Uniform Residential Appraisal Report

ANS-221408
File # 0517-176

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

SUBJECT

Property Address 4226 Cadillac Ave | City Wayne | State MI | Zip Code 48184
Borrower Rudalev MI II | Owner of Public Record Rudalev2 LLC | County Wayne
Legal Description 34C75B 34C76 S 10 FT of Lot 76 also the E 1/2 of Adj Vac Alley Detroit-Wayne Annex Sub No. 1 T2S R9E L47 P55 Wcr
Assessor's Parcel # 55 022 01 0075 002 | Tax Year 2016 | R.E. Taxes $ 2,044
Neighborhood Name Detroit-Wayne Annex Sub | Map Reference 19804 | Census Tract 5669.00
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/Client Colony American Finance | Address 4 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). Multiple Listing Sources/Public Records Data. The subject is not currently listed and has not been listed in the past year.

CONTRACT

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

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

NEIGHBORHOOD

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

Neighborhood Characteristics	One-Unit Housing Trends	One-Unit Housing			Present Land Use %	
		PRICE $ (000)		AGE (yrs)		
Location ☐ Urban ☒ Suburban ☐ Rural	Property Values ☐ Increasing ☒ Stable ☐ Declining	15	Low	18	One-Unit	80 %
Built-Up ☒ Over 75% ☐ 25-75% ☐ Under 25%	Demand/Supply ☐ Shortage ☒ In Balance ☐ Over Supply	135	High	97	2-4 Unit	%
Growth ☐ Rapid ☒ Stable ☐ Slow	Marketing Time ☒ Under 3 mths ☐ 3-6 mths ☐ Over 6 mths	65	Pred.	74	Multi-Family	%
					Commercial	10 %
					Other	10 %

Neighborhood Boundaries The subject's neighborhood is located north of Ecorse road, south of Michigan Ave, east of Wayne road, and west of Merriman road.

Neighborhood Description The subject is located in a single family area containing properties of various age and utility. The economic base of the community and employment levels have been stable. The area offers good access to schools, shopping, and employment. Appraiser did not observe any negative factors that would adversely affect market appeal. The "other" land use is for parks, schools, and City/County owned properties.

Market Conditions (including support for the above conclusions) The above conclusions are based on RealcompMLS study of the entire neighborhood for trends in the past 1 year of this appraisal. The trends are of the neighborhood which includes the subject's market. The trends of the neighborhood may be different from those of the subject's market. See 1004mc for the subject's market trends and data.

SITE

Dimensions 40x138 | Area 5520 sf | Shape Rectangular | View N;Res;
Specific Zoning Classification R-1C | Zoning Description Single Family Residential
Zoning Compliance ☒ Legal ☐ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe

Utilities	Public	Other (describe)		Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	☒	☐	Water	☒	☐	Street Concrete	☒	☐
Gas	☒	☐	Sanitary Sewer	☒	☐	Alley None	☐	☐

FEMA Special Flood Hazard Area ☐ Yes ☒ No | FEMA Flood Zone X | FEMA Map # 26163C0240F | FEMA Map Date 12/03/2013
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 ☒ One ☐ One with Accessory Unit	☐ Concrete Slab ☒ Crawl Space	Foundation Walls Concrete/Avg	Floors Hwd/Avg
# of Stories 2	☐ Full Basement ☐ Partial Basement	Exterior Walls Aluminum/Avg	Walls DW/Painted/Avg
Type ☒ Det. ☐ Att. ☐ S-Det./End Unit	Basement Area 0 sq.ft.	Roof Surface Shingle/Avg	Trim/Finish Wd/Painted/Avg
☒ Existing ☐ Proposed ☐ Under Const.	Basement Finish 0 %	Gutters & Downspouts Aluminium/Avg	Bath Floor Ceramic/Avg
Design (Style) Bungalow	☐ Outside Entry/Exit ☐ Sump Pump	Window Type Vinyl/Avg	Bath Wainscot Ceramic/Avg
Year Built 1950	Evidence of ☐ Infestation	Storm Sash/Insulated Vinyl/Avg	Car Storage ☐ None
Effective Age (Yrs) 35	☐ Dampness ☐ Settlement	Screens Alum/Avg	☒ Driveway # of Cars 1
Attic ☐ None	Heating ☒ FWA ☐ HWBB ☐ Radiant	Amenities ☐ Woodstove(s) # 0	Driveway Surface Concrete
☐ Drop Stair ☒ Stairs	☐ Other Fuel Gas	☐ Fireplace(s) # 0 ☒ Fence Wood	☐ Garage # of Cars 0
☐ Floor ☐ Scuttle	Cooling ☐ Central Air Conditioning	☐ Patio/Deck None ☒ Porch Covered	☐ Carport # of Cars 0
☐ Finished ☐ Heated	☐ Individual ☒ Other None	☐ Pool None ☐ Other None	☐ Att. ☐ Det. ☐ Built-in

Appliances ☐ Refrigerator ☒ Range/Oven ☒ Dishwasher ☒ Disposal ☐ Microwave ☐ Washer/Dryer ☐ Other (describe)
Finished area above grade contains: 7 Rooms 4 Bedrooms 1.0 Bath(s) 1,386 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.). Only items of Real Estate that are observed from the street have been included in the final estimate of value. All energy efficient items appear to be standard.
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C4;No updates in the prior 15 years;The "C" rating is for the entire house. The updates noted here are for kitchen and baths only. All other updates are noted in the addenda under "Subject Data". Physical depreciation is based on the age-life method. No repairs, functional or external depreciation are noted at the time of inspection.

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

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

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SALES COMPARISON APPROACH

There are 5 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 54,900 to $ 94,900 .

There are 16 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 50,000 to $ 90,000 .

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	4226 Cadillac Ave Wayne, MI 48184	32334 Carlisle Pkwy Wayne, MI 48184		5257 Harding St Wayne, MI 48184		32427 Annapolis St Wayne, MI 48184	
Proximity to Subject		0.38 miles NE		0.70 miles SE		0.21 miles SE	
Sale Price	$		$ 72,500		$ 63,000		$ 74,500
Sale Price/Gross Liv. Area	$ sq.ft.	$ 52.96 sq.ft.		$ 57.90 sq.ft.		$ 68.22 sq.ft.	
Data Source(s)		Realcomp#217029838;DOM 1		Realcomp#217023170;DOM 5		Realcomp#216090991;DOM 133	
Verification Source(s)		City Website		City Website		City Website	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sales or Financing Concessions		ArmLth Conv;0		Relo Cash;0		ArmLth FHA;4450	-4,450
Date of Sale/Time		s05/17;c04/17		s05/17;c04/17		s03/17;c01/17	
Location	N;Res;	N;Res;		N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	5520 sf	4792 sf	0	7405 sf	0	6098 sf	0
View	N;Res;	N;Res;		N;Res;		N;Res;	
Design (Style)	DT2;Bungalow	DT2;Colonial	0	DT1;Ranch	0	DT1;Ranch	0
Quality of Construction	Q4	Q4		Q4		Q4	
Actual Age	67	63	0	59	0	70	0
Condition	C4	C4		C3	-5,000	C3	-5,000
Above Grade Room Count (Total / Bdrms. / Baths)	7 / 4 / 1.0	6 / 4 / 1.1	-3,000	5 / 3 / 1.0	0	5 / 3 / 1.0	0
Gross Living Area	1,386 sq.ft.	1,369 sq.ft.	0	1,088 sq.ft.	+6,000	1,092 sq.ft.	+5,900
Basement & Finished Rooms Below Grade	0sf	0sf		0sf		0sf	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	FWA/None	FWA/None		FWA/None		FWA/None	
Energy Efficient Items	None	None		None		None	
Garage/Carport	1dw	1gd1dw	-2,500	2gd2dw	-5,000	2gd2dw	-5,000
Porch/Patio/Deck	Porch	Porch/Patio	-500	Porch		Porch/Patio	-500
School District	Wayne-Westland	Wayne-Westland		Wayne-Westland		Wayne-Westland	
Net Adjustment (Total)		☐ + ☒ -	$ -6,000	☐ + ☒ -	$ -4,000	☐ + ☒ -	$ -9,050
Adjusted Sale Price of Comparables		Net Adj. 8.3 % Gross Adj. 8.3 %	$ 66,500	Net Adj. 6.3 % Gross Adj. 25.4 %	$ 59,000	Net Adj. 12.1 % Gross Adj. 28.0 %	$ 65,450

