INVOICE

FROM:
MARQUEE PROPERTIES, INC.
5501 MERCHANTS VIEW SQUARE #264
HAYMARKET, VA 20169
mrq@marqueerealestate.com

Telephone Number: 703-754-7945 **Fax Number:** 703-753-4911

INVOICE NUMBER
MRQ39915

DATE
4/25/2013

TO:

UNITED BANK

VIENNA, VA

Telephone Number: **Fax Number:**
Alternate Number: **E-Mail:**

REFERENCE	
Internal Order #:	MRQ39915
Lender Case #:	
Client File #:	
Main File # on form:	MRQ39915
Other File # on form:	
Federal Tax ID:	
Employer ID:	

DESCRIPTION

Lender: UNITED BANK **Client:** UNITED BANK
Purchaser/Borrower: Ratan Kumar
Property Address: 520 Saint Paul St
City: Baltimore
County: Baltimore City **State:** MD **Zip:** 21202
Legal Description: Lot 014 & 015, Block 0552, Section 11, Mao 0011

FEES	AMOUNT
4 UNIT MULTI FAMILY 1025	650.00
THANK YOU FOR YOUR BUSINESS	
SUBTOTAL	650.00

PAYMENTS			AMOUNT
Check #:	**Date:**	**Description:**	
Check #:	**Date:**	**Description:**	
Check #:	**Date:**	**Description:**	
		SUBTOTAL	
		TOTAL DUE	$ 650.00

Small Residential Income Property Appraisal Report

File # MRQ39915

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 520 Saint Paul St | City Baltimore | State MD | Zip Code 21202
Borrower Ratan Kumar | Owner of Public Record Ramax Realty Co Inc | County Baltimore City
Legal Description Lot 014 & 015, Block 0552, Section 11, Mao 0011
Assessor's Parcel # 0311110552 015 & 0311110552 014 | Tax Year 2013 | R.E. Taxes $ 3,406
Neighborhood Name N/A | Map Reference 12580 | Census Tract 1102.00
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)
Lender/Client UNITED BANK | Address 2071 Chain Bridge Road, Suite 420, Vienna, VA 22182
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). MRIS/TAX RECORDS. The subject has not been listed for sale within the past 12 months within MRIS. It is an auction sale.

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. Auction/estate sale, 1031 exchange with a 5% buyer premium on the hammer price. Currently there is no support for the sale price based on recent sales in market.
Contract Price $ 462,000 | Date of Contract 03/21/2013 | Is the property seller the owner of public record? ☒ Yes ☐ No | Data Source(s) Public Records
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. 0

NEIGHBORHOOD

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

Neighborhood Characteristics	2-4 Unit Housing Trends	2-4 Unit Housing	Present Land Use %
Location ☒ Urban ☐ Suburban ☐ Rural	Property Values ☐ Increasing ☐ Stable ☒ Declining	PRICE $ (000) / AGE (yrs)	One-Unit 70 %
Built-Up ☒ Over 75% ☐ 25-75% ☐ Under 25%	Demand/Supply ☐ Shortage ☐ In Balance ☒ Over Supply	249 Low 0	2-4 Unit 5 %
Growth ☐ Rapid ☒ Stable ☐ Slow	Marketing Time ☐ Under 3 mths ☒ 3-6 mths ☐ Over 6 mths	950 High 153	Multi-Family 5 %
		373 Pred. 110	Commercial 10 %
			Other 10 %

Neighborhood Boundaries The subject's neighborhood is defined as: North to Charles Village & Johns Hopkins Univ; East to Fells Point; South to Federal Hill; West to Washington, Village.
Neighborhood Description The subject is located in Mount Vernon/Peabody area of central downtown Baltimore City. Schools, shopping, transportation, employment and other services are conveniently located. MSA 12580.
Market Conditions (including support for the above conclusions) See 1004 MC Addendum: The 10% other indicated land use, when analyzing the aerial view map, appears to include neighborhood and regional parks and amenities, schools, fire/police use, etc.

SITE

Dimensions 47' X 30' | Area 1,410 sf | Shape Interior Lot | View CityStreet
Specific Zoning Classification B41/Residential Income | Zoning Description Central Business District, Residential Multiple Residence.
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 Asphalt	☒	☐
Gas	☒	☐	Sanitary Sewer	☒	☐	Alley Brick	☒	☐

FEMA Special Flood Hazard Area ☐ Yes ☒ No | FEMA Flood Zone X | FEMA Map # 2400870018E | FEMA Map Date 02/02/2012
Are the utilities and/or 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
There are no adverse conditions apparent to the appraiser. The normal public utility easements are a part of the conveyance and are standard.

IMPROVEMENTS

General Description	Foundation	Exterior Description materials/condition	Interior materials/condition
Units ☐ Two ☐ Three ☒ Four	☐ Concrete Slab ☐ Crawl Space	Foundation Walls Brick,Concrete/GD	Floors HW,WW,CR/GD
☐ Accessory Unit (describe below)	☐ Full Basement ☒ Partial Basement	Exterior Walls Brick/GD	Walls Plaster,Drywal/GD
# of Stories 3 # of bldgs. 2	Basement Area 780 sq.ft.	Roof Surface Built-Up/GD	Trim/Finish Wood/GD
Type ☐ Det. ☐ Att. ☒ S-Det./End Unit	Basement Finish 95 %	Gutters & Downspouts Aluminium/GD	Bath Floor Ceramic/GD
☒ Existing ☐ Proposed ☐ Under Const.	☐ Outside Entry/Exit ☐ Sump Pump	Window Type Replacement/GD	Bath Wainscot Ceramic/GD
Design (Style) Row House	Evidence of ☐ Infestation	Storm Sash/Insulated Thermoscreens/GD	**Car Storage**
Year Built 1900	☐ Dampness ☐ Settlement	Screens Screens/GD	☒ None
Effective Age (Yrs) 15	**Heating/Cooling**	**Amenities**	☐ Driveway # of Cars
Attic ☐ None	☒ FWA ☐ HWBB ☐ Radiant	☐ Fireplace(s) # 0 ☐ Woodstove(s) # 0	Driveway Surface
☐ Drop Stair ☐ Stairs	☐ Other Fuel Electric	☒ Patio/Deck Both ☒ Fence Rear	☐ Garage # of Cars
☐ Floor ☒ Scuttle	Cooling ☒ Central Air Conditioning	☐ Pool None ☐ Porch None	☐ Carport # of Cars
☐ Finished ☐ Heated	☐ Individual ☐ Other	☐ Other None	☐ Att. ☐ Det. ☐ Built-in

