

Uniform Residential Appraisal Report

ANS-221410
File # 0517-150

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 38204 Main St, City New Baltimore, State MI, Zip Code 48047
Borrower Rudalev MI II, Owner of Public Record Rudalev 2 LLC, County Macomb
Legal Description Subdivision of Outlot No 1 of Murdick's Beach Lot 20
Assessor's Parcel # 06-15-18-202-05, Tax Year 2016, R.E. Taxes \$ 2,510
Neighborhood Name Murdick's Beach, Map Reference 47664, Census Tract 2200.01
Occupant Owner Tenant Vacant, Special Assessments \$ 0, PUD HOA \$ 0
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 %
Location Urban Suburban Rural, Property Values Increasing Stable Declining, PRICE AGE, One-Unit 80 %
Built-Up Over 75% 25-75% Under 25%, Demand/Supply Shortage In Balance Over Supply, \$ (000) (yrs) 2-4 Unit %
Growth Rapid Stable Slow, Marketing Time Under 3 mths 3-6 mths Over 6 mths, 105 Low 8 Multi-Family %
Neighborhood Boundaries The subject's neighborhood is located north of 23 Mile Rd, south of Church St, east of Arnold Rd, and west of Lake St Clair.
330 High 97 Commercial 10 %
110 Pred. 62 Other 10 %
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 50x295, Area 14750 sf, Shape Rectangular, View A;Res;CtyStr
Specific Zoning Classification R-65, 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 Gas, Water Sanitary Sewer, Street Alley, Asphalt None
FEMA Special Flood Hazard Area Yes No, FEMA Flood Zone X, FEMA Map # 26099C0287H, FEMA Map Date 12/04/2012
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 Cpt/Hwd/Avg
# of Stories 1, Full Basement Partial Basement, Exterior Walls Vinyl/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) Ranch, 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) 25, Dampness Settlement, Screens Alum/Avg, Driveway # of Cars 1
Attic None, Heating FWA HWBB Radiant, Amenities Woodstove(s) # 0, Driveway Surface Gravel
Drop Stair Stairs, Other Fuel Gas, Fireplace(s) # 1 Fence None, Garage # of Cars 0
Floor Scuttle, Cooling Central Air Conditioning, Patio/Deck Open 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: 6 Rooms 3 Bedrooms 1.0 Bath(s) 1,081 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

# Uniform Residential Appraisal Report

ANS-221410  
File # 0517-150

There are **4** comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ **109,900** to \$ **209,900**.  
There are **10** comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ **105,000** to \$ **180,000**.

FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address	<b>38204 Main St New Baltimore, MI 48047</b>	<b>50751 Baltimore St New Baltimore, MI 48047</b>			<b>38044 Murdick Dr New Baltimore, MI 48047</b>			<b>38085 Murdick Dr New Baltimore, MI 48047</b>		
Proximity to Subject		0.62 miles SW			0.16 miles SW			0.11 miles SW		
Sale Price	\$	\$ 120,000			\$ 115,000			\$ 105,000		
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 119.76 sq.ft.			\$ 104.17 sq.ft.			\$ 136.72 sq.ft.		
Data Source(s)		Realcomp#58031309749;DOM 30			Realcomp#58031295138;DOM 7			Realcomp#58031315465;DOM 5		
Verification Source(s)		City Website			City Website			City Website		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing Concessions		ArmLth Cash;0			ArmLth FHA;0			ArmLth Conv;1250	-1,250	
Date of Sale/Time		s02/17;c01/17			s08/16;c06/16			s05/17;c03/17		
Location	A;Res;BsyRd	N;Res;	-2,500		N;Res;	-2,500		N;Res;	-2,500	
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Site	14750 sf	5009 sf	+4,473		16650 sf	0		9800 sf	+2,273	
View	A;Res;CtyStr	N;Res;	-2,500		N;Res;	-2,500		N;Res;	-2,500	
Design (Style)	DT1;Ranch	DT1;Ranch			DT1;Ranch			DT1;Ranch		
Quality of Construction	Q4	Q4			Q4			Q4		
Actual Age	67	38	-5,800		62	0		62	0	
Condition	C4	C4			C4			C3	-5,000	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths			Total Bdrms. Baths			Total Bdrms. Baths	+5,000	
Room Count	6 3 1.0	5 3 1.0	0		6 3 1.1	-4,000		4 2 1.0	0	
Gross Living Area	1,081 sq.ft.	1,002 sq.ft.	0		1,104 sq.ft.	0		768 sq.ft.	+11,000	
Basement & Finished Rooms Below Grade	0sf	0sf			0sf			0sf		
Functional Utility	Average	Average			Average			Average		
Heating/Cooling	FWA/None	FWA/None			FWA/CAC	-1,000		HWBB-None	0	
Energy Efficient Items	None	None			None			None		
Garage/Carport	1dw	1gd1dw	-2,500		2ga2dw	-6,000		2gd2dw	-5,000	
Porch/Patio/Deck	Porch/Deck	Porch/FI Rm	-2,000		Porch	+2,000		Porch/FI Rm	-2,000	
School District	Anchor Bay	Anchor Bay			Anchor Bay			Anchor Bay		
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -10,827		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -14,000		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 23	
Adjusted Sale Price of Comparables		Net Adj. 9.0 % Gross Adj. 16.5 %	\$ 109,173		Net Adj. 12.2 % Gross Adj. 15.7 %	\$ 101,000		Net Adj. 0.0 % Gross Adj. 34.8 %	\$ 105,023	

SALES COMPARISON APPROACH

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										
Price of Prior Sale/Transfer										
Data Source(s)	<b>Macomb County Records</b>	<b>Macomb County Records</b>			<b>Macomb County Records</b>			<b>Macomb County Records</b>		
Effective Date of Data Source(s)	<b>06/14/2017</b>	<b>06/14/2017</b>			<b>06/14/2017</b>			<b>06/14/2017</b>		

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 and no other sales for comparables in last 1 year.**

Summary of Sales Comparison Approach **See attached addenda.**

Indicated Value by Sales Comparison Approach \$ **108,000**

Indicated Value by: Sales Comparison Approach \$ **108,000** Cost Approach (if developed) \$ **108,097** 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.

RECONCILIATION

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 \$ **108,000**, as of **06/14/2017**, which is the date of inspection and the effective date of this appraisal.

# Uniform Residential Appraisal Report

ANS-221410  
File # 0517-150

## 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 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	<input type="checkbox"/> REPRODUCTION OR	<input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE		=\$ 25,000
Source of cost data	Marshall & Swifts Cost Hand Book		DWELLING	1,081 Sq.Ft. @ \$ 105.00	=\$ 113,505
Quality rating from cost service	Average	Effective date of cost data	09/16	None	0 Sq.Ft. @ \$ 0.00 = \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)			Porch/Deck		=\$ 3,000
Cost figures taken from the Marshall & Swifts Cost Handbook (Rounded) with local multipliers added and appraisers knowledge of the area and builders costs.			Garage/Carport	0 Sq.Ft. @ \$ 0.00	=\$
			Total Estimate of Cost-New		=\$ 116,505
			Less Physical	Functional	External
			Depreciation	36,408	= \$( 36,408)
			Depreciated Cost of Improvements		=\$ 80,097
			"As-is" Value of Site Improvements		=\$ 3,000
Estimated Remaining Economic Life (HUD and VA only)			55 Years	INDICATED VALUE BY COST APPROACH	=\$ 108,097

## 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.

## 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.

ADDITIONAL COMMENTS

COST APPROACH

INCOME

PUD INFORMATION

# Uniform Residential Appraisal Report

ANS-221410  
File # 0517-150

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.

# Uniform Residential Appraisal Report

ANS-221410  
File # 0517-150

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.