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

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

Data Source(s) Realcomp MLS

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

Data Source(s) Realcomp MLS

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

ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3
Date of Prior Sale/Transfer			08/08/2016	
Price of Prior Sale/Transfer			$40,000	
Data Source(s)	Wayne County Records	Wayne County Records	Wayne County Records	Wayne County Records
Effective Date of Data Source(s)	06/14/2017	06/14/2017	06/14/2017	06/14/2017

Analysis of prior sale or transfer history of the subject property and comparable sales According to homeowner/governmental offices/MLS data, no other title transfers for the subject property have occurred within 3 years of this appraisal. Comparable #2 was an arm's length sale. No other sales for comparables in last 1 year.

Summary of Sales Comparison Approach See attached addenda.

Indicated Value by Sales Comparison Approach $ 63,000

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 63,000 **Cost Approach (if developed) $** 68,932 **Income Approach (if developed) $** 0

Sales approach is held most reliable because it reflects the behavior in this market area. The cost approach supports this value. The income approach is not relevant, as owner occupancy is predominant.

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

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is $ 63,000 , as of 06/14/2017 , which is the date of inspection and the effective date of this appraisal.

ADDITIONAL COMMENTS

INTENDED USE/USER
The Intended User of this appraisal report is the Lender/Client. The Intended Use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated Scope of Work, purpose of the appraisal, requirements of this appraisal report form, and Definition of Market Value. No additional Intended Users are identified by the appraiser.

The subject property is located within 30 miles from my office. This assignment requires geographic competency as part of the scope of work. I have spent sufficient time in the subjects market and understand the nuances of the local market and the supply and demand factors relating to the specific property type and the location involved. Such understanding will not be imparted solely from a consideration of specific data such as demographics, costs, sales and rentals. The necessary understanding of local market conditions provides the bridge between a sale and a comparable sale or a rental and a comparable rental.

This appraisal was ordered in compliance with Appraisal Independence "AIR" and Mortgagee Letter 2009-28. No employee, director, officer, 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. I agree to immediately report any unauthorized contacts either personally by phone or electronically to Client.

The appraiser is not qualified as a building inspector or environmental inspector. The appraiser produces an opinion of value. Only a visual inspection of accessible areas was performed. Thus, the appraisal cannot be relied upon to disclose conditions and/or defects in the property nor guarantee that the property is free from environmental problems. Therefore, this appraisal does not guarantee the condition of any structure, water, septic or sewer system, electrical or plumbing system, existence and/or adequacy of insulation. Also, this appraisal does not guarantee that the appraised property will pass any local or federal regulations or inspections. Furthermore, this report does not in any way, guarantee against present or future leakage, bursting, cracking, peeling, flooding, soil erosion, earthquake, abnormal water pressure, termites, noise or nuisance.

Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, mold, urea-formaldehyde foam insulation, and other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The intended user is urged to retain an expert in this field if desired.

Any residential structure built prior to 1978 may present exposure to lead from lead-based paint. This exposure may place young children at risk of developing lead poisoning. The appraiser was not provided with a risk assessment or inspection report regarding and known "Lead-based paint hazards" in the subject property.
Appraiser cannot guarantee that the property is free of encroachments or easements, and recommends a qualified professional for further investigation and survey.
No warranty of the appraisal is given or implied.

Comparable Photos - As per FNMA and USPAP, the appraiser has driven by all comparable sales. This is in compliance with USPAP.

Appraisers are required to be licensed and regulated by The State of Michigan, Department of Labor and Economic Growth, P.O. Box 30018, Lansing, MI 48909.

COST APPROACH

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) **Appraiser has made an effort to support opinion of site value with comparable sales, however, the lack of closed comparable lot data has made this difficult. Instead, the opinion of site value is determined utilizing feedback from builders, investors, and the appraiser's knowledge of the market.**

ESTIMATED ☐ REPRODUCTION OR ☒ REPLACEMENT COST NEW
Source of cost data **Marshall & Swifts Cost Hand Book**
Quality rating from cost service **Average** Effective date of cost data **Current**
Comments on Cost Approach (gross living area calculations, depreciation, etc.)
Cost figures taken from the Marshall & Swifts Cost Handbook (Rounded) with local multipliers added and appraisers knowledge of the area and builders costs.

Estimated Remaining Economic Life (HUD and VA only) **45** Years

OPINION OF SITE VALUE			=$	**5,000**
DWELLING	**1,386** Sq.Ft. @ $	**80.00**	=$	**110,880**
None	**0** Sq.Ft. @ $	**0.00**	=$	
Porch			=$	**1,000**
Garage/Carport	**0** Sq.Ft. @ $	**0.00**	=$	
Total Estimate of Cost-New			=$	**111,880**
Less Physical	Functional	External		
Depreciation **48,948**			=$(	**48,948**)
Depreciated Cost of Improvements			=$	**62,932**
"As-is" Value of Site Improvements			=$	**1,000**
INDICATED VALUE BY COST APPROACH			**=$**	**68,932**

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent $ **0** X Gross Rent Multiplier **0** = $ **0** Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM) **The income approach is not developed due to the lack of data available, as owner occupancy is predominant.**

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
Legal Name of Project
Total number of phases | Total number of units | Total number of units sold
Total number of units rented | Total number of units for sale | Data source(s)
Was the project created by the conversion of 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
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 the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

APPRAISER

Signature
Name Matthew Shaouni
Company Name Flight Appraisal
Company Address 42874 Mound Rd
Sterling Heights, MI 48314
Telephone Number (248) 798-0284
Email Address flightappraisals@outlook.com
Date of Signature and Report 06/22/2017
Effective Date of Appraisal 06/14/2017
State Certification #
or State License # 1201074225
or Other (describe) State #
State MI
Expiration Date of Certification or License 07/31/2017