# of Appliances	Refrigerator	Range/Oven	Dishwasher	Disposal	Microwave	Washer/Dryer	Other (describe)
	4	4	4	4	4	4	

	Rooms	Bedrooms	Bath(s)	Square Feet of Gross Living Area
Unit # 1 contains:	4	1	1.1	1,005
Unit # 2 contains:	6	2	1.1	1,230
Unit # 3 contains:	4	1	1.1	1,005
Unit # 4 contains:	6	2	1.1	1,230

Additional features (special energy efficient items, etc.). 41" Cabinets, Recessed Lighting, Ceiling Fans, Skylights, 2 Brick Patios, 2 Balconies.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The subject was renovated within the past 15 years, however, quality of finishes is average - no granite counters, no stainless steel appliances of which the typical buyer would consider as high-end.

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IMPROVEMENTS

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☒ No If Yes, describe.
The appraiser noted no physical deficiencies or adverse conditions at the time of the inspection that would affect the livability, soundness, or structural integrity of the property. However, the appraiser is not a home inspector and makes no guarantees as to the condition of the property.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☒ Yes ☐ No If No, describe. The subject's design, appeal and style is typical and conforms well with the neighborhood.

Is the property subject to rent control? ☐ Yes ☒ No If Yes, describe

COMPARABLE RENTAL DATA

The following properties represent the most current, similar, and proximate comparable rental properties to the subject property. This analysis is intended to support the opinion of the market rent for the subject property.

FEATURE	SUBJECT	COMPARABLE RENTAL # 1	COMPARABLE RENTAL # 2	COMPARABLE RENTAL # 3
Address	520 Saint Paul St Baltimore, MD 21202	1214 N Calvert St Baltimore, MD 21202	1204 Saint Paul St Baltimore, MD 21202	817 S Bond St Baltimore, MD 21231
Proximity to Subject		0.55 miles N	0.53 miles N	1.43 miles SE
Current Monthly Rent	$ 4,170	$ 4,150	$ 5,149	$ 4,875
Rent/Gross Bldg. Area	$ 0.93 sq.ft.	$ 0.95 sq.ft.	$ 1.00 sq.ft.	$ 1.19 sq.ft.
Rent Control	☐ Yes ☒ No	☐ Yes ☒ No	☐ Yes ☒ No	☐ Yes ☐ No
Data Source(s)	Tax Rcds/Inspectn	MRIS#BA7999100;DOM 0	MRIS#BA7803031;DOM 348	MRIS#BA8039828;DOM 33
Date of Lease(s)	See Below	Month to Month	Month to Month	See Below
Location	Urban	Downtown	Downtown	Federal Hill
Actual Age	113	123	113	93
Condition	Good/Average	Good/Average	Good/Renovated	Good/Average
Gross Building Area	4,470	4,350	5,170	4,080

Unit Breakdown — Subject and Comparable Rental # 1

Unit Breakdown	Subject Tot	Br	Ba	Size Sq. Ft.	Comp 1 Tot	Br	Ba	Size Sq. Ft.	Monthly Rent
				4,470				4,350	4,150
Unit # 1	4	1	1.1	1,005	6	3	1.1	1,305	$ 1,150
Unit # 2	6	2	1.1	1,230	6	3	1.1	1,305	$ 1,150
Unit # 3	4	1	1.1	1,005	4	2	1.0	870	$ 925
Unit # 4	6	2	1.1	1,230	4	2	1.0	870	$ 925

Unit Breakdown — Comparable Rental # 2 and # 3

Unit Breakdown	Comp 2 Tot	Br	Ba	Size Sq. Ft.	Monthly Rent	Comp 3 Tot	Br	Ba	Size Sq. Ft.	Monthly Rent
				5,170	5,149				4,080	4,875
Unit # 1	6	2	1.1	2,068	$ 1,750	6	2	1.1	1,632	$ 1,575
Unit # 2	4	1	1.1	1,034	$ 1,133	3	1	1.0	816	$ 1,100
Unit # 3	4	1	1.1	1,034	$ 1,133	3	1	1.0	816	$ 1,100
Unit # 4	4	1	1.1	1,034	$ 1,133	2	0	1.0	816	$ 1,100

FEATURE	SUBJECT	COMPARABLE RENTAL # 1	COMPARABLE RENTAL # 2	COMPARABLE RENTAL # 3
Utilities Included	Water & Sewer	None Noted	None Noted	None Noted
Fireplaces	None	None	None	None
Parking	Street Parking	Street Parking	On Site Parking	Street Parking

Analysis of rental data and support for estimated market rents for the individual subject units reported below (including the adequacy of the comparables, rental concessions, etc.) Individual unit size is estimated based on bedroom count and may not represent actual size. Rental price is considered current as of the sale or listing and abstracted from the individual listing. Comparable 3 unit 4 reflects 1 commercial space.

SUBJECT RENT SCHEDULE

Rent Schedule: The appraiser must reconcile the applicable indicated monthly market rents to provide an opinion of the market rent for each unit in the subject property.