# Uniform Residential Appraisal Report

ANS-221410  
File # 0517-150

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

**SUPERVISORY APPRAISER (ONLY IF REQUIRED)**

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

**ADDRESS OF PROPERTY APPRAISED**

38204 Main St  
New Baltimore, MI 48047  
 APPRAISED VALUE OF SUBJECT PROPERTY \$ 108,000

**LENDER/CLIENT**

Name Appraisal Nation  
 Company Name Colony American Finance  
 Company Address 4 Park Plaza, Suite 1950, Irvine, CA 92614  
 Email Address \_\_\_\_\_

**SUBJECT PROPERTY**

- Did not inspect subject property  
 Did inspect exterior of subject property from street  
 Date of Inspection \_\_\_\_\_  
 Did inspect interior and exterior of subject property  
 Date of Inspection \_\_\_\_\_

**COMPARABLE SALES**

- Did not inspect exterior of comparable sales from street  
 Did inspect exterior of comparable sales from street  
 Date of Inspection \_\_\_\_\_

# Uniform Residential Appraisal Report

ANS-221410  
File # 0517-150

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address	<b>38204 Main St New Baltimore, MI 48047</b>	<b>52170 Base St New Baltimore, MI 48047</b>			<b>36941 Main St New Baltimore, MI 48047</b>			<b>50868 Miner St New Baltimore, MI 48047</b>		
Proximity to Subject		1.69 miles W			0.78 miles W			0.46 miles W		
Sale Price	\$	\$ 145,000			\$ 99,900			\$ 169,900		
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 110.52 sq.ft.			\$ 105.38 sq.ft.			\$ 118.98 sq.ft.		
Data Source(s)		RealcompMLS#58031271794;DOM 232			RealcompMLS#215126143;DOM 7			Realcomp#217041775;DOM 16		
Verification Source(s)		City Website			City Website			City Website		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing		ArmLth			ArmLth			Listing		
Concessions		FHA;6000	-6,000		FHA;0					
Date of Sale/Time		s08/16;c07/16			s01/16;c12/15			c06/17	-3,398	
Location	A;Res;BsyRd	N;Res;	-2,500		A;Res;BsyRd			N;Res;	-2,500	
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Site	14750 sf	25265 sf	-4,828		13068 sf	0		10890 sf	0	
View	A;Res;CtyStr	N;Res;	-2,500		A;Res;CtyStr			A;Res;CtyStr		
Design (Style)	DT1;Ranch	DT1;Ranch			DT1;Ranch			DT1.5;Tri-Level	0	
Quality of Construction	Q4	Q4			Q4			Q4		
Actual Age	67	65	0		93	+5,200		47	0	
Condition	C4	C4			C4			C3	-5,000	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths			Total Bdrms. Baths	+5,000		Total Bdrms. Baths		
Room Count	6 3 1.0	7 3 1.0	0		5 2 1.0	0		7 4 1.1	-4,000	
Gross Living Area	1,081 sq.ft.	1,312 sq.ft.	-8,100		948 sq.ft.	+4,700		1,428 sq.ft.	-12,100	
Basement & Finished Rooms Below Grade	0sf	0sf			0sf			0sf		
Functional Utility	Average	Average			Average			Average		
Heating/Cooling	FWA/None	FWA/None			FWA/None			FWA/CAC	-1,000	
Energy Efficient Items	None	None			None			None		
Garage/Carport	1dw	1dw			2ga2dw	-6,000		2ga2dw	-6,000	
Porch/Patio/Deck	Porch/Deck	Porch/Deck			Porch/Deck			Porch/Deck		
School District	Anchor Bay	Anchor Bay			Anchor Bay			Anchor Bay		
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -23,928		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 8,900		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -33,998	
Adjusted Sale Price of Comparables		Net Adj. 16.5 %			Net Adj. 8.9 %			Net Adj. 20.0 %		
		Gross Adj. 16.5 %	\$ 121,072		Gross Adj. 20.9 %	\$ 108,800		Gross Adj. 20.0 %	\$ 135,902	
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)	Macomb County Records	Macomb County Records			Macomb County Records			Macomb 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										

SALES COMPARISON APPROACH

SALE HISTORY

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.



# UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

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

## 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.



## Supplemental Addendum

File No. 0517-150

Borrower	Rudalev MI II					
Property Address	38204 Main St					
City	New Baltimore	County	Macomb	State	MI	Zip Code 48047
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, carpet, and roof.

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** - The acceptable age variance rule of 30% is exceeded, in reference to Comparables #1 and 5, because a search of the MLS Database and public records reveal a lack of comparables similar in size, location, and view that sold recently. All age adjustments are made based on the market reaction of age differences. No adjustment is made for age difference of less than 20 years.

**SIZE** - The acceptable GLA variance rule of 20% is exceeded, in reference to Comparables #3 and 6, because a search of the MLS Database and public records reveal a lack of comparables similar in proximity that sold recently. No

## Supplemental Addendum

File No. 0517-150

Borrower	Rudalev MI II						
Property Address	38204 Main St						
City	New Baltimore	County	Macomb	State	MI	Zip Code	48047
Lender/Client	Colony American Finance						

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.

**PROXIMITY** - Due to a lack of recently sold qualified comparative data of similar in having no garage, appraiser chose comparable #4 which exceed FNMA guidelines of 1 mile but is located in a competing neighborhood. Location adjustments were not necessary as areas are considered similar and available data suggests no difference in market values.

**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. Comparable #5 sold over 1 year ago and was used to bracket view and location.

**NET/GROSS** - The subject is a 1,081 sf. Ranch design style home. A search of the MLS database reveals a lack of recently sold comparables that are similar in size, and located within 1 mile in proximity and sold within 1 year of this appraisal. Appraiser chose comparables #3, 4, and 6 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 10% of single-line adjustments, exceeded the acceptable guidelines of 15% for net adjustments and 25% for gross adjustments.

**HIGH/LOW ADJUSTED VALUES** - The high/low ratio of the adjusted values exceeds the acceptable 15% due to the varying intangibles such as condition/updates/upgrades of homes in the area, and lack of sales.

**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, condition, 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-221410  
File No. 0517-150

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 **38204 Main St** City **New Baltimore** State **MI** ZIP Code **48047**

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.

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	5	2	3	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	0.83	0.67	1.00	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	0	0	4	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	0	0	4.0	<input type="checkbox"/> Declining	<input checked="" 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	\$119,500	\$130,000	\$119,000	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	14	17.5	5	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	131,500	154,500	169,000	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	22	45	32	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	99.69	95.66	98.12	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing

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


**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?  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.

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

MARKET RESEARCH & ANALYSIS

CONDO/CO-OP PROJECTS

APPRAISER

## Subject Photo Page

Borrower	Rudalev MI II						
Property Address	38204 Main St						
City	New Baltimore	County	Macomb	State	MI	Zip Code	48047
Lender/Client	Colony American Finance						



### Subject Front

38204 Main St  
Sales Price  
Gross Living Area 1,081  
Total Rooms 6  
Total Bedrooms 3  
Total Bathrooms 1.0  
Location A;Res;BsyRd  
View A;Res;CtyStr  
Site 14750 sf  
Quality Q4  
Age 67



### Subject Rear



### Subject Street



# Photograph Addendum

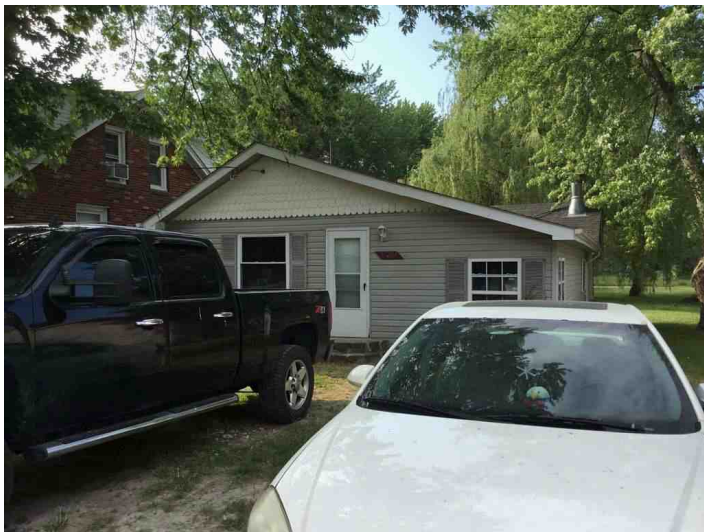
Borrower	Rudalev MI II						
Property Address	38204 Main St						
City	New Baltimore	County	Macomb	State	MI	Zip Code	48047
Lender/Client	Colony American Finance						