ADDRESS OF PROPERTY APPRAISED
4226 Cadillac Ave
Wayne, MI 48184

APPRAISED VALUE OF SUBJECT PROPERTY $ 63,000

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

ANS-221408
File # 0517-176

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 4		COMPARABLE SALE # 5		COMPARABLE SALE # 6	
Address	4226 Cadillac Ave Wayne, MI 48184	4421 Gloria St Wayne, MI 48184		3330 Cadillac Ave Wayne, MI 48184		31658 Carlisle Pkwy Wayne, MI 48184	
Proximity to Subject		0.40 miles E		0.52 miles N		0.58 miles NE	
Sale Price	$		$ 65,000		$ 50,000		$ 69,900
Sale Price/Gross Liv. Area	$ sq.ft.	$ 55.56 sq.ft.		$ 39.94 sq.ft.		$ 64.66 sq.ft.	
Data Source(s)		Realcomp#216066693;DOM 50		Realcomp#215122980;DOM 237		Realcomp#217035316;DOM 41	
Verification Source(s)		City Website		City Website		City Website	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sales or Financing Concessions		ArmLth FHA;0		ArmLth FHA;0		Listing	
Date of Sale/Time		s01/17;c08/16		s09/16;c08/16		c06/17	-699
Location	N;Res;	N;Res;		N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	5520 sf	6098 sf	0	11326 sf	0	4792 sf	0
View	N;Res;	N;Res;		N;Res;		N;Res;	
Design (Style)	DT2;Bungalow	DT1;Ranch	0	DT2;Bungalow		DT1;Ranch	0
Quality of Construction	Q4	Q4		Q4		Q4	
Actual Age	67	58	0	69	0	63	0
Condition	C4	C4		C4		C4	
Above Grade Room Count (Total / Bdrms. / Baths)	7 / 4 / 1.0	6 / 3 / 1.0	0	4 / 2 / 1.0	+5,000 / 0	5 / 3 / 1.0	0
Gross Living Area	1,386 sq.ft.	1,170 sq.ft.	+4,300	1,252 sq.ft.	+2,700	1,081 sq.ft.	+6,100
Basement & Finished Rooms Below Grade	0sf	0sf		0sf		0sf	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	FWA/None	FWA/CAC	-1,000	FWA/None		FWA/None	
Energy Efficient Items	None	None		None		None	
Garage/Carport	1dw	2gd2dw	-5,000	1dw		1dw	
Porch/Patio/Deck	Porch	Porch		Porch		Porch/Patio	-500
School District	Wayne-Westland	Wayne-Westland		Wayne-Westland		Wayne-Westland	
Net Adjustment (Total)		☐ + ☒ -	$ -1,700	☒ + ☐ -	$ 7,700	☒ + ☐ -	$ 4,901
Adjusted Sale Price of Comparables		Net Adj. 2.6 % Gross Adj. 15.8 %	$ 63,300	Net Adj. 15.4 % Gross Adj. 15.4 %	$ 57,700	Net Adj. 7.0 % Gross Adj. 10.4 %	$ 74,801

SALE HISTORY

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 # 4	COMPARABLE SALE # 5	COMPARABLE SALE # 6
Date of Prior Sale/Transfer				
Price of Prior Sale/Transfer				
Data Source(s)	Wayne County Records	Wayne County Records	Wayne County Records	Wayne County Records
Effective Date of Data Source(s)	06/14/2017	06/14/2017	06/14/2017	06/14/2017

Analysis of prior sale or transfer history of the subject property and comparable sales

ANALYSIS / COMMENTS

Analysis/Comments

Uniform Residential Appraisal Report

SALES COMPARISON APPROACH

FEATURE	SUBJECT			COMPARABLE SALE # 7				COMPARABLE SALE # 8				COMPARABLE SALE # 9			
Address	4226 Cadillac Ave Wayne, MI 48184			32553 Annapolis St Wayne, MI 48184											
Proximity to Subject				0.20 miles S											
Sale Price	$						$ 89,900				$				$
Sale Price/Gross Liv. Area	$ sq.ft.			$ 59.30 sq.ft.				$ sq.ft.				$ sq.ft.			
Data Source(s)				Realcomp#217037029;DOM 4											
Verification Source(s)				City Website											
VALUE ADJUSTMENTS	DESCRIPTION			DESCRIPTION			+(-) $ Adjustment	DESCRIPTION			+(-) $ Adjustment	DESCRIPTION			+(-) $ Adjustment
Sales or Financing Concessions				Listing											
Date of Sale/Time				c05/17			-899								
Location	N;Res;			N;Res;											
Leasehold/Fee Simple	Fee Simple			Fee Simple											
Site	5520 sf			6098 sf			0								
View	N;Res;			N;Res;											
Design (Style)	DT2;Bungalow			DT2;Bungalow											
Quality of Construction	Q4			Q4											
Actual Age	67			67											
Condition	C4			C4											
Above Grade	Total	Bdrms.	Baths	Total	Bdrms.	Baths		Total	Bdrms.	Baths		Total	Bdrms.	Baths	
Room Count	7	4	1.0	8	4	1.1	-4,000								
Gross Living Area	1,386 sq.ft.			1,516 sq.ft.			-2,600	sq.ft.				sq.ft.			
Basement & Finished Rooms Below Grade	0sf			0sf											
Functional Utility	Average			Average											
Heating/Cooling	FWA/None			FWA/CAC			-1,000								
Energy Efficient Items	None			None											
Garage/Carport	1dw			1dw											
Porch/Patio/Deck	Porch			Porch											
School District	Wayne-Westland			Wayne-Westland											
Net Adjustment (Total)				☐ + ☒ -			$ -8,499	☐ + ☐ -			$	☐ + ☐ -			$
Adjusted Sale Price of Comparables				Net Adj. 9.5 % Gross Adj. 9.5 %			$ 81,401	Net Adj. % Gross Adj. %			$	Net Adj. % Gross Adj. %			$

SALE HISTORY

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 # 7	COMPARABLE SALE # 8	COMPARABLE SALE # 9
Date of Prior Sale/Transfer				
Price of Prior Sale/Transfer				
Data Source(s)	Wayne County Records	Wayne County Records		
Effective Date of Data Source(s)	06/14/2017	06/14/2017		

Analysis of prior sale or transfer history of the subject property and comparable sales

ANALYSIS / COMMENTS

Analysis/Comments

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Condition Ratings and Definitions

C1

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

Note: Newly constructed improvements that feature recycled or previously used materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100 percent new foundation and the recycled materials and the recycled components have been rehabilitated/remanufactured into like-new condition. Improvements that have not been previously occupied are not considered “new” if they have any significant physical depreciation (that is, 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 are either 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 residence 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.

Quality Ratings and Definitions (continued)

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

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

Example:
3.2 indicates three full baths and two half baths.

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Abbreviations Used in Data Standardization Text

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

Supplemental Addendum

File No. 0517-176

Borrower	Rudalev MI II						
Property Address	4226 Cadillac Ave						
City	Wayne	County	Wayne	State	MI	Zip Code	48184
Lender/Client	Colony American Finance						

SUBJECT DATA

PRIOR SERVICE
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.

ZONING
The zoning designation in the site section is as noted. This is the only information available and should not be relied upon by any third party. No other specific guidelines are with the subject's zoning. The appraiser recommends that the Client or any third party first verify information regarding zoning and permitted use of the subject property including such items as set back requirements, minimum or maximum sizes allowed, non-conforming uses, etc. The appraiser is not responsible for any errors or changes regarding zoning matters.

NEIGHBORHOOD BUILT-UP AND LAND USE
There does not appear to be a clear definition of built-up vs. land use of a neighborhood in USPAP. Therefore, in this appraisal, the following will be used as definitions:

Built-up – The % built up is for the buildable land, both commercial and residential, in the neighborhood. There is no assumption of future land splits and such. Also, the appraiser has no knowledge as to the large City/County owned properties if they are usable and/or buildable and therefore, not included in the built-up percentage.

Land use – The % land use is for all land and bodies of water in the neighborhood.

The data provided is only an estimate, as an exact figure would be beyond the scope of work of this appraisal. This does not appear to adversely affect the credibility of this appraisal.

CONDITION OF IMPROVEMENTS
All updates made to the subject property are considered and included in the "Condition" rating and all of the upgrades are considered and included in the "Quality of Construction" rating obtained from Fannie Mae UAD Appendix D. See attached definitions.

Updates include but are not limited to: Furnace, hwh appear newer.

Based on a visual inspection of the roof and the interior ceilings for signs of leaks, there does not appear to be any damage to the roof. All the utilities are on and appear to be in working order.

INCOME APPROACH - The appraiser has considered the income approach in this assignment. The subject is a single-family dwelling, and there is insufficient rental data for similar homes in this market area to produce a reliable estimate of market rent for the subject, and a GRM. Because it could not be reliably developed, the income approach has been omitted in this appraisal.