Leases			Actual Rents			Opinion of Market Rent		
	Lease Date		Per Unit		Total Rents	Per Unit		Total Rents
Unit #	Begin Date	End Date	Unfurnished	Furnished		Unfurnished	Furnished	
1	06/25/2012	Month to Month	$ 975	$ 0	$ 975	$ 975	$ 0	$ 975
2	10/26/2011	Month to Month	1,150	0	1,150	1,200	0	1,200
3	08/28/2009	Month to Month	895	0	895	975	0	975
4	06/10/2011	Month to Month	1,150	0	1,150	1,200	0	1,200
Comment on lease data	See Above		Total Actual Monthly Rent		$ 4,170	Total Gross Monthly Rent		$ 4,350
			Other Monthly Income (itemize)		$ 0	Other Monthly Income (itemize)		$ 0
			Total Actual Monthly Income		$ 4,170	Total Estimated Monthly Income		$ 4,350

Utilities included in estimated rents ☐ Electric ☒ Water ☒ Sewer ☐ Gas ☐ Oil ☐ Trash collection ☐ Cable ☐ Other

Comments on actual or estimated rents and other monthly income (including personal property) Actual rent for unit 1 is considered most recent, while actual rent for comparable 3 is low and dated. Both are 1 bedroom units. A recent sale of a 7 one bedroom units property 3 blocks from the subject which rents for $940 per unit per months and appears to be a good indication of 1 bedroom market rent. Actual rent for 2 bedroom units appears appropriate with $50 per months added to reflect current status and will be considered market rent as well.

PRIOR SALE HISTORY

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) Tax Records/MRIS
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) Tax Records/MRIS

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)	Tax Records/MRIS	Tax Records/MRIS	Tax Records/MRIS	Tax Records/MRIS
Effective Date of Data Source(s)	04/25/2013	04/25/2013	04/25/2013	04/29/2013

Analysis of prior sale or transfer history of the subject property and comparable sales Prior transfers/sales listed above have been analyzed and all comparables provided are considered to be reliable sales and prior transfers have no impact on value conclusion.

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There are 19 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 250,000 to $ 780,000 .

There are 14 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 249,000 to $ 950,000 .

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	520 Saint Paul St Baltimore, MD 21202	2828 Saint Paul St Baltimore, MD 21218		1214 N Calvert St Baltimore, MD 21202		1601 S Hanover St Baltimore, MD 21230	
Proximity to Subject		1.85 miles N		0.55 miles N		1.70 miles S	
Sale Price	$ 462,000		$ 249,000		$ 360,000		$ 387,000
Sale Price/Gross Bldg. Area	$ 103.00 sq.ft.	$ 65.30 sq.ft.		$ 84.31 sq.ft.		$ 88.36 sq.ft.	
Gross Monthly Rent	$ 4,350	$ 3,900		$ 4,150		$ 6,580	
Gross Rent Multiplier	106.21	63.85		86.75		58.81	
Price per Unit	$ 115,500	$ 62,250		$ 90,000		$ 55,286	
Price per Room	$ 23,100	$ 17,786		$ 18,000		$ 24,188	
Price per Bedroom	$ 77,000	$ 83,000		$ 36,000		$ 96,750	
Rent Control	☐ Yes ☒ No	☐ Yes ☒ No		☐ Yes ☒ No		☐ Yes ☒ No	
Data Source(s)		MRIS#BA7971216DOM 20		MRIS#BA7999100;DOM 0		MRIS#BA8065493;DOM 0	
Verification Source(s)		Tax Assess/Agent/Visual.		Tax Assess/Agent/Visual.		Tax Assess/Agent/Visual.	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(–) Adjustment	DESCRIPTION	+(–) Adjustment	DESCRIPTION	+(–) Adjustment
Sale or Financing Concessions		Arms Length Conv;0		Arms Length Conv;0		Arms Length Cash;0	0
Date of Sale/Time		02/15/2013	0	01/28/2013		04/25/2013	
Location	Urban	Urban		Urban		Urban	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	1,410 sf	2944 sf		2418 sf		1460 sf	
View	CityStreet	CityStreet		CityStreet		CityStreet	
Design (Style)	Row House	Row House		Row House		Row House	
Quality of Construction	Brick/GD	Brick/GD		Brick/GD		Brick/GD	
Actual Age	113	111	0	123	0	113	
Condition	Good/Average	Average	+50,000	Good/Average		Good/Average	
Gross Building Area	4,470	3,813	+26,280	4,270	+8,000	4,380	0
Unit Breakdown	Total / Bdrms / Baths	Total / Bdrms / Baths		Total / Bdrms / Baths		Total / Bdrms / Baths	
Unit # 1	4 / 1 / 1.1	4 / 1 / 1.1		6 / 3 / 1.1		4 / 1 / 1.0	+5,000
Unit # 2	6 / 2 / 1.1	4 / 1 / 1.1		6 / 3 / 1.1		4 / 1 / 1.0	+5,000
Unit # 3	4 / 1 / 1.1	4 / 1 / 1.1		4 / 2 / 1.1		4 / 1 / 1.0	+5,000
Unit # 4	6 / 2 / 1.1	2 / 0 / 1.0	+5,000	4 / 2 / 1.1		4 / 1 / 1.0	+5,000
Basement Description	Full Basement	Full Basement		Full Basement		Full Basement	
Basement Finished Rooms	Included	Included		Included		Included	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	HFA/CAC	RAD/WNDW	+5,000	HFA/CAC		HFA/CAC	
Energy Efficient Items	Thermopanes	None Noted	+10,000	Thermopanes		None Noted	+10,000
Parking On/Off Site	Street Parking	Street Parking		On Site Parking	-10,000	Street Parking	
Porch/Patio/Deck	2Patios,2Balcs	None	+16,000	None	+16,000	None	+16,000
Fireplaces	No Fireplaces	No Fireplaces		No Fireplaces		No Fireplaces	
Net Adjustment (Total)		☒ + ☐ –	$ 112,280	☒ + ☐ –	$ 14,000	☒ + ☐ –	$ 46,000
Adjusted Sale Price of Comparables		Net Adj. 45.1 % Gross Adj. 45.1 %	$ 361,280	Net Adj. 3.9 % Gross Adj. 9.4 %	$ 374,000	Net Adj. 11.9 % Gross Adj. 11.9 %	$ 433,000
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		$ 90,320		$ 93,500		$ 61,857	
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		$ 25,806		$ 18,700		$ 27,063	
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)		$ 120,427		$ 37,400		$ 108,250	