**Street/other side**



**Front**



**Front**



**Front**



**Front**



**Rear**



# Photograph Addendum

Borrower	Rudalev MI II						
Property Address	38204 Main St						
City	New Baltimore	County	Macomb	State	MI	Zip Code	48047
Lender/Client	Colony American Finance						



**Rear**



**Rear**



**Rear**

**No photo**

**No photo**

**No photo**



## Photograph Addendum

Borrower	Rudalev MI II						
Property Address	38204 Main St						
City	New Baltimore	County	Macomb	State	MI	Zip Code	48047
Lender/Client	Colony American Finance						



**Bed**



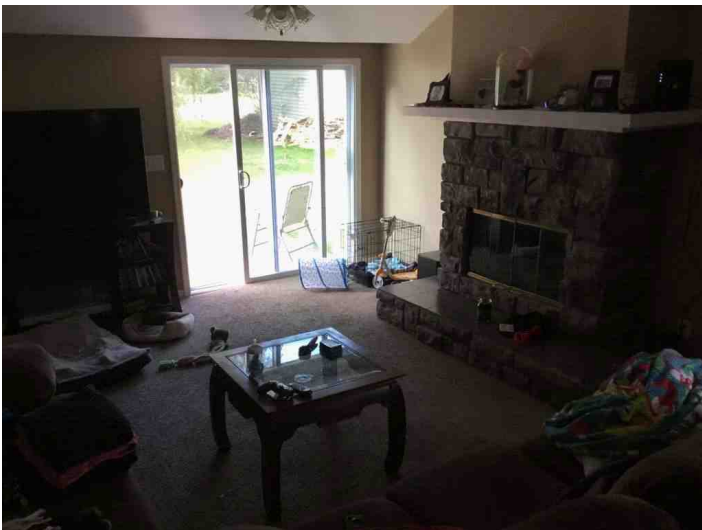
**Bath**



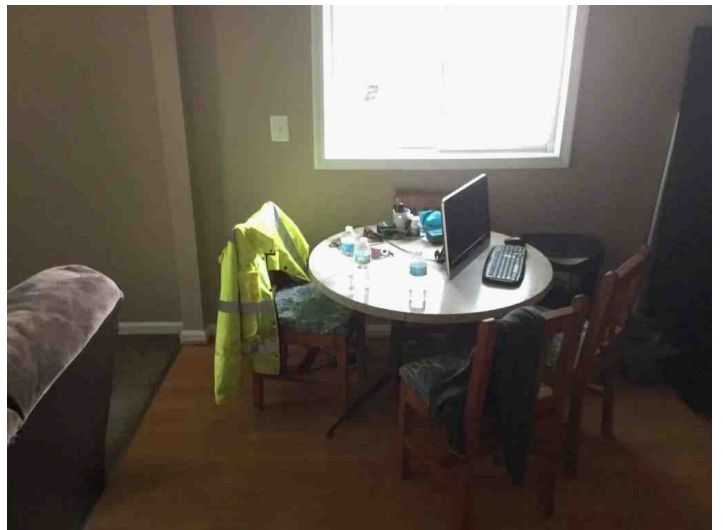