COST APPROACH - The cost approach has been included solely at the request of the client. It was given no weight in arriving at the final opinion of value because of the difficulty in developing and supporting estimates of cost new and accrued depreciation. There is limited data available with which to reliably develop this approach for a structure of this age, and therefore the results of this approach are not considered meaningful or relevant. The estimates of cost new, accrued depreciation, site value, as well as the value indicated by this approach, should not be relied upon by any party for any reason. Appraiser does not assume responsibility for misuse of data and conclusions by others. This appraisal is not to be used by any party for insurance purposes.

SALES COMPARISON COMMENTS
The appraiser has chosen what are believed to be the most current and similar comparables available from the marketplace. Therefore, the comparables are considered reliable indicators of value. Adjustments in the "Market Data Approach" are based on market extraction, not cost figures.

CONCESSIONS - In this market area, seller concessions are common and therefore, adjusted dollar for dollar.

SITE - The adjustment for site is determined not only for size but for utility and contribution to the overall demand of the location. If the site is on acreage, a cul de sac or other premium location the adjustment, if any, would be determined on the appraiser's estimate of overall 'market value' contribution. Appropriate adjustments are made if warranted.

BEDROOMS - In this market, 3+ bedroom homes are considered as "typical" for market. In this appraisal, bedroom counts of less than 3 are adjusted accordingly.

BATHROOMS - In the grid, the bathroom count is noted as 1 for each full bath and as 0.1 for each half bath. Bathrooms in the basement are not considered in the total above ground count but are included in the overall basement finish.

FIREPLACE & SHED - If the subject has a fireplace and/or a shed, the appraiser makes no adjustment for these due to the fact that there is no data to suggest added value to the home. Therefore no adjustments is warranted.

AGE - All comparables are within FNMA guidelines. No adjustment is made for age difference of less than 25 years.

SIZE - All comparables are within the acceptable 20% difference in size. No adjustment is made for GLA differences of less than 100 square feet.

GARAGE - In this market and according to feedback from local realtors, it appears that an attached garage adds more value to a home than a detached garage. Therefore, an appropriate adjustments is made when warranted.

Supplemental Addendum

File No. 0517-176

Borrower	Rudalev MI II						
Property Address	4226 Cadillac Ave						
City	Wayne	County	Wayne	State	MI	Zip Code	48184
Lender/Client	Colony American Finance						

SALE DATES (greater than 6 months) - The subject is located in a stable market. Due to a lack of qualified closed comparative data of similar size, condition, and utility in the subject's immediate area, it is necessary to exceed FNMA guidelines for sold dates of greater than six months. No adjustment is warranted at this time for sale date. This is acceptable in this market area.

NET/GROSS - The subject is a 1,386 sf. Bungalow design style home. A search of the MLS database reveals a lack of recently sold comparables that are similar in size, condition, and located within 1 mile in proximity and sold within 1 year of this appraisal. Appraiser chose comparables #2, 3, and 5 that are believed to be the next most similar and proximate comparables to the subject and therefore, after making the appropriate adjustments, appraiser exceeds the acceptable guidelines of 15% for net adjustments and 25% for gross adjustments.

ADJUSTMENTS - Adjustments to the comparables on the sales grid were calculated using quantitative (paired sales) whenever possible, often some features of the subject requiring adjustment were determined using data accumulated from the appraiser's database, peer discussions, education, and typical market reaction observed through the appraisers familiarity with the market.

The above variances, with the appropriate adjustments, will not adversely affect value.

EXPOSURE TIME
In appraiser's opinion, a reasonable exposure time for the subject property developed independently from the stated marketing time is 1 - 3 months.

OPINION OF VALUE DEVELOPMENT
Comp 1 is most similar to subject in size, most recent sale, and therefore, given primary weight.

The remaining comparables are in order of similarity to the subject and weighted, in that order, in developing the final opinion of market value. The listings provided, are not used to develop but only to support value.

Market Conditions Addendum to the Appraisal Report

ANS-221408
File No. 0517-176

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 **4226 Cadillac Ave** City **Wayne** State **MI** ZIP Code **48184**

Borrower **Rudalev MI II**

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

MARKET RESEARCH & ANALYSIS

Inventory Analysis	Prior 7–12 Months	Prior 4–6 Months	Current – 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	10	3	3	[ ] Increasing	[X] Stable	[ ] Declining
Absorption Rate (Total Sales/Months)	1.67	1.00	1.00	[ ] Increasing	[X] Stable	[ ] Declining
Total # of Comparable Active Listings	1	1	5	[ ] Declining	[X] Stable	[ ] Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	0.6	1.0	5.0	[ ] Declining	[X] Stable	[ ] Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7–12 Months	Prior 4–6 Months	Current – 3 Months	Overall Trend		
Median Comparable Sale Price	$67,950	$65,000	$65,044	[ ] Increasing	[X] Stable	[ ] Declining
Median Comparable Sales Days on Market	16	50	5	[ ] Declining	[X] Stable	[ ] Increasing
Median Comparable List Price	$70,000	$87,500	74,900	[ ] Increasing	[X] Stable	[ ] Declining
Median Comparable Listings Days on Market	133	10	45	[ ] Declining	[X] Stable	[ ] Increasing
Median Sale Price as % of List Price	98	100	99	[ ] Increasing	[X] Stable	[ ] Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent?	[X] Yes	[ ] No		[ ] Declining	[X] Stable	[ ] Increasing

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.). **The data used in the grid above does not indicate there were any concessions associated with the reported transactions. However, this is not a mandatory reporting field for agents and there may be some transactions that do include concessions, but have not been reported. It is beyond the scope of this assignment to confirm each sale used in the Market Conditions Report.**

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

The data used in the grid above does not indicate there were any REO/Short sales or other distressed properties associated with the reported transactions. However, this is not a mandatory reporting field for agents and there may be some distressed sales that were not reported. It is beyond the scope of this assignment to confirm each sale used in the Market Conditions Report.

Cite data sources for above information. **RealComp MLS and Public Records. Foreclosure, REO and Concession estimates are based on data in the MLS, public records reviewed by the appraiser, statistics published online and in the local media. The data was "cleaned" prior to analysis to remove isolated transactions that were numerically distant and may be misleading. If a field indicates N/A or it's shaded, that means the local MLS does not provide this information.**

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.

The appraiser considered only those homes that are competitive to the subject, only those that are similar in physical characteristics, lot size, view, condition, etc, at three levels; the market area level, the neighborhood level and the immediate area level and considers directly competitive and reasonable alternatives. The indicated " median, totals, etc." may slightly vary from gross numbers reported by the MLS, etc., but reflect trends, totals less impacted by abnormal transactions.

CONDO/CO-OP PROJECTS

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

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

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

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

APPRAISER

Signature	Signature
Appraiser Name **Matthew Shaouni**	Supervisory Appraiser Name
Company Name **Flight Appraisal**	Company Name
Company Address **42874 Mound Rd, Sterling Heights, MI 48314**	Company Address
State License/Certification # **1201074225** State **MI**	State License/Certification # State
Email Address **flightappraisals@outlook.com**	Email Address