Value per Unit $ 105,000 X 4 Units = $ 420,000 Value per GBA $ 95 X 4,470 GBA = $ 424,650

Value per Rm. $ 21,000 X 20 Rooms = $ 420,000 Value per Bdrms. $ 70,000 X 6 Bdrms. = $ 420,000

Summary of Sales Comparison Approach including reconciliation of the above indicators of value. Within the past 40+ years, Baltimore City has changed from a predominately industrial based economy to a predominately collegiate based economy. The 4 most prominent universities in Baltimore are MICA (Maryland Institute College of Art), Peabody Conservatory of Music, Johns Hopkins University, and The University of Maryland Medical College and Trauma Center. On-campus housing is minimal. Therefore, off-campus housing is at a high demand, thus, off-campus rental properties are a good investment. The subject is within 2 blocks of Peabody Conservatory and in high demand for the immediate area. See additional comments.

Note: Due to the need for appropriate market adjustments, some line item, net, and/or gross adjustments may exceed typical percentage guidelines. Comp 1 was sold as is and priced for quick sale per agent thus warranting its condition adjustment. Living area for comp 2 not noted in tax records, therefore size has been estimated based on visual inspection. All settled sales are similar 4 unit buildings. Value placed at the upper end of adjusted values as comp 3 is most recent sale and similar in living area.

Indicated Value by Sales Comparison Approach $ 425,000

INCOME

Total gross monthly rent $ 4,350 X gross rent multiplier (GRM) 98 = $ 426,300 Indicated value by the Income Approach

Comments on income approach including reconciliation of the GRM Income approach is developed in conjunction with the comparable sales approach to value

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 425,000 **Income Approach $** 426,300 **Cost Approach (if developed) $** 425,837

Since sufficient market data is available, the direct sales comparison approach has been favored as it is considered to best reflect actions of buyers/sellers in market. Income and cost approach are developed for support.

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 $ 425,000 **, as of** 04/26/2013 **, which is the date of inspection and the effective date of this appraisal.**

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ADDITIONAL COMMENTS

Basement Area:
The subject is always tape measured including the basement. Therefore, the subject basement area is considered accurate. The new UAD reporting requirements direct the appraiser to list the basement area for the comparable sales and listings in addition to the finished area. The comparable basement area is typically abstracted from public records. When public records does not record a basement area, or the basement area listed appears in error, the appraiser will estimate the basement area based on the size of the above grade area divided by the appropriate amount of stories, or will be based on the base square footage listed in Public records if listed. Finished area is based on the appraisers estimate of finished space. I.E. - 90%, 80%, 75%, etc.

The subject is an estate auction sale, one of 20+ properties owned by the estate of the seller. A search of 4 unit property sales within the past 12 months and within 5 blocks of the subject produced nothing. However, there was a recent 12 month sale on the same street as the subject and within 3 blocks of a 7 unit building, 807 St Paul St, however as it a 7 unit building this is considered commercial and thus not comparable. The GLA for comparable 2, 1214 N Calvert St are not listed in tax records. Therefore, the GLA will estimated based on visual inspection. Basement area will be included as a 4th level for the overall gross building area. As multi unit properties are not the predominate type of residential sale within Baltimore City, the market has been expanded to include all of Baltimore City for residential multi unit properties with 4 units.

Subject and Unit Numbers: This appraisal includes 2 separate tax ID parcels, 520 St Paul St and 522 St Paul St. Each containing two, 2 level units. For the purposes of this appraisal, unit 1 & 2 for 522 St Paul will be referred to as Unit 3 & 4.

Security Bars: Security bars were noted on all 1st floor windows, none of which are bedroom windows. Front and rear exits can be opened without the use of a key. In addition, there are exterior side entrances/exits which can be opened from the rear/lot side without the use of a key. No bedroom windows were noted with security bars. Therefore, in regards to security bars and fire code, the subject appears to be compliant.

COST APPROACH TO VALUE (not required by Fannie Mae)

COST APPROACH

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) Site value is determined by recent sales of similar size parcels in the marketing area. In the event there are no sales of similar parcels (i.e. Townhome lots, etc.) or lack of recent sales in the marketing area, then land value is derived from market data and / or public records.

ESTIMATED ☐ REPRODUCTION OR ☒ REPLACEMENT COST NEW

Source of cost data Local builders,Marshall&Swift,Cost Guides

Quality rating from cost service GOOD Effective date of cost data 03/2013

Comments on Cost Approach (gross living area calculations, depreciation, etc.)

No functional or external obsolescence noted. The present land to value ratio is typical of the market area and is due to positive locational factors. The cost approach is not felt applicable to the assignment due to the age of the subject but has been provided per the lender's request.

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

OPINION OF SITE VALUE				=$ 90,000
DWELLING	3,690 Sq.Ft. @ $	105.00		=$ 387,450
Bsmt Area	780 Sq.Ft. @ $	50.00		=$ 39,000
				=$
Garage/Carport	Sq.Ft. @ $			=$
Total Estimate of Cost-New				=$ 426,450
Less	Physical	Functional	External	
Depreciation	106,613			=$(106,613)
Depreciated Cost of Improvements				=$ 319,837
"As-is" Value of Site Improvements				=$ 16,000
INDICATED VALUE BY COST APPROACH				**=$** 425,837

PROJECT INFORMATION FOR PUDs (if applicable)

PUD INFORMATION

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.

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File # MRQ39915

This report form is designed to report an appraisal of a two- to four-unit property, including a two- to four-unit property in a planned unit development (PUD). A two- to four-unit property located in either a condominium or cooperative project requires the appraiser to inspect the project and complete the project information section of the Individual Condominium Unit Appraisal Report or the Individual Cooperative Interest Appraisal Report and attach it as an addendum to this report.

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, including each of the units. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.

