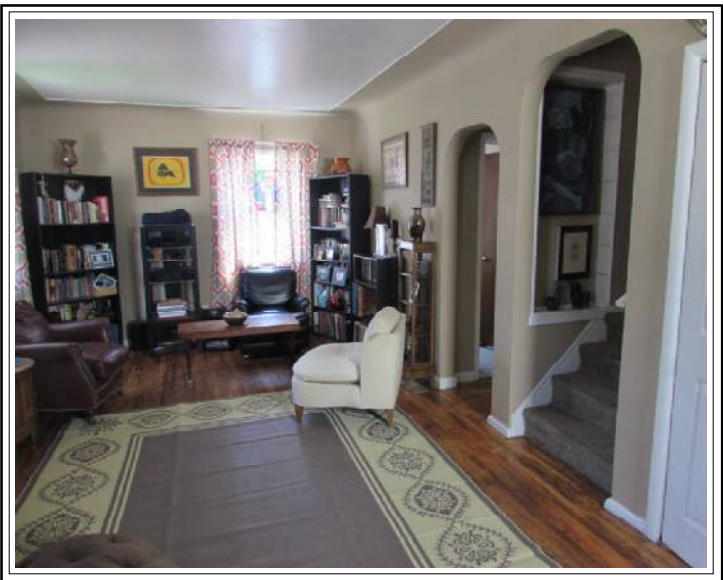
STREET



GARAGE



BACKYARD



LIVING ROOM

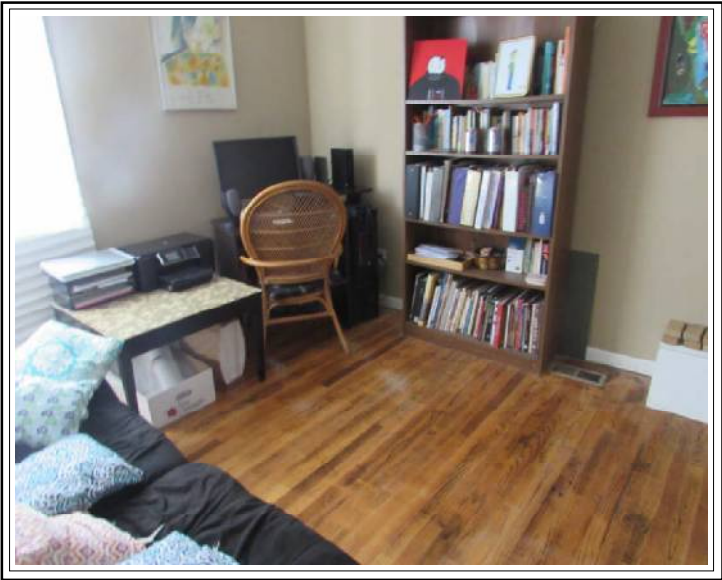


FAMILY ROOM

Borrower: Rudalev MI I		File No.: ANS-221319
Property Address: 440 Jewell St		Case No.:
City: Ferndale	State: MI	Zip: 48220-2557
Lender: Colony American Finance		



BATHROOM



BEDROOM



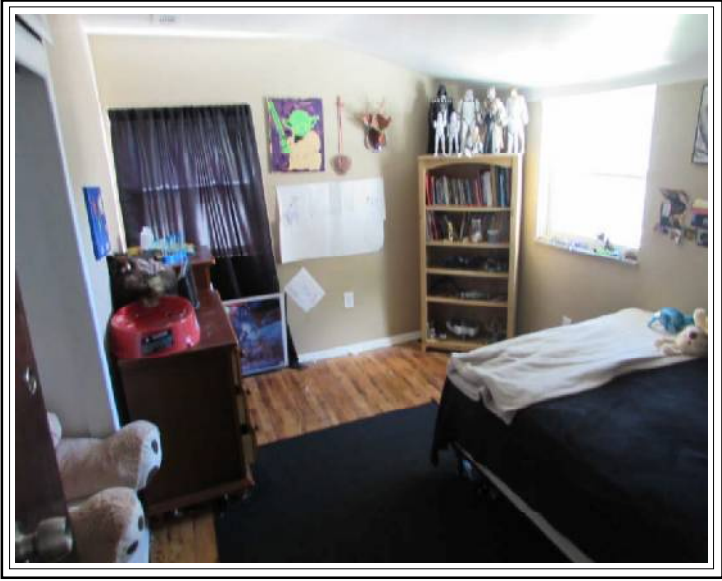
KITCHEN



KITCHEN



BEDROOM



BEDROOM

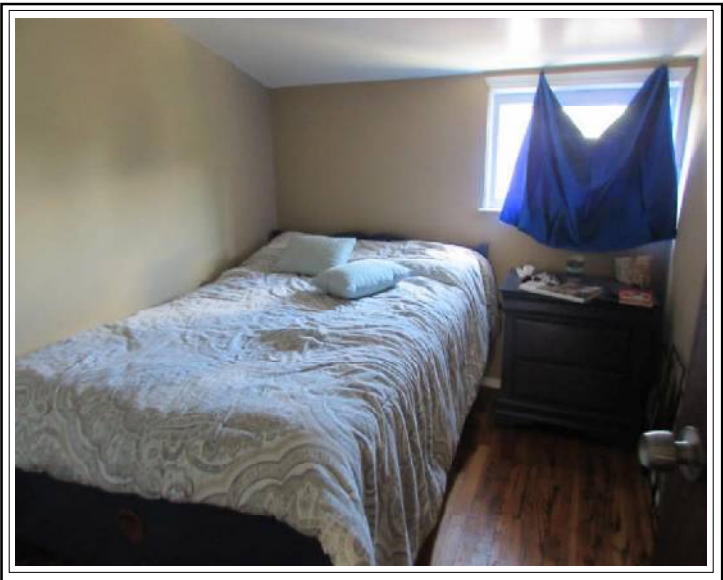
Borrower: Rudalev MI I		File No.: ANS-221319
Property Address: 440 Jewell St		Case No.:
City: Ferndale	State: MI	Zip: 48220-2557
Lender: Colony American Finance		