**Bath view 2**



**Bed**



**Family room**



**Nook**

## Photograph Addendum

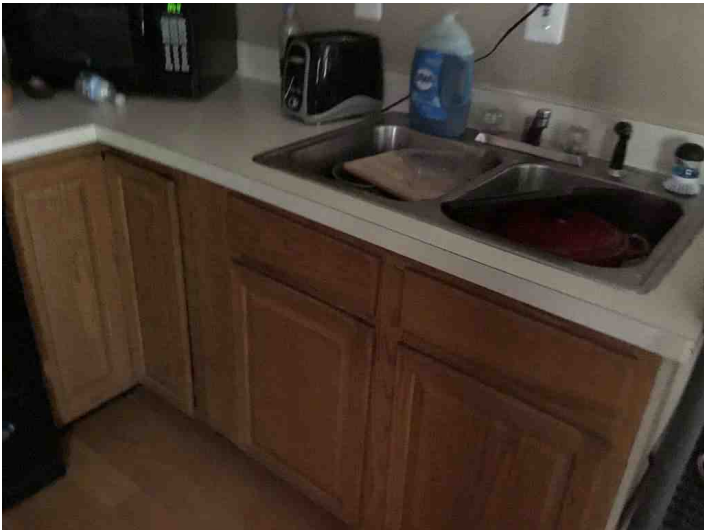
Borrower	Rudalev MI II						
Property Address	38204 Main St						
City	New Baltimore	County	Macomb	State	MI	Zip Code	48047
Lender/Client	Colony American Finance						



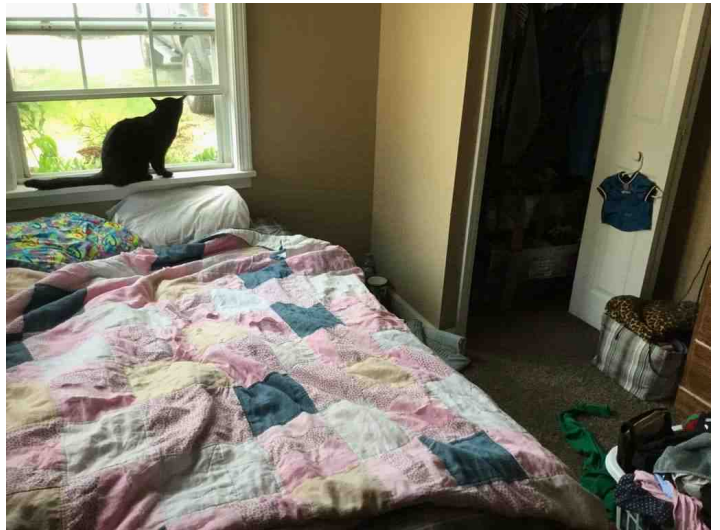
**Kitchen**



**Kitchen**



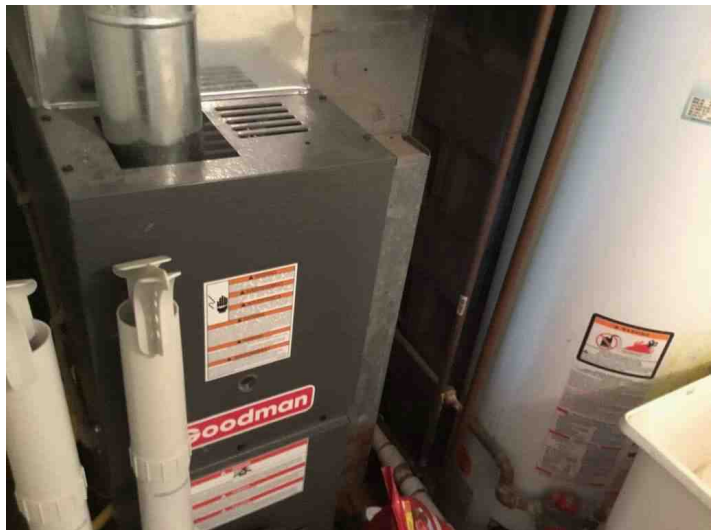
**Kitchen**



**Bed**



**Laundry**



**hvac**



## Comparable Photo Page

Borrower	Rudalev MI II				
Property Address	38204 Main St				
City	New Baltimore	County	Macomb	State	MI
Lender/Client	Colony American Finance				
				Zip Code	48047