3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.

5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.

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

Small Residential Income Property Appraisal Report

File # MRQ39915

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, including all units. 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 and income approaches to value. I have adequate market data to develop reliable sales comparison and income approaches to value for this appraisal assignment. I further certify that I considered the cost approach to value but did not develop it, 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.

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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 John W. Van Dyke
Name JOHN VAN DYKE
Company Name MARQUEE PROPERTIES, INC
Company Address 5501 MERCHANTS VIEW SQ #264, HAYMARKET, VA 20169

Telephone Number (703) 754-7945
Email Address MRQ@MARQUEEREALESTATE.COM
Date of Signature and Report 04/26/2013
Effective Date of Appraisal 04/26/2013
State Certification # 12471
or State License #
or Other (describe) State #
State MD
Expiration Date of Certification or License 07/16/2013

ADDRESS OF PROPERTY APPRAISED
520 Saint Paul St
Baltimore, MD 21202

APPRAISED VALUE OF SUBJECT PROPERTY $ 425,000

LENDER/CLIENT
Name
Company Name UNITED BANK
Company Address 2071 Chain Bridge Road, Suite 420, Vienna, VA 22182

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

Small Residential Income Property Appraisal Report

File # MRQ39915

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 4		COMPARABLE SALE # 5		COMPARABLE SALE # 6	
Address	520 Saint Paul St Baltimore, MD 21202	1204 Saint Paul St Baltimore, MD 21202		817 S Bond St Baltimore, MD 21231			
Proximity to Subject		0.53 miles N		1.43 miles SE			
Sale Price	$ 462,000		$ 679,000		$ 750,000		$
Sale Price/Gross Bldg. Area	$ 103.00 sq.ft.	$ 131.33 sq.ft.		$ 183.82 sq.ft.		$ sq.ft.	
Gross Monthly Rent	$ 4,350	$ 5,149		$		$	
Gross Rent Multiplier	106.21	131.87					
Price per Unit	$ 115,500	$ 169,750		$ 187,500		$	
Price per Room	$ 23,100	$ 37,722		$ 53,571		$	
Price per Bedroom	$ 77,000	$ 135,800		$ 187,500		$	
Rent Control	☐ Yes ☒ No	☐ Yes ☒ No		☐ Yes ☒ No		☐ Yes ☐ No	
Data Source(s)		MRIS#BA7803031;DOM 348		MRIS#BA8039828;DOM 33			
Verification Source(s)		Tax Assess/Agent/Visual.		Tax Assess/Agent/Visual.			
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(–) Adjustment	DESCRIPTION	+(–) Adjustment	DESCRIPTION	+(–) Adjustment
Sale or Financing Concessions		Listing	-40,740	Listing	-45,000		
Date of Sale/Time		Active		Active			
Location	Urban	Urban		Urban/Historic	-50,000		
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple			
Site	1,410 sf	2040 sf		1363 sf			
View	CityStreet	CityStreet		CityStreet			
Design (Style)	Row House	Row House		Row House			
Quality of Construction	Brick/GD	Brick/GD		Brick/GD			
Actual Age	113	113		93			
Condition	Good/Average	Good/Renovated	-50,000	Good/Average			
Gross Building Area	4,470	5,170	-28,000	4,080	+15,600		
Unit Breakdown	Total / Bdrms / Baths	Total / Bdrms / Baths		Total / Bdrms / Baths		Total / Bdrms / Baths	
Unit # 1	4 / 1 / 1.1	6 / 2 / 1.1		6 / 2 / 1.1			
Unit # 2	6 / 2 / 1.1	4 / 1 / 1.1		3 / 1 / 1.0	+5,000		
Unit # 3	4 / 1 / 1.1	4 / 1 / 1.1		3 / 1 / 1.0	+5,000		
Unit # 4	6 / 2 / 1.1	4 / 1 / 1.1		2 / 0 / 1.0	-25,000		
Basement Description	Full Basement	Full Basement		Full Basement			
Basement Finished Rooms	Included	Included		Included			
Functional Utility	Average	Average		Average			
Heating/Cooling	HFA/CAC	HFA/CAC		HFA/CAC			
Energy Efficient Items	Thermopanes	Thermopanes		Thermopanes			
Parking On/Off Site	Street Parking	On Site Parking	-20,000	Street Parking			
Porch/Patio/Deck	2Patios,2Balcs	None	+16,000	Similar	0		
Fireplaces	No Fireplaces	No Fireplaces		No Fireplaces			
Net Adjustment (Total)		☐ + ☒ –	$ -122,740	☐ + ☒ –	$ -94,400	☐ + ☐ –	$
Adjusted Sale Price of Comparables		Net Adj. 18.1 % Gross Adj. 22.8 %	$ 556,260	Net Adj. 12.6 % Gross Adj. 19.4 %	$ 655,600	Net Adj. % Gross Adj. %	$
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		$ 139,065		$ 163,900		$	
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		$ 30,903		$ 46,829		$	
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)		$ 111,252		$ 163,900		$	

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)	Tax Records/MRIS	Tax Records/MRIS	Tax Records/MRIS	
Effective Date of Data Source(s)	04/25/2013	04/29/2013	04/29/2013	

Analysis of prior sale or transfer history of the subject property and comparable sales Comparable 4 last sold on 07/10/2006 for $675,000. Comparable 5 last sold on 05/24/2004 for $580,000.

ANALYSIS / COMMENTS

Analysis/Comments Comp 4 has been renovated warranting its condition adjustment. Comps 4 and 5 are active listings from the market therefore can not be given any weight. Comp 5 in Fells Point market which is considered superior warranting a location adjustment. In addition comp 5 features some commercial space thus adjusted for accordingly under efficiency unit. A list price to sale price ratio adjustment applied to comps 4 and 5.