BATHROOM



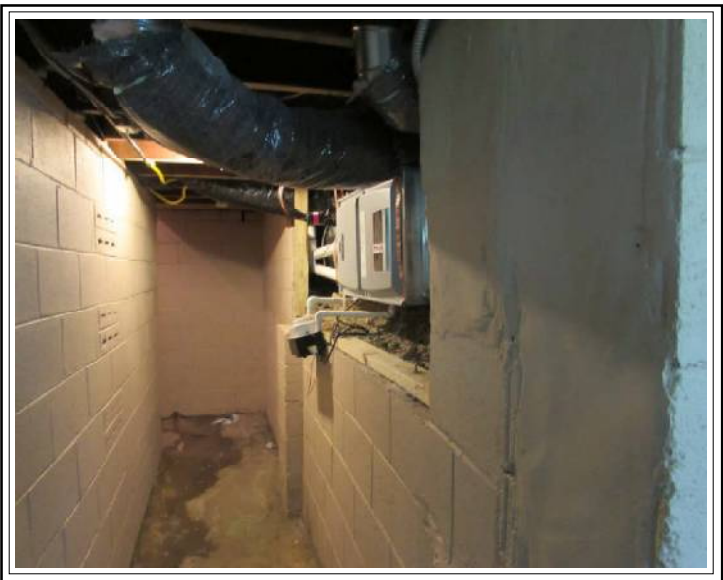
BEDROOM



BEDROOM



BASEMENT LAUNDRY - WATER ON FLOOR



BASEMENT



Comparable 6 original photo

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Rudalev MI I		File No.: ANS-221319
Property Address: 440 Jewell St		Case No.:
City: Ferndale	State: MI	Zip: 48220-2557
Lender: Colony American Finance		



COMPARABLE SALE #1

250 Channing St
Ferndale, MI 48220-2502
Sale Date: s07/16;c06/16
Sale Price: \$ 201,000



COMPARABLE SALE #2

823 E Bennette St
Ferndale, MI 48220-2640
Sale Date: s04/17;c02/17
Sale Price: \$ 175,000



COMPARABLE SALE #3

267 Ardmore Dr
Ferndale, MI 48220-3319
Sale Date: s04/17;c03/17
Sale Price: \$ 195,000

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Rudalev MI I		File No.: ANS-221319
Property Address: 440 Jewell St		Case No.:
City: Ferndale	State: MI	Zip: 48220-2557
Lender: Colony American Finance		



COMPARABLE SALE #4

539 E Marshall St
Ferndale, MI 48220-2579
Sale Date: c04/17
Sale Price: \$ 219,900



COMPARABLE SALE #5

224 College St
Ferndale, MI 48220-2815
Sale Date: Active
Sale Price: \$ 219,000



COMPARABLE SALE #6

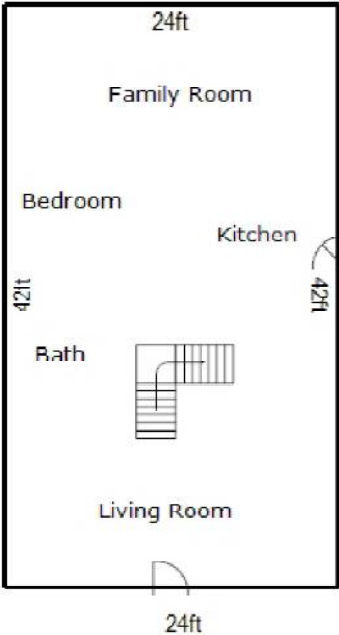
236 Silman St
Ferndale, MI 48220-2509
Sale Date: Active
Sale Price: \$ 265,000

FLOORPLAN SKETCH

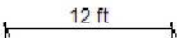
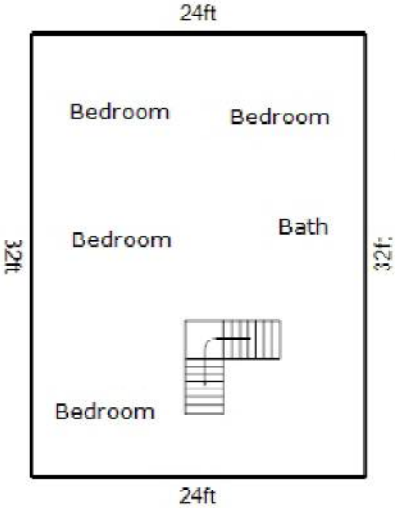
Borrower: Rudalev MI I		File No.: ANS-221319	
Property Address: 440 Jewell St		Case No.:	
City: Ferndale		State: MI	Zip: 48220-2557
Lender: Colony American Finance			

Sketch

First Floor
[Area: 1008 ft²]



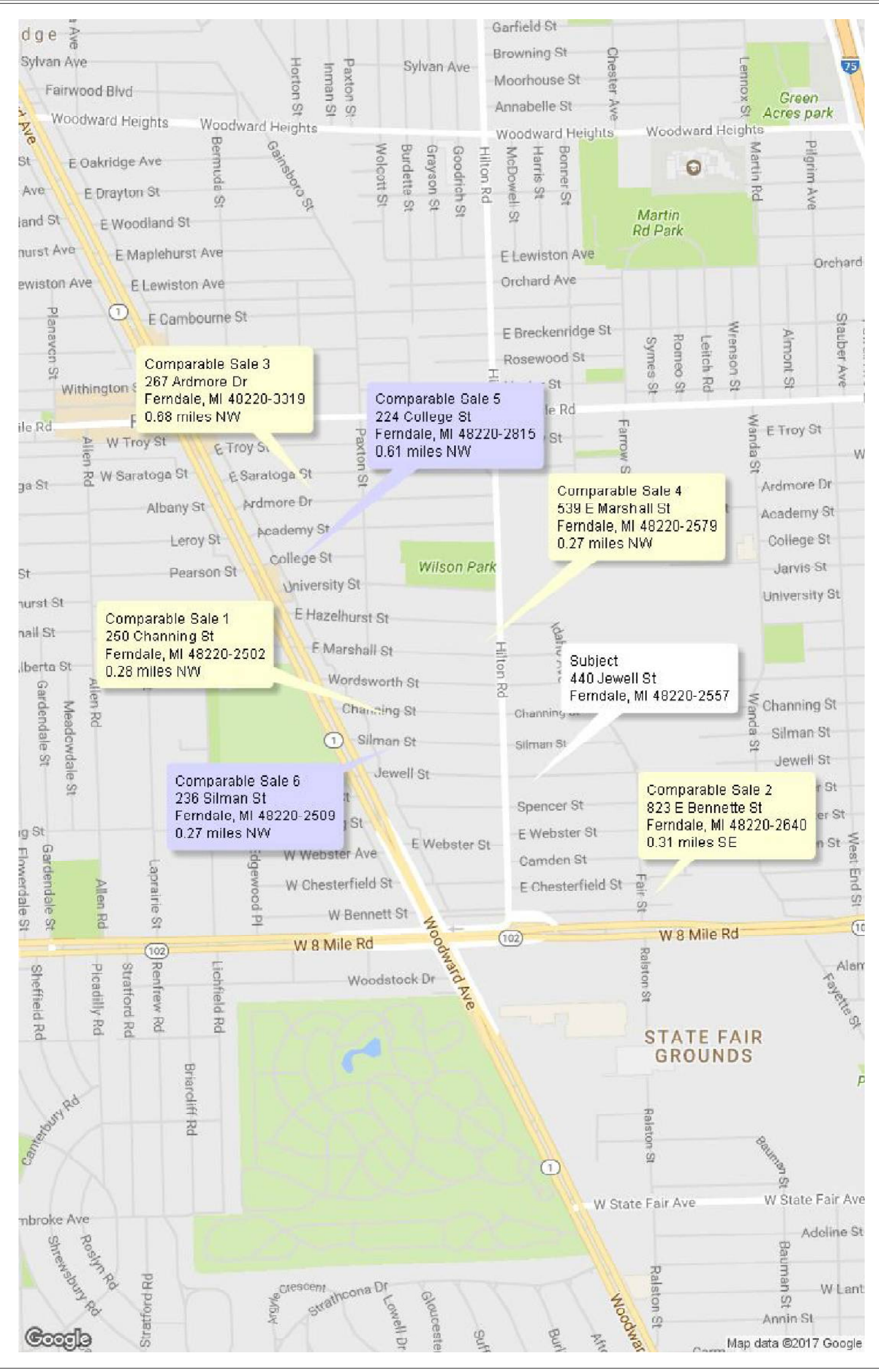
Second Floor
[Area: 768 ft²]