### Comparable 1

<b>50751 Baltimore St</b>	
Prox. to Subject	0.62 miles SW
Sale Price	120,000
Gross Living Area	1,002
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	1.0
Location	N;Res;
View	N;Res;
Site	5009 sf
Quality	Q4
Age	38



### Comparable 2

<b>38044 Murdick Dr</b>	
Prox. to Subject	0.16 miles SW
Sale Price	115,000
Gross Living Area	1,104
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	1.1
Location	N;Res;
View	N;Res;
Site	16650 sf
Quality	Q4
Age	62



### Comparable 3

<b>38085 Murdick Dr</b>	
Prox. to Subject	0.11 miles SW
Sale Price	105,000
Gross Living Area	768
Total Rooms	4
Total Bedrooms	2
Total Bathrooms	1.0
Location	N;Res;
View	N;Res;
Site	9800 sf
Quality	Q4
Age	62

## Comparable Photo Page

Borrower	Rudalev MI II				
Property Address	38204 Main St				
City	New Baltimore	County	Macomb	State	MI
Lender/Client	Colony American Finance				
				Zip Code	48047



### Comparable 4

<b>52170 Base St</b>	
Prox. to Subject	1.69 miles W
Sale Price	145,000
Gross Living Area	1,312
Total Rooms	7
Total Bedrooms	3
Total Bathrooms	1.0
Location	N;Res;
View	N;Res;
Site	25265 sf
Quality	Q4
Age	65



### Comparable 5

<b>36941 Main St</b>	
Prox. to Subject	0.78 miles W
Sale Price	99,900
Gross Living Area	948
Total Rooms	5
Total Bedrooms	2
Total Bathrooms	1.0
Location	A;Res;BsyRd
View	A;Res;CtyStr
Site	13068 sf
Quality	Q4
Age	93



### Comparable 6

<b>50868 Miner St</b>	
Prox. to Subject	0.46 miles W
Sale Price	169,900
Gross Living Area	1,428
Total Rooms	7
Total Bedrooms	4
Total Bathrooms	1.1
Location	N;Res;
View	A;Res;CtyStr
Site	10890 sf
Quality	Q4
Age	47

USPAP ADDENDUM

ANS-221410  
File No. 0517-150

Borrower	Rudalev MI II		
Property Address	38204 Main St		
City	New Baltimore	County	Macomb
		State	MI
		Zip Code	48047
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:

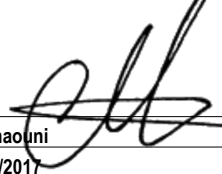
I have NOT performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

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 SWYDER  
GOVERNOR

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

L931139

STATE LICENSED APPRAISER  
LICENSE

MATTHEW SHAOUNI  
1023 WOODSIDE TRAIL  
TROY MI 48065

PERMITS C.D. NO.  
1201074225

EXPIRATION DATE  
07/31/2017

AJCT. BY  
3001294

THIS DOCUMENT IS ONLY VALID  
UNDER THE LAWS OF THE STATE  
OF MICHIGAN



E&O



General Star National Insurance 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 Insured.
- 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 Personal Injury 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