Operating Income Statement

One- to Four-Family Investment Property and Two- to Four-Family Owner-Occupied Property

Property Address

Street	City	State	Zip Code
520 Saint Paul St	Baltimore	MD	21202

General Instructions: This form is to be prepared jointly by the loan applicant, the appraiser, and the lender's underwriter. The applicant must complete the following schedule indicating each unit's rental status, lease expiration date, current rent, market rent, and the responsibility for utility expenses. Rental figures must be based on the rent for an "unfurnished" unit.

	Currently Rented	Expiration Date	Current Rent Per Month	Market Rent Per Month
Unit No. 1	Yes ☒ No ☐	Month to Month	$ 975	$ 975
Unit No. 2	Yes ☒ No ☐	Month to Month	$ 1,150	$ 1,200
Unit No. 3	Yes ☒ No ☐	Month to Month	$ 895	$ 975
Unit No. 4	Yes ☒ No ☐	Month to Month	$ 1,150	$ 1,200
Total			$ 4,170	$ 4,350

Utility Expense	Paid By Owner	Paid By Tenant
Electricity	☐	☒
Gas	☐	☒
Fuel Oil	☐	☒
Fuel (Other)	☐	☐
Water/Sewer	☒	☐
Trash Removal	☒	☐

The applicant should complete all of the income and expense projections and for existing properties provide actual year-end operating statements for the past two years *(for new properties the applicant's projected income and expenses must be provided)*. This Operating Income Statement and any previous operating statements the applicant provides must then be sent to the appraiser for review, comment, and/or adjustments next to the applicant's figures *(e.g. Applicant/Appraiser 288/300)*. If the appraiser is retained to complete the form instead of the applicant, the lender must provide to the appraiser the aforementioned operating statements, mortgage insurance premium, HOA dues, leasehold payments, subordinate financing, and/or any other relevant information as to the income and expenses of the subject property received from the applicant to substantiate the projections. The underwriter should carefully review the applicant's/appraiser's projections and the appraiser's comments concerning those projections. The underwriter should make any final adjustments that are necessary to more accurately reflect any income or expense items that appear unreasonable for the market. *(Real estate taxes and insurance on these types of properties are included in PITI and not calculated as an annual expense item)* Income should be based on the current rents, but should not exceed market rents. When there are no current rents because the property is proposed, new, or currently vacant, market rents should be used.

Annual Income and Expense Projection for Next 12 months

Income *(Do not include income for owner-occupied units)*	By Applicant/Appraiser	Adjustments by Lender's Underwriter
Gross Annual Rental *(from unit(s) to be rented)* (Current)	$ 50,040	$
Other Income *(include sources)*	+ 0	+
Total	$ 50,040	$
Less Vacancy/Rent Loss	− 2,502 (5 %)	− (%)
Effective Gross Income	$ 47,538	$

Expenses *(Do not include expenses for owner-occupied units)*	By Applicant/Appraiser	Adjustments by Lender's Underwriter
Electricity	0	
Gas	0	
Fuel Oil	0	
Fuel (Type -)	0	
Water/Sewer	250	
Trash Removal	250	
Pest Control	500	
Other Taxes or Licenses	0	
Casual Labor This includes the costs for public area cleaning, snow removal, etc., even though the applicant may not elect to contract for such services.	500	
Interior Paint/Decorating This includes the costs of contract labor and materials that are required to maintain the interiors of the living unit.	0	
General Repairs/Maintenance This includes the costs of contract labor and materials that are required to maintain the public corridors, stairways, roofs, mechanical systems, grounds, etc.	500	
Management Expenses These are the customer expenses that a professional management company would charge to manage the property.	4,032	
Supplies This includes the costs of items like light bulbs, janitorial supplies, etc.	500	
Total Replacement Reserves - See Schedule on Pg. 2	3,053	
Miscellaneous	0	
	0	
	0	
	0	
	0	
	0	
	0	
	0	
	0	
Total Operating Expenses	$ 9,585	$

Replacement Reserve Schedule

Adequate replacement reserves must be calculated regardless of whether actual reserves are provided for on the owner's operating statements or are customary in the local market. This represents the total average yearly reserves. Generally, all equipment and components that have a remaining life of more than one year - such as refrigerators, stoves, clothes washers/dryers, trash compactors, furnaces, roofs, and carpeting, etc. - should be expensed on a replacement cost basis.

Equipment		Replacement Cost			Remaining Life				By Applicant/ Appraiser	Lender Adjustments
Stoves/Ranges	@	$ 650	ea.	÷	10	Yrs. x	4	Units =	$ 260	$
Refrigerators	@	$ 1,200	ea.	÷	10	Yrs. x	4	Units =	$ 480	$
Dishwashers	@	$ 450	ea.	÷	10	Yrs. x	4	Units =	$ 180	$
A/C Units	@	$ 2,400	ea.	÷	15	Yrs. x	4	Units =	$ 640	$
C. Washer/Dryers	@	$ 900	ea.	÷	10	Yrs. x	4	Units =	$ 360	$
HW Heaters	@	$ 1,100	ea.	÷	15	Yrs. x	4	Units =	$ 293	$
Furnace(s)	@	$ 2,400	ea.	÷	15	Yrs. x	4	Units =	$ 640	$
(Other)	@	$ 0	ea.	÷	0	Yrs. x	0	Units =	$ 0	$
Roof	@	$ 5,000		÷	25	Yrs. x	One Bldg. =		$ 200	$

Carpeting (Wall to Wall)

	Total Sq. Yds.	Per Sq. Yd.	Remaining Life		By Applicant/ Appraiser	Lender Adjustments
(Units)	0 Total Sq. Yds. @	$ 0 Per Sq. Yd. ÷	0	Yrs. =	$ 0	$
(Public Areas)	0 Total Sq. Yds. @	$ 0 Per Sq. Yd. ÷	0	Yrs. =	$ 0	$
Total Replacement Reserves. (Enter on Pg. 1)					$ 3,053	$

Operating Income Reconciliation

$ 47,538 (Effective Gross Income) − $ 9,585 (Total Operating Expenses) = $ 37,953 (Operating Income) ÷ 12 = $ 3,163 (Monthly Operating Income)

$ $ 3,163 (Monthly Operating Income) − $ 799 (Monthly Housing Expense) = $ 2,364 (Net Cash Flow)

(Note: Monthly Housing Expense includes principal and interest on the mortgage, hazard insurance premiums, real estate taxes, mortgage insurance premiums, HOA dues, leasehold payments, and subordinate financing payments.)