Living Area		Area Calculation			
First Floor	1008.00 ft²	First Floor	x 1.00 = 1008.00 ft²		
Second Floor	767.98 ft²	24ft x	42ft x	1.00 =	1008.00 ft²
Nonliving Area		Second Floor	x 1.00 = 767.98 ft²		
1 Car Detached	378 ft²	32ft x	24ft x	0.50 =	383.98 ft²
Total Living Area (rounded):	1776 ft²	32ft x	24ft x	0.50 =	384.00 ft²

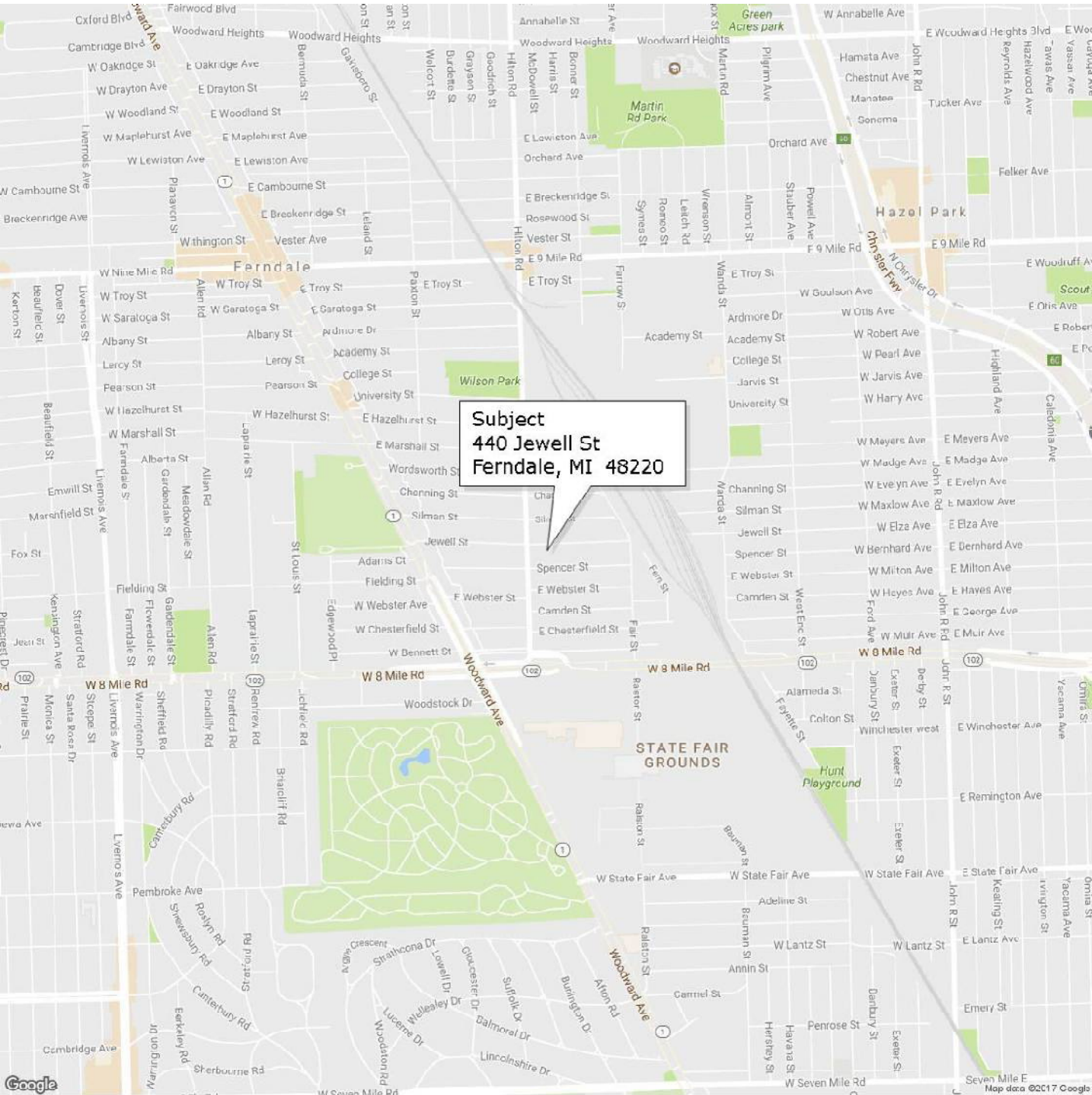
LOCATION MAP

Borrower: Rudalev MI I		File No.: ANS-221319	
Property Address: 440 Jewell St		Case No.:	
City: Ferndale		State: MI	Zip: 48220-2557
Lender: Colony American Finance			



FLOOD MAP

Borrower: Rudalev MI I		File No.: ANS-221319
Property Address: 440 Jewell St		Case No.:
City: Ferndale	State: MI	Zip: 48220-2557
Lender: Colony American Finance		



FLOOD INFORMATION

Community: CITY OF FERNDAL
Property is NOT in a FEMA Special Flood Hazard Area
Map Number: 26125C0703F
Panel: 0703F
Zone: X
Map Date: 09-29-2006
FIPS: 26125
Source: FEMA DFIRM