Subject Photo Page

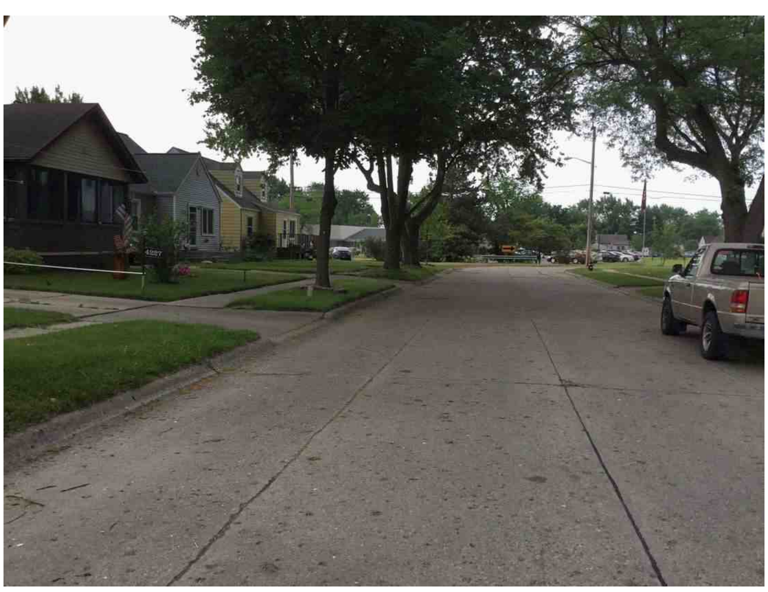
Borrower	Rudalev MI II						
Property Address	4226 Cadillac Ave						
City	Wayne	County	Wayne	State	MI	Zip Code	48184
Lender/Client	Colony American Finance						

Subject Front

4226 Cadillac Ave

Sales Price	
Gross Living Area	1,386
Total Rooms	7
Total Bedrooms	4
Total Bathrooms	1.0
Location	N;Res;
View	N;Res;
Site	5520 sf
Quality	Q4
Age	67

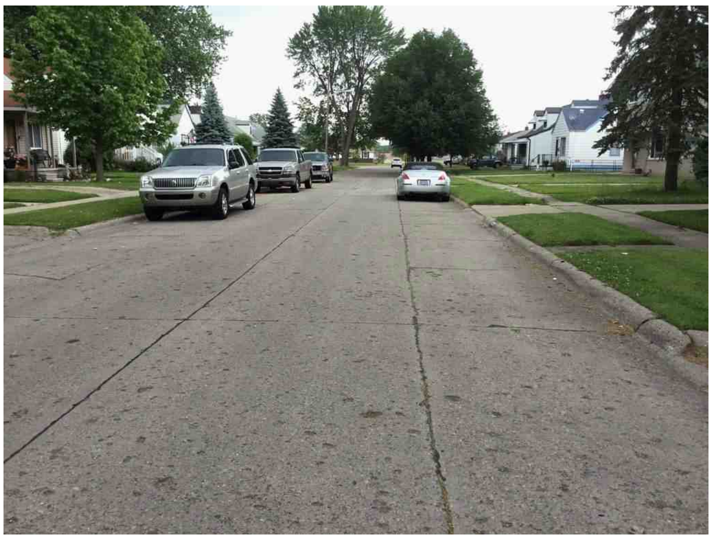
Subject Rear



Subject Street

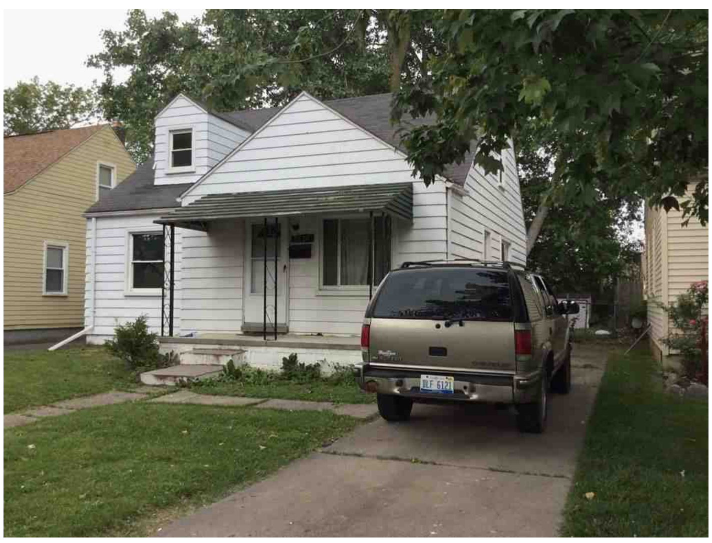
Photograph Addendum

Borrower	Rudalev MI II						
Property Address	4226 Cadillac Ave						
City	Wayne	County	Wayne	State	MI	Zip Code	48184
Lender/Client	Colony American Finance						



Street/other side

Front/side



Front/side

Front/side

Front

Front/side

Photograph Addendum

Borrower	Rudalev MI II						
Property Address	4226 Cadillac Ave						
City	Wayne	County	Wayne	State	MI	Zip Code	48184
Lender/Client	Colony American Finance						

Rear

Rear

Rear/side

Shed

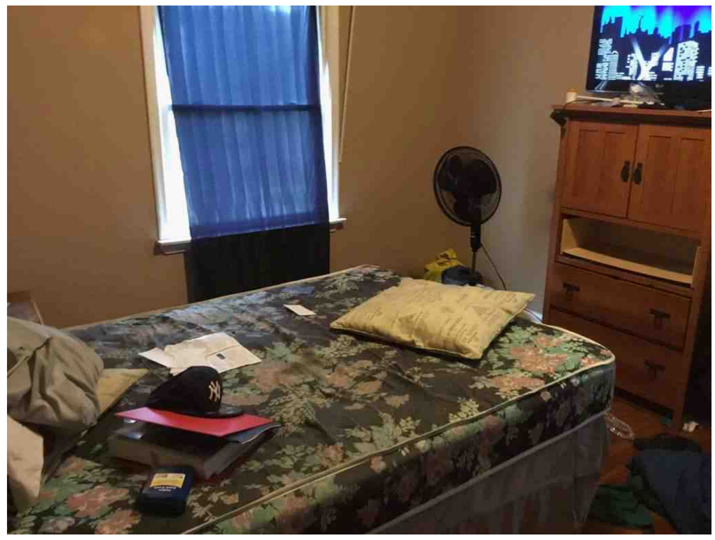
No photo

No photo

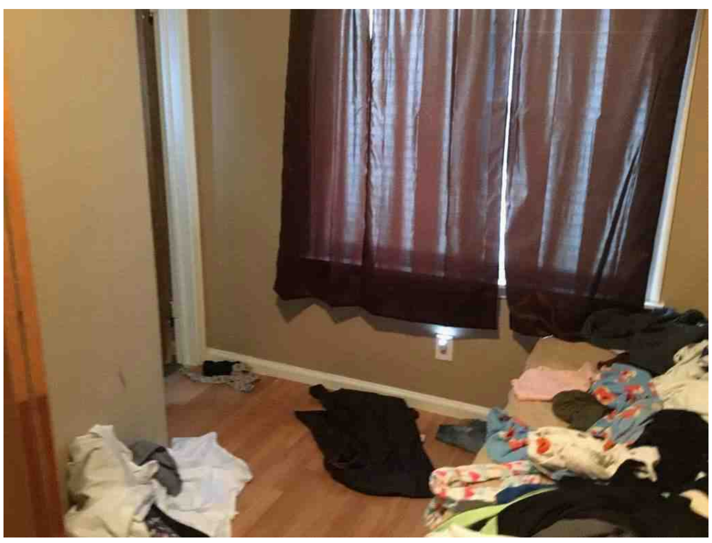
Photograph Addendum

Borrower	Rudalev MI II						
Property Address	4226 Cadillac Ave						
City	Wayne	County	Wayne	State	MI	Zip Code	48184
Lender/Client	Colony American Finance						