Underwriter's instructions for 2-4 Family Owner-Occupied Properties

- If Monthly Operating Income is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Monthly Operating Income is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total Monthly Housing Expense for the **subject property** to the borrower's stable monthly income.

Underwriter's instructions for 1-4 Family Investment Properties

- If Net Cash Flow is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Net Cash Flow is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total monthly housing expense for the borrower's **primary residence** to the borrower's stable monthly income.

Appraiser's Comments *(Including sources for data and rationale for the projections)*

Typical appliance, mechanical, labor, and supply costs are per local and regional retailers and wholesalers such as home depot, lowes, sears, etc and are estimated based on a 5 to 10 year average. Average effective life of the typical appliance is 10 years; typical composite/built-up roof 25-35 years; typical effective life of hot water heater, gas or oil furnace, HVAC, etc is 15-20 years. Management expenses are estimated based on a typical 8% commission.

JOHN VAN DYKE	John W. Van Dyke	04/26/2013
Appraiser Name	Appraiser Signature	Date

Underwriter's Comments and Rationale for Adjustments

Underwriter Name	Underwriter Signature	Date

Subject Photo Page

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						

Subject Front

520 Saint Paul St

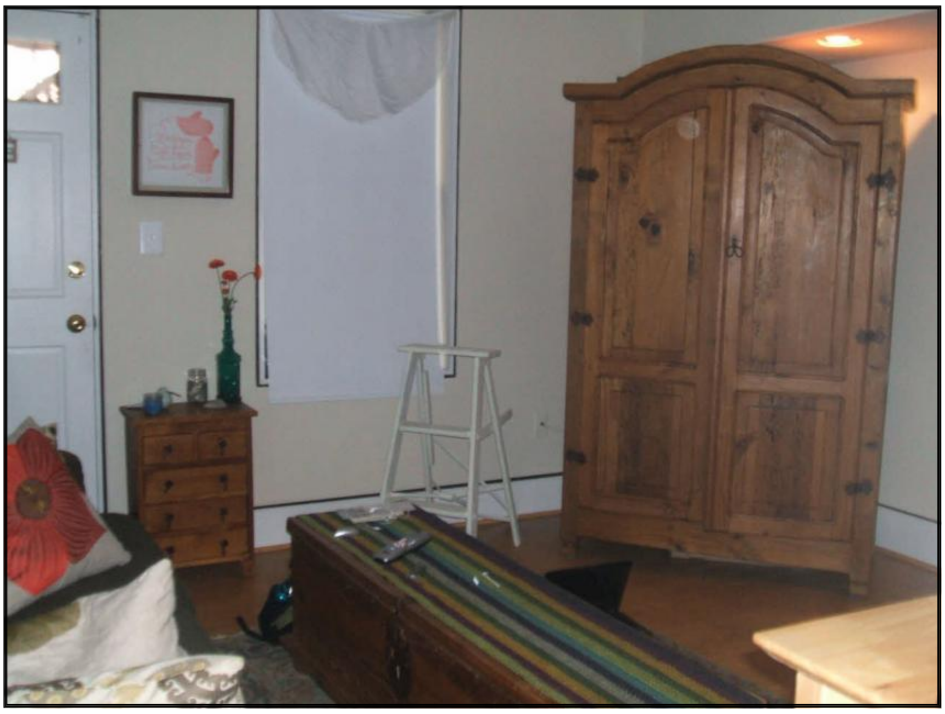
Sales Price	462,000
Gross Living Area	
Total Rooms	20
Total Bedrooms	6
Total Bathrooms	4.4
Location	Urban
View	CityStreet
Site	1,410 sf
Quality	Brick/GD
Age	113

Subject Rear

Subject Street

Subject Interior Photo Page

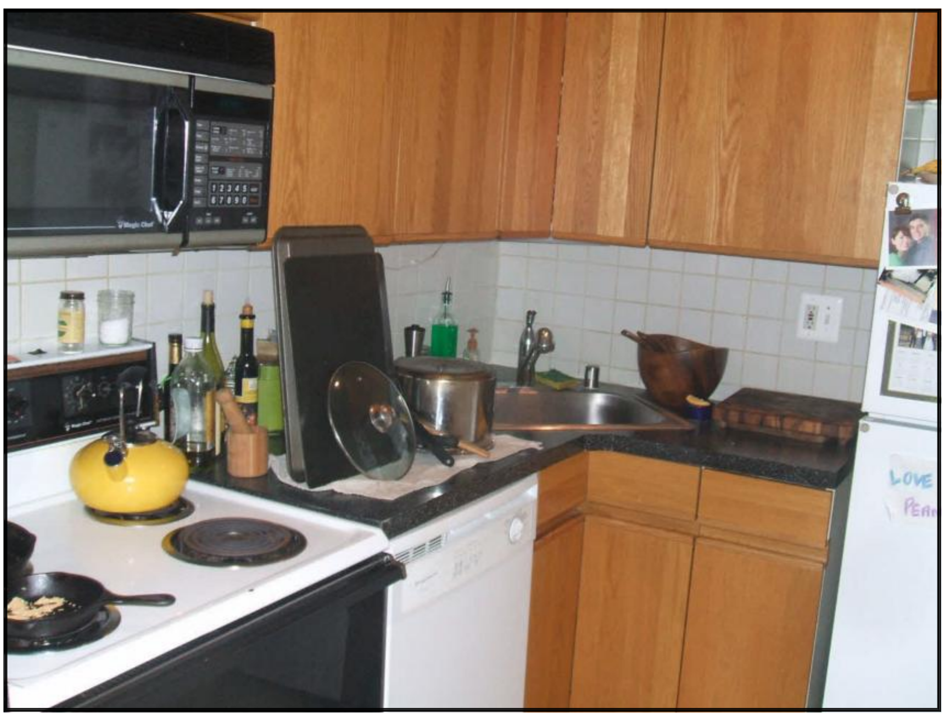
Borrower/Client	Ratan Kumar
Property Address	520 Saint Paul St
City	Baltimore County Baltimore City State MD Zip Code 21202
Lender	UNITED BANK