LEGEND

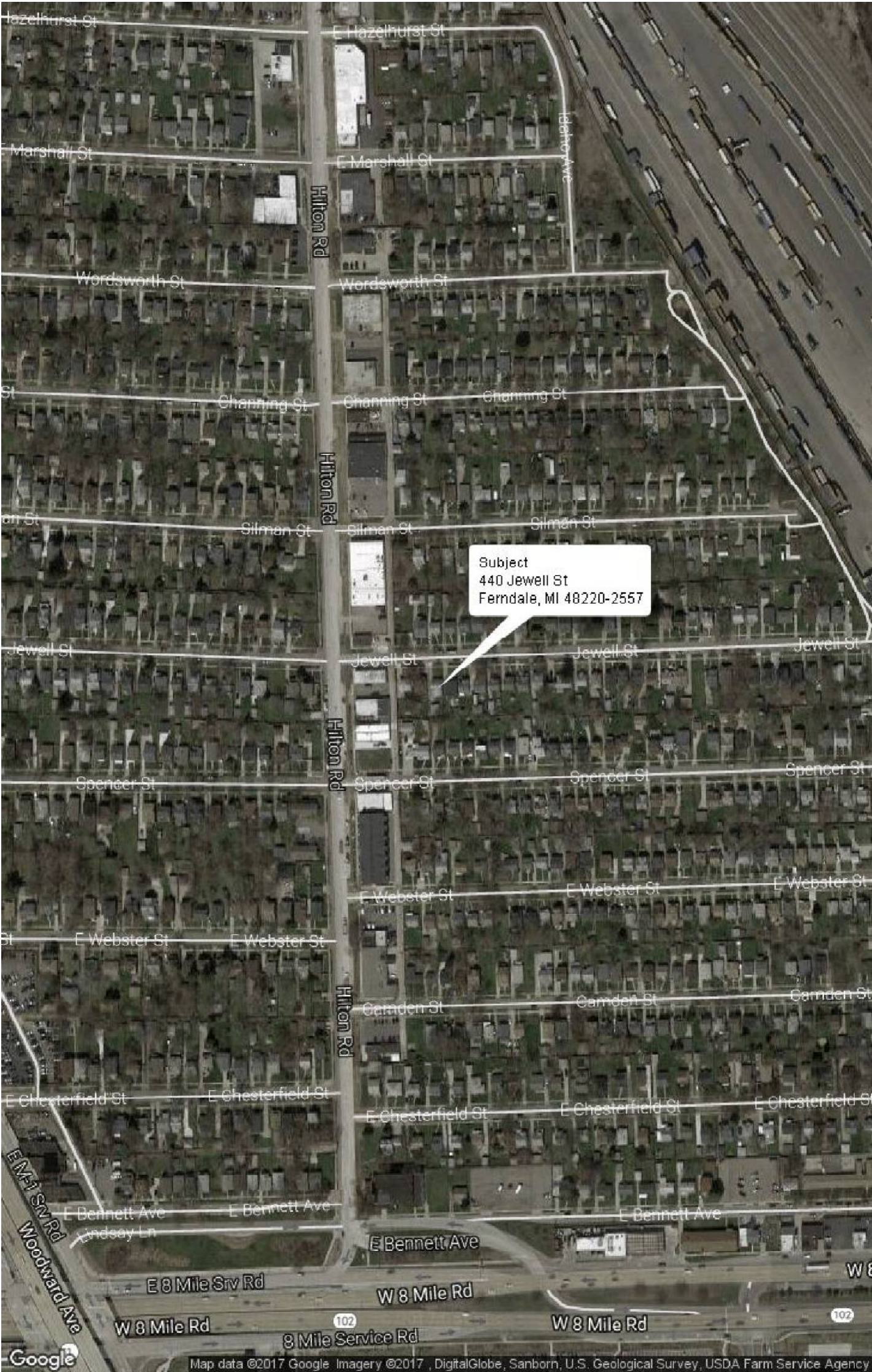
- = FEMA Special Flood Hazard Area – High Risk
- = Moderate and Minimal Risk Areas
- Road View:
 - = Forest
 - = Water

Sky Flood™

No 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 is implied or provided. Visual scaling factors differ between map layers and are separate from flood zone information at marker location. No liability is accepted to any third party for any use or misuse of this flood map or its data.

AERIAL MAP

Borrower: Rudalev MI I		File No.: ANS-221319
Property Address: 440 Jewell St		Case No.:
City: Ferndale	State: MI	Zip: 48220-2557
Lender: Colony American Finance		



USPAP ADDENDUM

File No. ANS-221319

Borrower: Rudalev MI I				
Property Address: 440 Jewell St				
City: Ferndale	County: Oakland	State: MI	Zip Code: 48220-2557	
Lender: Colony American Finance				

APPRAISAL AND REPORT IDENTIFICATION

This report was prepared under the following USPAP reporting option:

☒ Appraisal Report A written report prepared under Standards Rule 2-2(a).

☐ Restricted Appraisal Report A written report prepared under Standards Rule 2-2(b).

Reasonable Exposure Time
My opinion of a reasonable exposure time for the subject property at the market value stated in this report is: 20-60 Days

EXPOSURE TIME is defined as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market.

Additional Certifications

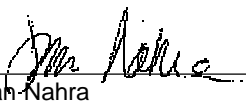
☒ I have performed **NO** services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

☐ I **HAVE** performed services, as an appraiser or in another capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Those services are described in the comments below.

Additional standards 2-3
At the request of the client, this appraisal report has been prepared in compliance with the Uniform Data Set (UAD) from Fannie Mae and Freddie Mac. The UAD requires appraisers to use standardized responses that include specific formats, definitions, abbreviations and acronyms.
The appraiser attempted to obtain an adequate amount of information in the normal course of business regarding the subject and comparable properties.
Some of the standardized responses required by the UAD, especially those in which the appraiser has not had the opportunity to verify or measure personally, could mistakenly imply greater precision and reliability in the data than is factually correct or typical in the normal course of business.
Examples include condition and quality ratings as well as comparable sales and listing data. Not every element of the subject property was viewable and comparable property data was generally obtained from third party sources including MLS, county records, agents, brokers, etc.
Consequently this information should be considered as an "estimate".

Additional Comments

The law dictates that appraisers are required to be licensed and are regulated by the State of Michigan, Department of Licensing and Regulatory Affairs P.O. Box 30018 Lansing, MI 48909. This appraiser has completed the requirements of continuing education programs and is currently licensed/certified by the State of Michigan. The signature page of this report reflects the specific level of license/certification that this appraiser has achieved.