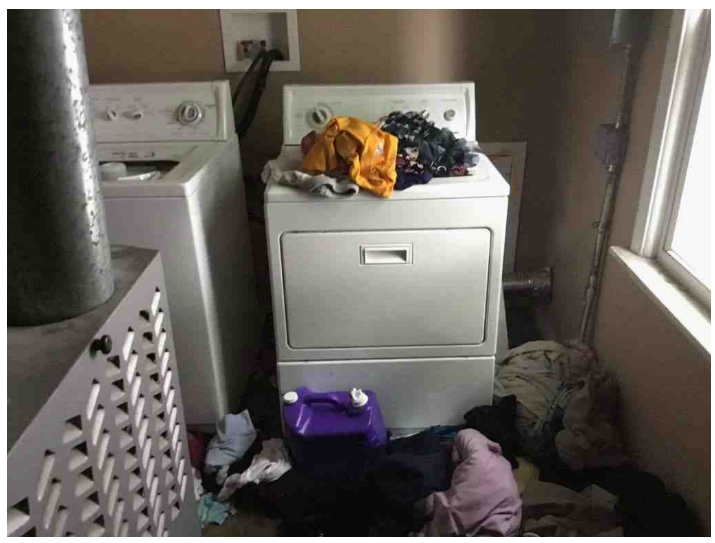
Living room



Bed

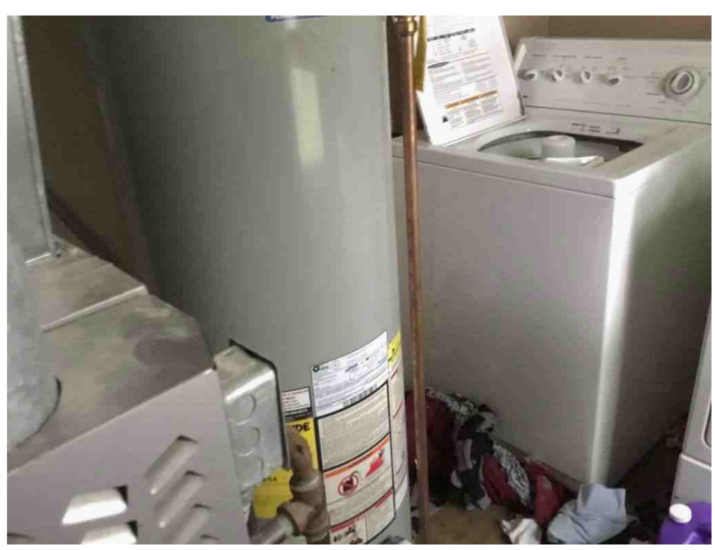


Bed



Utility

HVAC



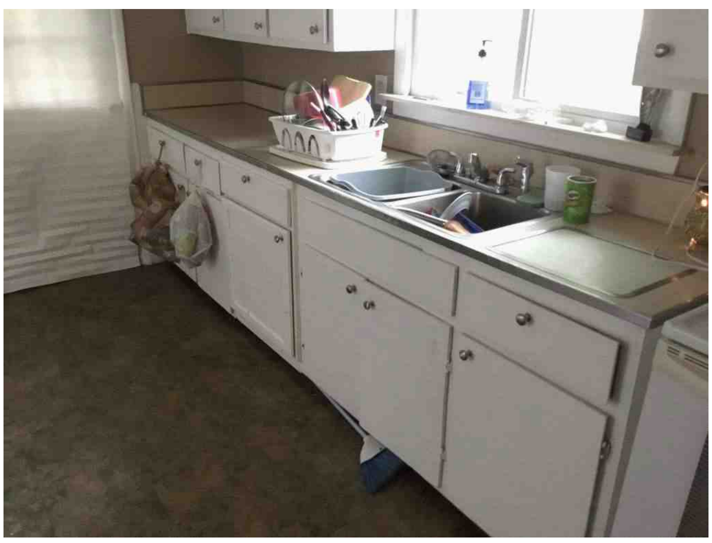
HWH

Photograph Addendum

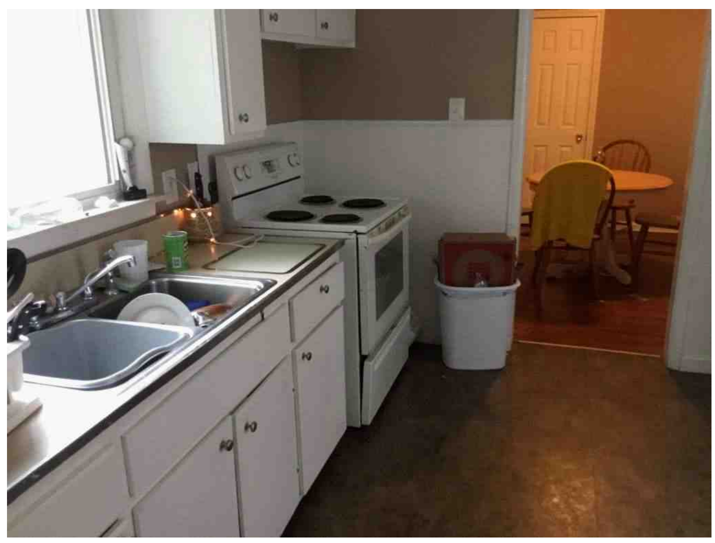
Borrower	Rudalev MI II						
Property Address	4226 Cadillac Ave						
City	Wayne	County	Wayne	State	MI	Zip Code	48184
Lender/Client	Colony American Finance						

Bath

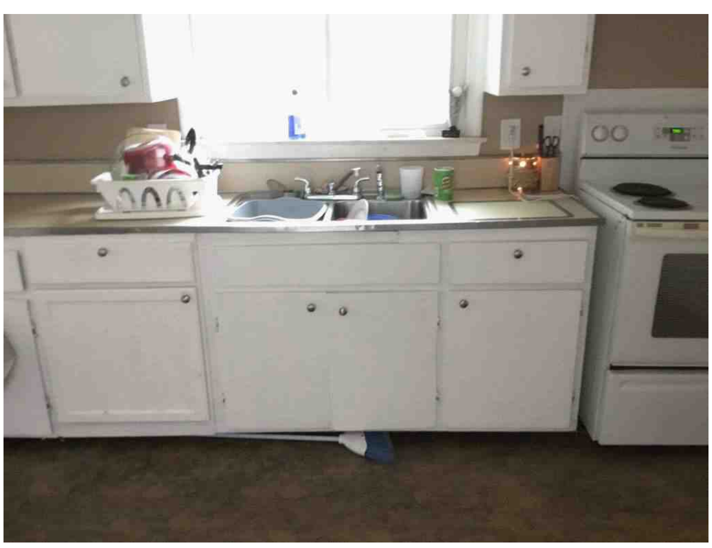
Dining room



Kitchen



Kitchen

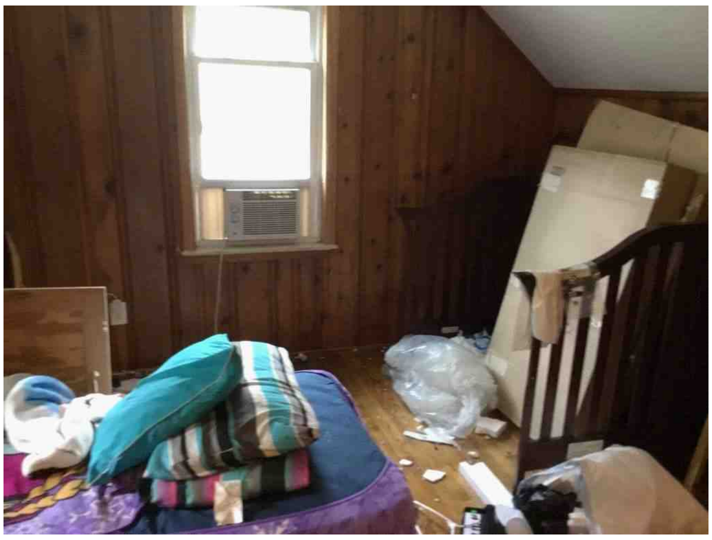


Kitchen

No photo

Photograph Addendum

Borrower	Rudalev MI II						
Property Address	4226 Cadillac Ave						
City	Wayne	County	Wayne	State	MI	Zip Code	48184
Lender/Client	Colony American Finance						