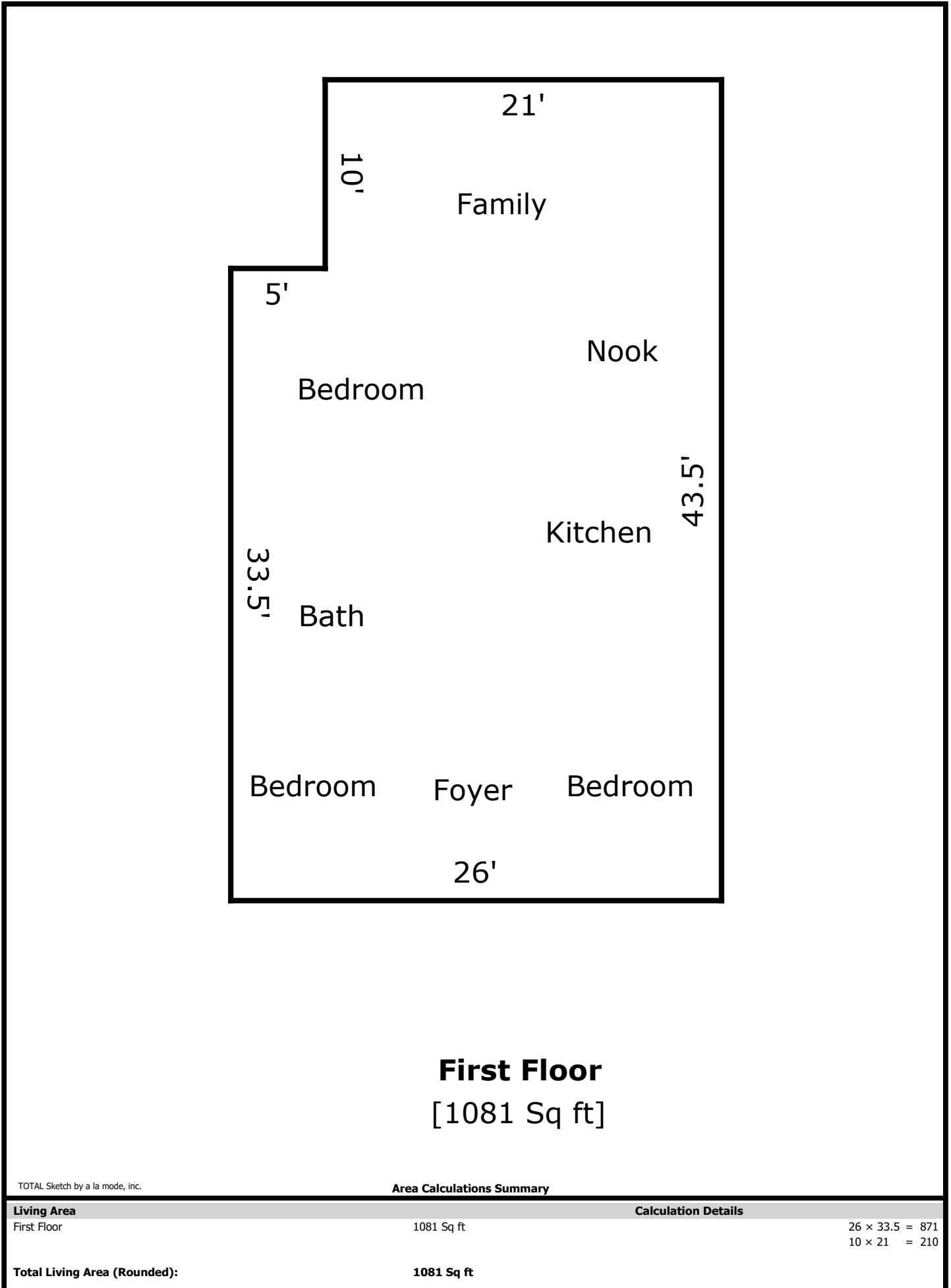
RE 10 0001 01 12

Copyright 2012, General Star Management Company, Stamford, CT

Page 1 of 1

## Building Sketch

Borrower	Rudalev MI II						
Property Address	38204 Main St						
City	New Baltimore	County	Macomb	State	MI	Zip Code	48047
Lender/Client	Colony American Finance						





## Location Map

Borrower	Rudalev MI II			
Property Address	38204 Main St			
City	New Baltimore	County Macomb	State MI	Zip Code 48047
Lender/Client	Colony American Finance			



# Aerial Map

Borrower	Rudalev MI II				
Property Address	38204 Main St				
City	New Baltimore	County	Macomb	State	MI Zip Code 48047
Lender/Client	Colony American Finance				