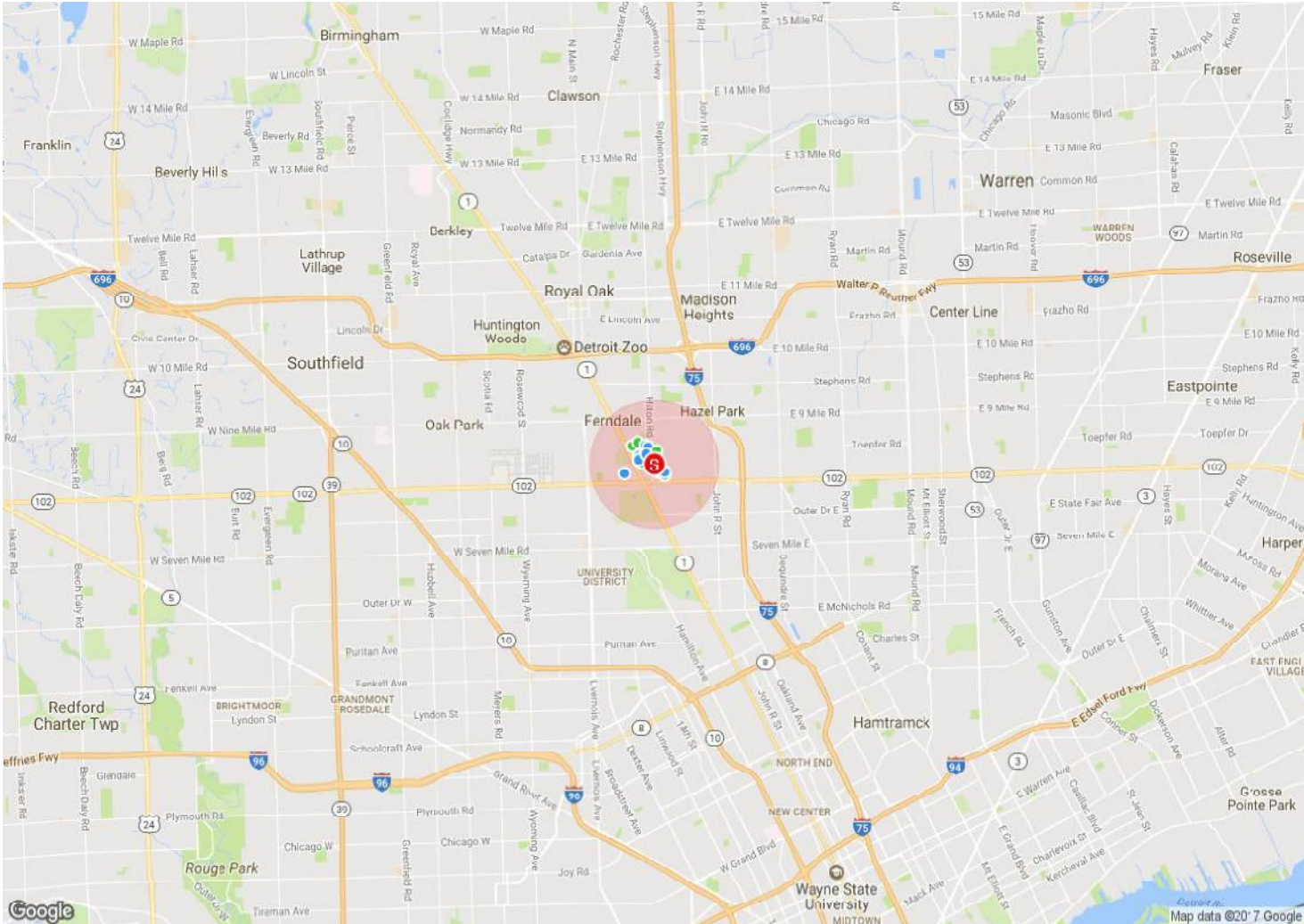
APPRAISER:	SUPERVISORY APPRAISER (only if required):
Signature: 	Signature: _____
Name: <u>Susan Nahra</u>	Name: _____
Date Signed: <u>06/09/2017</u>	Date Signed: _____
State Certification #: <u>1201069532</u>	State Certification #: _____
or State License #: _____	or State License #: _____
or Other (describe): _____ State #: _____	State: _____
State: <u>Mi</u>	Expiration Date of Certification or License: _____
Expiration Date of Certification or License: <u>07/31/2018</u>	Supervisory Appraiser inspection of Subject Property:
Effective Date of Appraisal: <u>05/31/2017</u>	<input type="checkbox"/> Did Not <input type="checkbox"/> Exterior-only from street <input type="checkbox"/> Interior and Exterior

Appraisal Analytics Addendum

Comparable Selection Analysis

File # ANS-221319

Address: 440 Jewell St	Client: Colony American Finance
Ferndale, MI 48220-2557	Borrower: Rudalev MI I



Comments:

Search Parameters:

Property Observations

	Address	Prox.	Sale/List Price	Sale/List Date	Site	GLA	Bed	Bath	Age	Cars	Comment
Subject	440 Jewell St				4146 sf	1,776	5	2.0	69	2	
	643 Spencer Street	0.09 L	179,900	6/1/2017	8,276		3	2.0	91	1	
	381 W WEBSTER Street	0.49 L	214,988	6/3/2017	3,920		3	1.0	96	2	
	531 E Marshall	0.28 L	225,000	6/9/2017	5,227		3	2.0	91	2	
	236 SILMAN Street	0.26 L	265,000	5/18/2017	6,098		3	3.0	90	2	
	344 CHANNING Street	0.20 L	265,000	6/7/2017	4,356		3	2.0	93	1	
	250 CHANNING	0.27 L	189,900	4/30/2016	0		4	2.0	97	0	
	250 CHANNING	0.27 L	189,900	5/15/2016	0		4	2.0	97	0	
	375 SILMAN Street	0.22 L	145,000	3/23/2017	5,227		3	1.0	94	0	
	641 E CHESTERFIELD Street	0.24 S	131,000	10/28/2016	5,227		3	1.0	69	1	
	675 CAMDEN Street	0.15 S	134,000	11/25/2016	3,920		4	1.0	93	0	
	139 E MARSHALL Street	0.44 S	149,000	2/16/2017	5,227		3	2.0	63	0	
	364 E MARSHALL Street	0.35 S	183,000	9/9/2016	5,227		3	2.0	94	0	
	235 E MARSHALL Street	0.44 S	197,000	11/8/2016	5,227		2	1.1	89	2	
	183 JEWELL Street	0.24 S	200,000	7/19/2016	6,098		3	1.1	78	1	
	783 WORDSWORTH Street	0.21 S	200,000	9/14/2016	3,485		3	2.0	76	2	
	250 CHANNING	0.27 S	201,000	7/26/2016	0		4	2.0	97	0	
	389 CHANNING Street	0.20 S	205,000	12/1/2016	4,356		3	2.0	79	0	
	539 E MARSHALL	0.28 S	219,900	6/7/2017	5,227		4	1.1	92	1	
	218 JEWELL	0.16 S	225,000	4/12/2017	5,227		3	2.0	78	1	
	440 Spencer	0.06 S	227,000	12/28/2016	38,333		3	2.0	62	1	