Bed

Bed

No photo

No photo

No photo

No photo

Comparable Photo Page

Borrower	Rudalev MI II						
Property Address	4226 Cadillac Ave						
City	Wayne	County	Wayne	State	MI	Zip Code	48184
Lender/Client	Colony American Finance						

Comparable 1

32334 Carlisle Pkwy

Prox. to Subject	0.38 miles NE
Sale Price	72,500
Gross Living Area	1,369
Total Rooms	6
Total Bedrooms	4
Total Bathrooms	1.1
Location	N;Res;
View	N;Res;
Site	4792 sf
Quality	Q4
Age	63

Comparable 2

5257 Harding St

Prox. to Subject	0.70 miles SE
Sale Price	63,000
Gross Living Area	1,088
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	1.0
Location	N;Res;
View	N;Res;
Site	7405 sf
Quality	Q4
Age	59

Comparable 3

32427 Annapolis St

Prox. to Subject	0.21 miles SE
Sale Price	74,500
Gross Living Area	1,092
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	1.0
Location	N;Res;
View	N;Res;
Site	6098 sf
Quality	Q4
Age	70

Comparable Photo Page

Borrower	Rudalev MI II						
Property Address	4226 Cadillac Ave						
City	Wayne	County	Wayne	State	MI	Zip Code	48184
Lender/Client	Colony American Finance						

Comparable 4

4421 Gloria St

Prox. to Subject	0.40 miles E
Sale Price	65,000
Gross Living Area	1,170
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	1.0
Location	N;Res;
View	N;Res;
Site	6098 sf
Quality	Q4
Age	58

Comparable 5

3330 Cadillac Ave

Prox. to Subject	0.52 miles N
Sale Price	50,000
Gross Living Area	1,252
Total Rooms	4
Total Bedrooms	2
Total Bathrooms	1.0
Location	N;Res;
View	N;Res;
Site	11326 sf
Quality	Q4
Age	69

Comparable 6

31658 Carlisle Pkwy

Prox. to Subject	0.58 miles NE
Sale Price	69,900
Gross Living Area	1,081
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	1.0
Location	N;Res;
View	N;Res;
Site	4792 sf
Quality	Q4
Age	63

Comparable Photo Page

Borrower	Rudalev MI II						
Property Address	4226 Cadillac Ave						
City	Wayne	County	Wayne	State	MI	Zip Code	48184
Lender/Client	Colony American Finance						

Comparable 7

32553 Annapolis St

Prox. to Subject	0.20 miles S
Sale Price	89,900
Gross Living Area	1,516
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	1.1
Location	N;Res;
View	N;Res;
Site	6098 sf
Quality	Q4
Age	67

Comparable 8

Prox. to Subject
Sale Price
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location
View
Site
Quality
Age

Comparable 9

Prox. to Subject
Sale Price
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location
View
Site
Quality
Age

USPAP ADDENDUM

ANS-221408
File No. 0517-176

Borrower	Rudalev MI II						
Property Address	4226 Cadillac Ave						
City	Wayne	County	Wayne	State	MI	Zip Code	48184
Lender	Colony American Finance						

This report was prepared under the following USPAP reporting option:

☒ Appraisal Report — This report was prepared in accordance with USPAP Standards Rule 2-2(a).

☐ Restricted Appraisal Report — This report was prepared in accordance with USPAP 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: 1-3 Months

Additional Certifications

I certify that, to the best of my knowledge and belief:

☒ I have NOT performed 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.

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

Additional Comments

APPRAISER:

Signature:
Name: Matthew Shaouni
Date Signed: 06/22/2017
State Certification #:
or State License #: 1201074225
State: MI
Expiration Date of Certification or License: 07/31/2017
Effective Date of Appraisal: 06/14/2017

SUPERVISORY APPRAISER: (only if required)

Signature:
Name:
Date Signed:
State Certification #:
or State License #:
State:
Expiration Date of Certification or License:
Supervisory Appraiser Inspection of Subject Property:
☐ Did Not ☐ Exterior-only from Street ☐ Interior and Exterior

RICK SNYDER
GOVERNOR

L931139

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

STATE LICENSED APPRAISER
LICENSE

MATTHEW SHAOUNI
1023 WOODSIDE TRAIL
TROY MI 48085

PERMANENT I.D. NO.	EXPIRATION DATE	AUDIT NO
1201074225	07/31/2017	3001294

THIS DOCUMENT IS DULY ISSUED UNDER THE LAWS OF THE STATE OF MICHIGAN

General Star Nation al Insur ance Company
P O Box 10360 (Attn: GSN)
Stamford , CT 06904

REAL ESTATE ERRORS AND OMISSIONS INSURANCE POLICY

DECLARATIONS PAGE

THIS IS A CLAIMS-MADE AND REPORTED POLICY
PLEASE READ THIS POLICY AND ALL ENDORSEMENTS AND ATTACHMENTS CAREFULLY.

Policy Number: NJA898434A   Renewal of Number: NJA898434

1. NAMED INSURED: Flight Appraisal

   STREET ADDRESS: 38201 Medville Drive
   Sterling Heights, MI 48312

2. POLICY PERIOD: Inception Date: 11/03/2016   Expiration Date: 11/03/2017
   Effective 12:01 a.m. Standard Time at the street address of the Named Insur ed.

3. LIMIT OF LIABILITY:
   Each Claim: $1,000,000
   Aggregate: $1,000,000

4. CLAIMS EXPENSES:
   ☒ a. Are included within the Limit of Liability
   ☐ b. Have a separate Limit of Liability

5. DEDUCTIBLE:
   Each Claim: $1,000
   ☐ a. The deductible amount specified above applies to Damages only.
   ☒ b. The deductible amount specified above applies to both Damages and Claims Expenses.

6. RETROACTIVE DATE: 11/03/2015
   If a date is indicated, this Policy will not provide coverage for any Claim arising out of any act, error, omission or Person al Injur y which occurred before such date.

7. ANNUAL PREMIUM: $2,323.00

   TOTAL: $2,323.00

8. ENDORSEMENTS:
   This Policy is made and accepted subject to the printed conditions in this Policy together with the provisions, stipulations and agreements contained in the following form(s) or endorsement(s).
   RE 00 0001 01 12; SGN 90 0001 (0710); RE 03 0001 01 12; RE 04 0001 01 12; RE 11 0001 01 12;
   RE 04 0003 01 12;
   RE 20 0003 01 12;
   RE 21 0003 01 12;
   RE 01 0021MI 01 12; RE 08 0001 03 12;