Comparable Selection Analysis

Address: 440 Jewell St Ferndale, MI 48220-2557	Client: Colony American Finance Borrower: Rudalev MI I
---------------------------------------------------	-----------------------------------------------------------

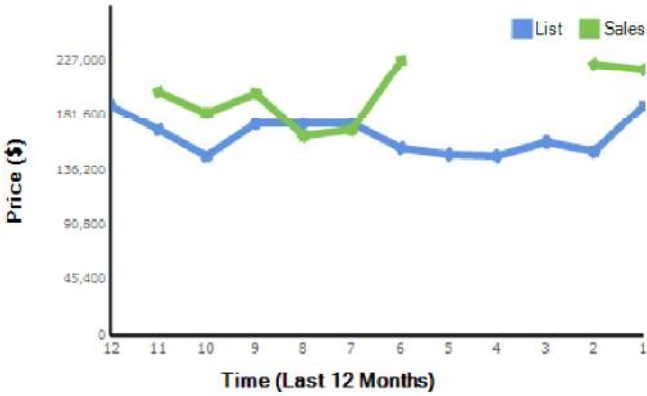
[illegible]

Appraisal Analytics Addendum

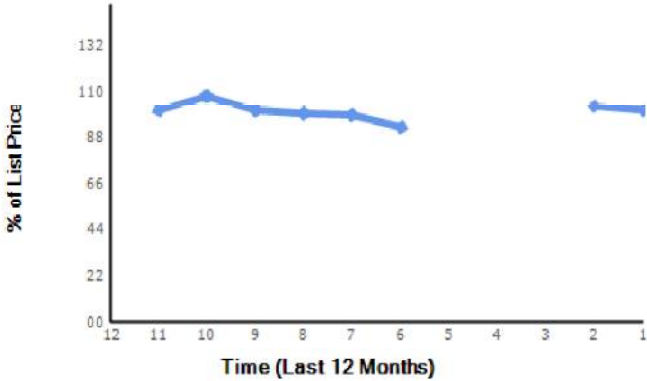
Market Area Analysis

File No. ANS-221319

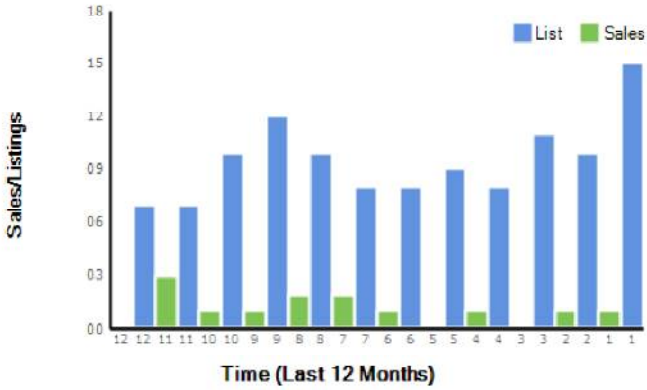
Address: 440 Jewell St Ferndale, MI 48220-2557	Client: Colony American Finance Borrower: Rudalev MI I
---------------------------------------------------	-----------------------------------------------------------



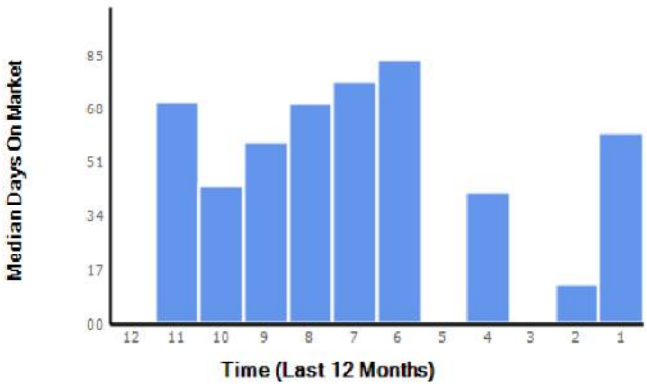
Median Listing Price vs Median Sales Price



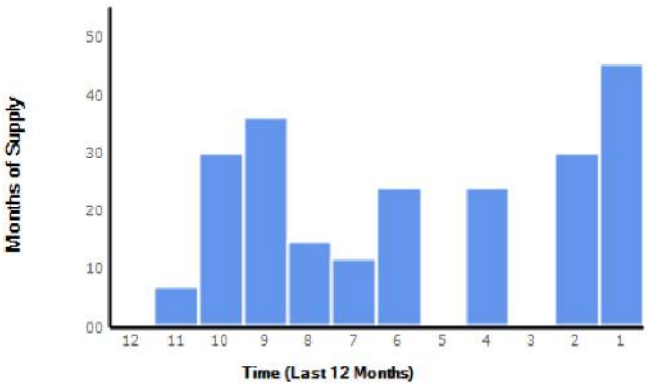
Median Sales Price as % of List Price



Total Sales vs Total Listings



Median Days on Market



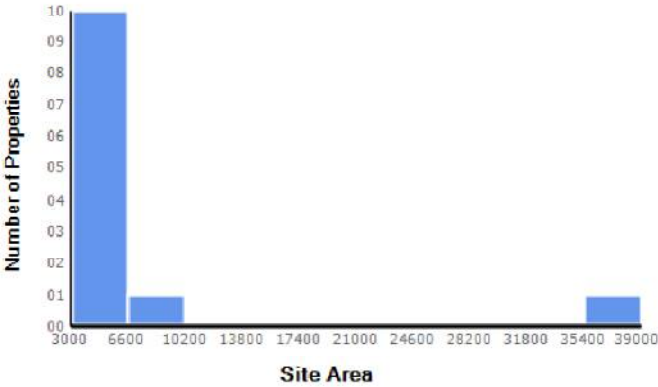
Inventory Analysis

Appraisal Analytics Addendum

Property Characteristic Histograms for Market Data

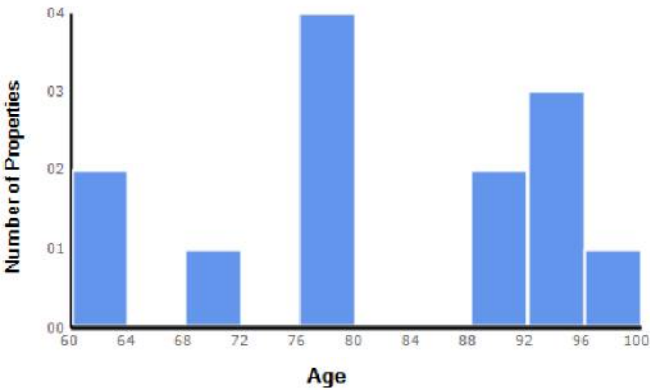
File No. ANS-221319

Address: 440 Jewell St Ferndale, MI 48220-2557	Client: Colony American Finance Borrower: Rudalev MI I
---------------------------------------------------	-----------------------------------------------------------



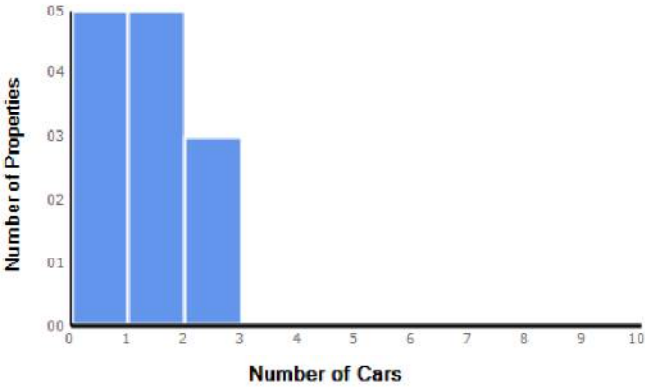
Site Area

Subject Property Site Area	4146 sqft
Range of Site Area	3,485 - 38,333 sqft
Middle Site Area (Median)	5,227 sqft
Average Site Area (Mean)	8,022 sqft



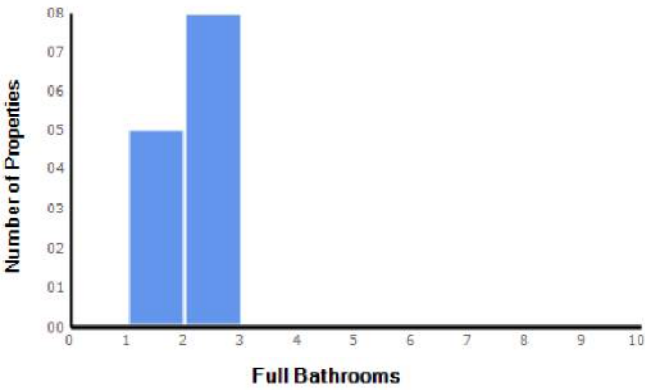
Property Age

Subject Property Age	69 yrs
Range of Age	62 - 97 yrs
Middle Age (Median)	79 yrs
Average Age (Mean)	82 yrs



Car Storage - # of Cars

Subject Property # of Cars	2 cars
Range of # of Cars	0 - 2 cars
Middle # of Cars (Median)	1 cars
Most popular # of Cars (Mode)	1,0 cars



Bathrooms - Full Baths

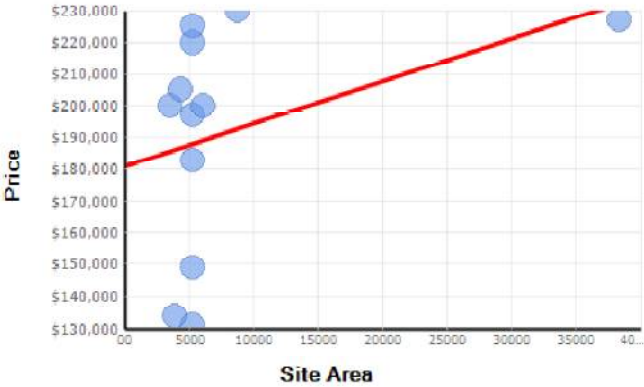
Subject Property Full Baths	2 baths
Range of Full Baths	1 - 2 baths
Middle # of Full Baths (Mediar	2 baths
Most popular # of Full (Mode)	2 baths

Appraisal Analytics Addendum

Linear Regression Analysis - Scatter Plots

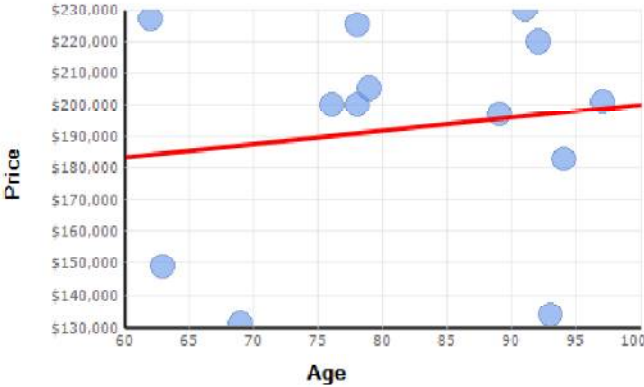
File No. ANS-221319

Address: 440 Jewell St Ferndale, MI 48220-2557	Client: Colony American Finance Borrower: Rudalev MI I
---------------------------------------------------	-----------------------------------------------------------



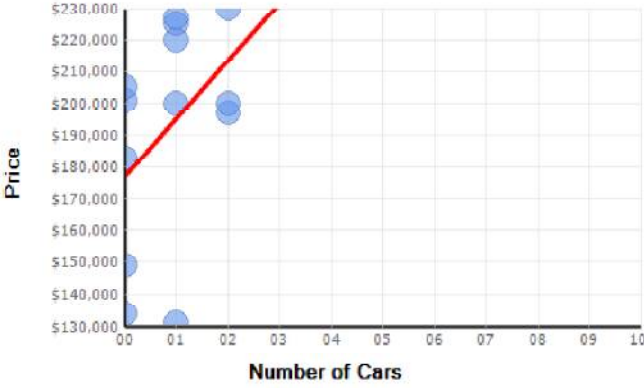
Site Area - Linear Regression

Model Slope Value	\$1 per sq ft
Value Range	\$0 to \$2 per sq ft
R ² - Model Fit	13.0%



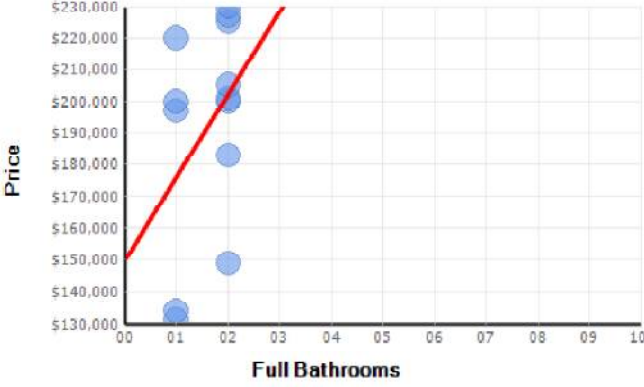
Property Age - Linear Regression

Model Slope Value	\$409 per year
Value Range	-\$439 to \$1,258 per year
R ² - Model Fit	2.1%