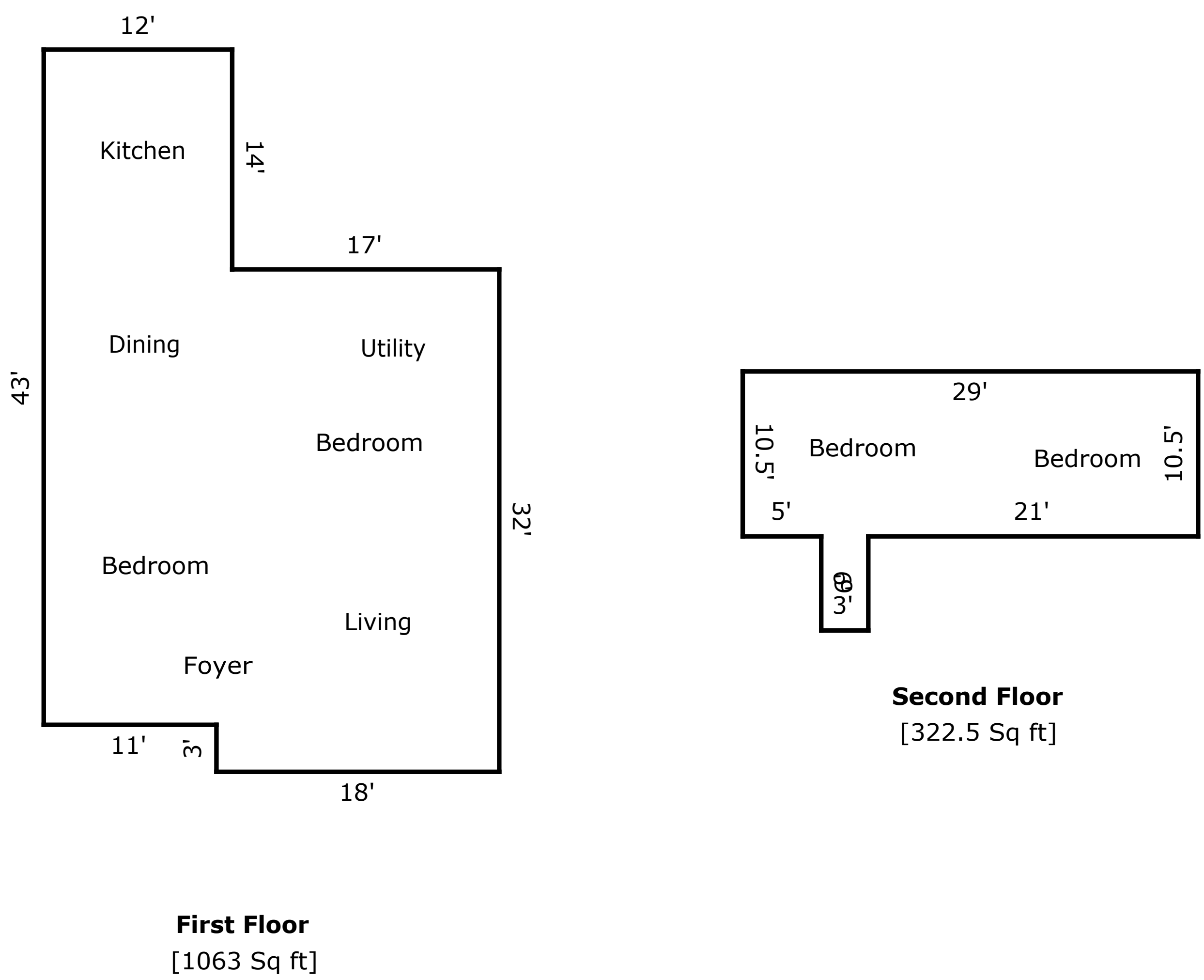
9. PRODUCER NAME: Mercer Consumer
   STREET ADDRESS: 12421 Meredith Drive
   Urbandale, IA 50398

Authorized Representative

Producer Code: 26460   Class Code: 73127
Date: 10/12/2016

Building Sketch

Borrower	Rudalev MI II						
Property Address	4226 Cadillac Ave						
City	Wayne	County	Wayne	State	MI	Zip Code	48184
Lender/Client	Colony American Finance						



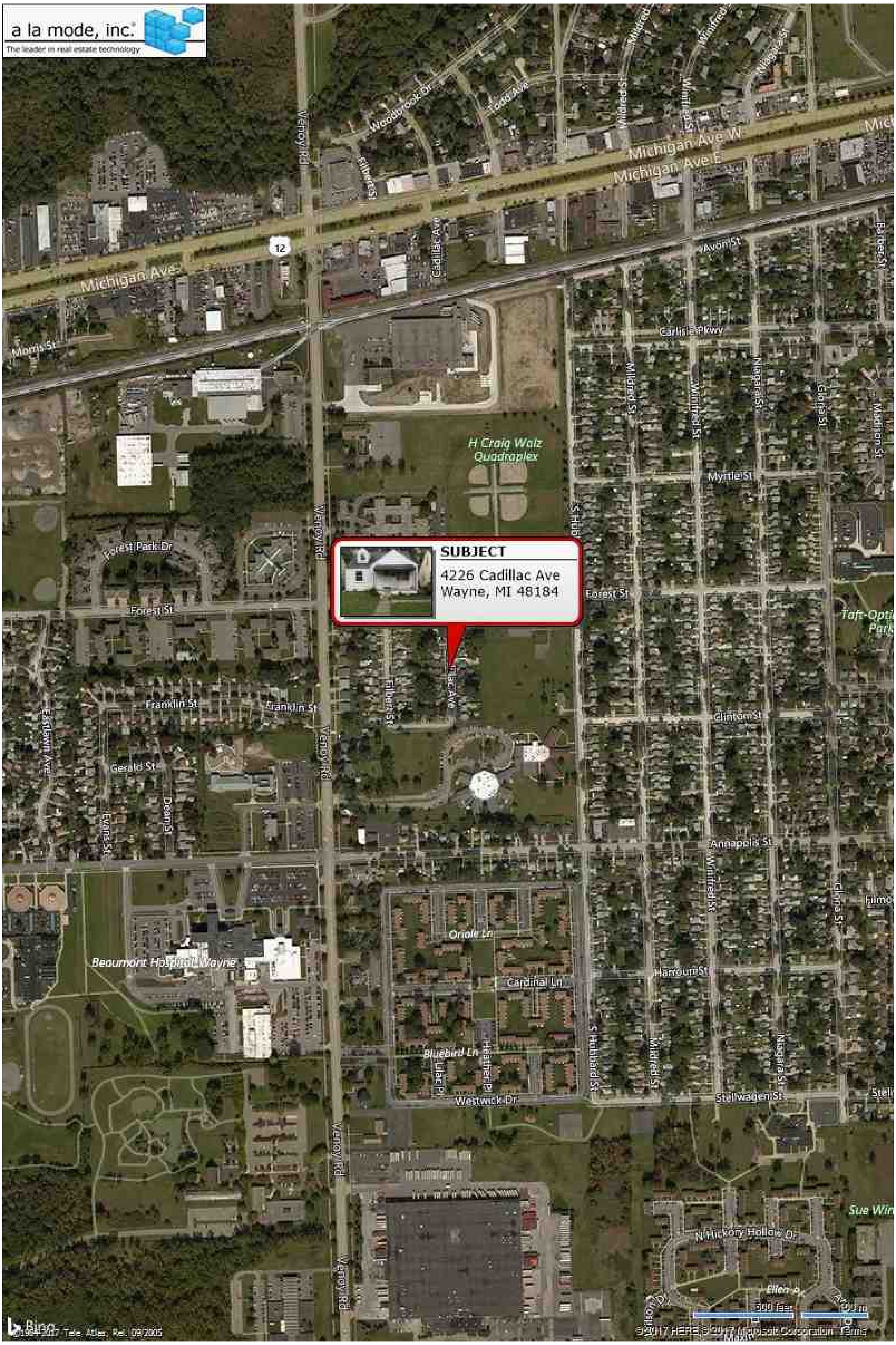
TOTAL Sketch by a la mode, inc.

Area Calculations Summary

Living Area		**Calculation Details**
First Floor	1063 Sq ft	12 × 14 = 168
		29 × 29 = 841
		3 × 18 = 54
Second Floor	322.5 Sq ft	3 × 6 = 18
		10.5 × 29 = 304.5
Total Living Area (Rounded):	**1386 Sq ft**	

Aerial Map

Borrower	Rudalev MI II						
Property Address	4226 Cadillac Ave						
City	Wayne	County	Wayne	State	MI	Zip Code	48184
Lender/Client	Colony American Finance						



Location Map

Borrower	Rudalev MI II						
Property Address	4226 Cadillac Ave						
City	Wayne	County	Wayne	State	MI	Zip Code	48184
Lender/Client	Colony American Finance