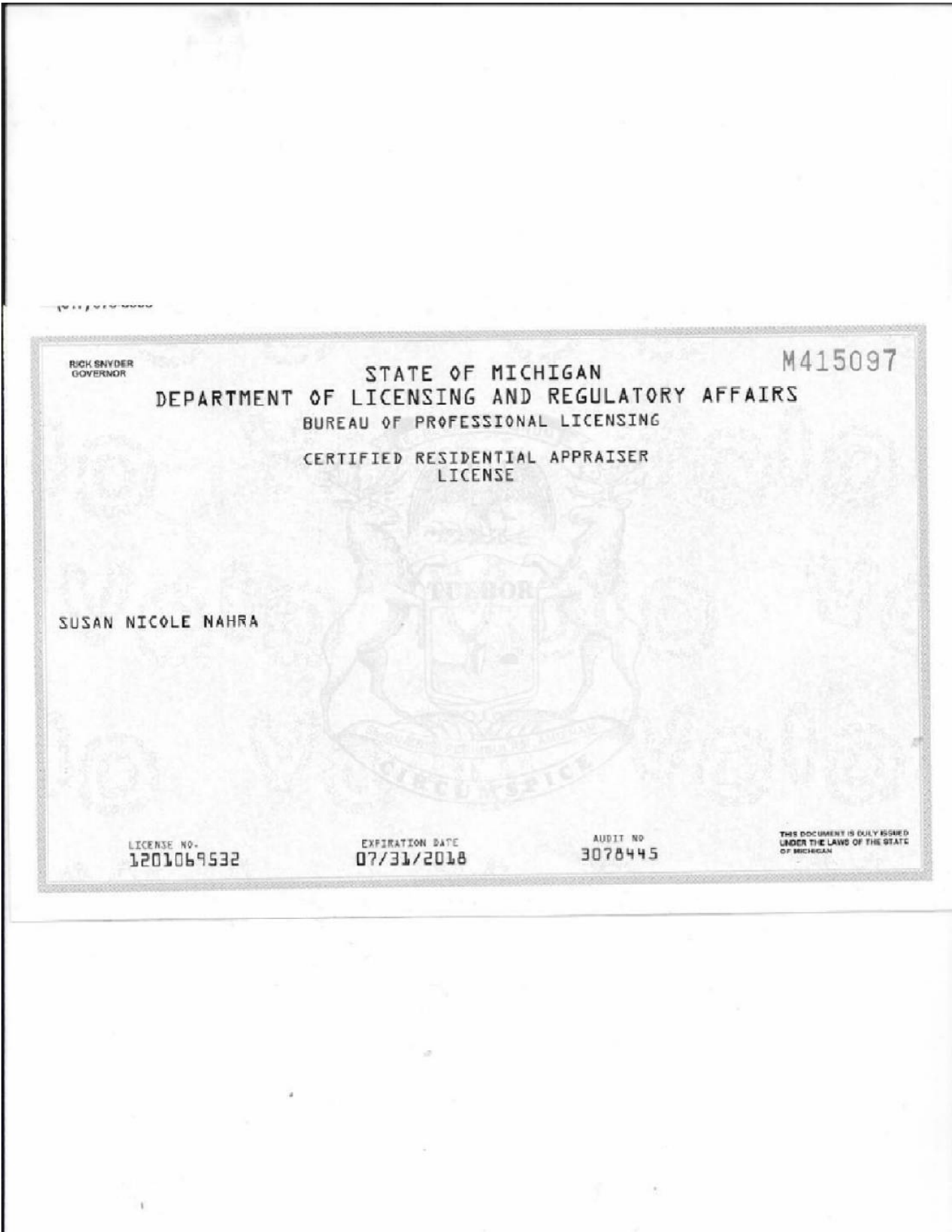
Number of Cars - Linear Regression

Model Slope Value	\$18,188 per car
Value Range	\$6,577 to \$29,799 per car
R ² - Model Fit	18.2%



Full Bathrooms - Linear Regression

Model Slope Value	\$26,120 per bath
Value Range	\$7,407 to \$44,833 per bath
R ² - Model Fit	15.0%





LIA Administrators & Insurance Services
APPRAISAL AND VALUATION
PROFESSIONAL LIABILITY INSURANCE POLICY
DECLARATIONS

ASPEN AMERICAN INSURANCE COMPANY
(A stock insurance company herein called the "Company")
175 Capitol Blvd, Suite 100
Rocky Hill, CT 06067

Date Issued	Policy Number	Previous Policy Number
01/18/2017	AAI005369-02	AAI005369-01

THIS IS A **CLAIMS MADE AND REPORTED** POLICY. COVERAGE IS LIMITED TO **LIABILITY** FOR ONLY THOSE **CLAIMS** THAT ARE FIRST MADE AGAINST THE **INSURED** DURING THE **POLICY PERIOD** AND THEN REPORT-ED TO THE COMPANY IN WRITING NO LATER THAN SIXTY (60) DAYS AFTER EXPIRATION OR TERMINATION OF THIS POLICY, OR DURING THE **EXTENDED REPORTING PERIOD**, IF APPLICABLE, FOR A **WRONGFUL ACT** COMMITTED ON OR AFTER THE **RETROACTIVE DATE** AND BEFORE THE END OF THE **POLICY PERIOD**. PLEASE READ THE POLICY CAREFULLY.

Item

1. Customer ID: 153377 Named Insured : R.E. CONSULTING SERVICES, LLC Joseph A. Nahra/Susan N. Nahra Thomas Wiewiora 1417 Morningdove Wixom, MI 48393	
2. Policy Period : From: 02/21/2017 To: 02/21/2018 12:01 A.M. Standard Time at the address stated in 1 above.	
3. Deductible : \$1,000 Each Claim	
4. Retroactive Date : 02/21/2003	
5. Inception Date : 02/21/2016	
6. Limits of Liability : A. \$1,000,000 Each Claim B. \$1,000,000 Aggregate	
7. Mail all notices, including notice of Claim , to: LIA Administrators & Insurance Services 1600 Anacapa Street Santa Barbara, California 93101 (800) 334-0652; Fax: (805) 962-0652	
8. Annual Premium : \$1,948.00	
9. Forms attached at issue : LIA002 (12/14) LIA MI (11/14) LIA MI NOT (11/14) LIA012 (12/14) LIA018 (10/14)	

This Declarations Page, together with the completed and signed Policy Application including all attachments and exhibits thereto, and the Policy shall constitute the contract between the Named Insured and the Company.

01/18/2017
Date
LIA-001 (12/14)

By
Authorized Signature
Aspen American Insurance Company