Subject Interior

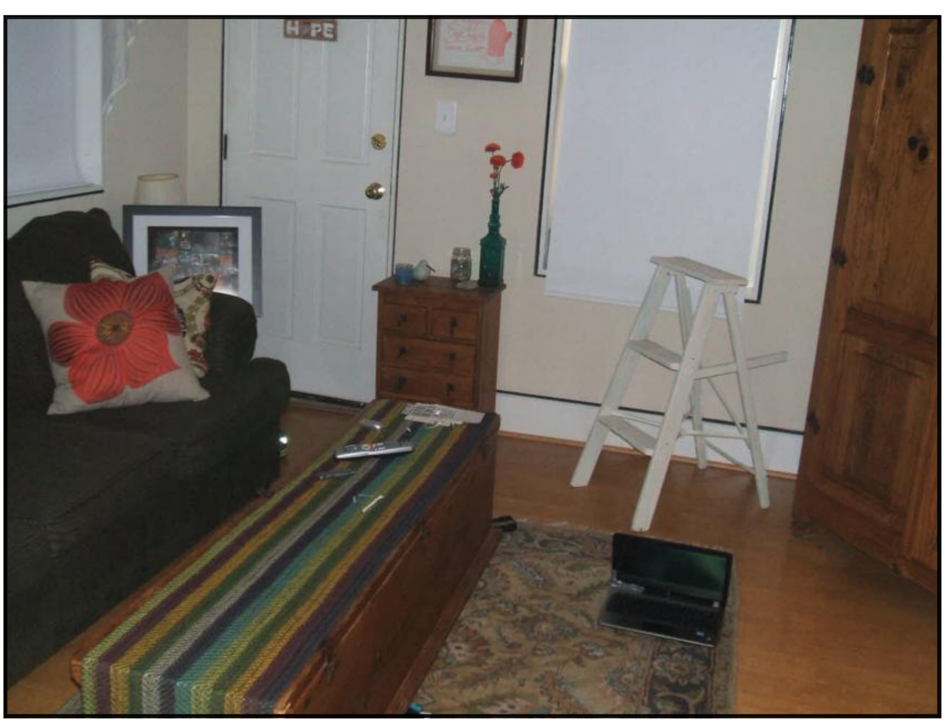
520 Saint Paul St

Sales Price	462,000
Gross Living Area	
Total Rooms	20
Total Bedrooms	6
Total Bathrooms	4.4
Location	Urban
View	CityStreet
Site	1,410 sf
Quality	Brick/GD
Age	113
	Unit #1 - Main Living Area



Subject Interior

Unit #1 - Kitchen



Subject Interior

Unit #1 - Main Living Area

Subject Interior Photo Page

Borrower/Client	Ratan Kumar
Property Address	520 Saint Paul St
City	Baltimore County Baltimore City State MD Zip Code 21202
Lender	UNITED BANK

Subject Interior

520 Saint Paul St

Sales Price	462,000
Gross Living Area	
Total Rooms	20
Total Bedrooms	6
Total Bathrooms	4.4
Location	Urban
View	CityStreet
Site	1,410 sf
Quality	Brick/GD
Age	113
	Unit #1 - Powder Room

Subject Interior

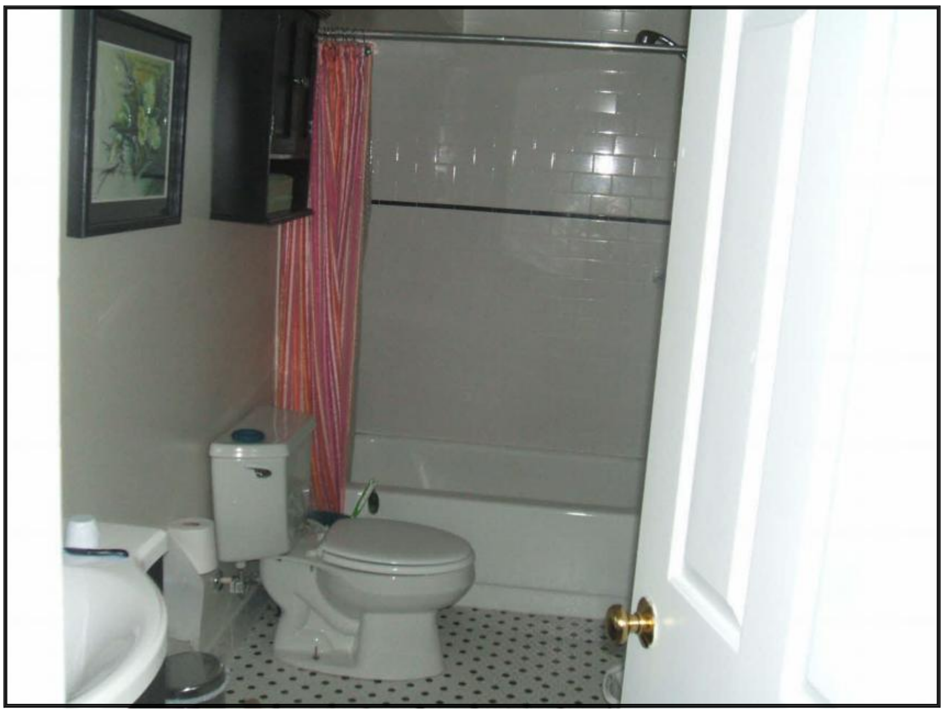
Unit #1 - Front Room

Subject Interior

Unit #1 - Lower Level Bedroom

Subject Interior Photo Page

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						



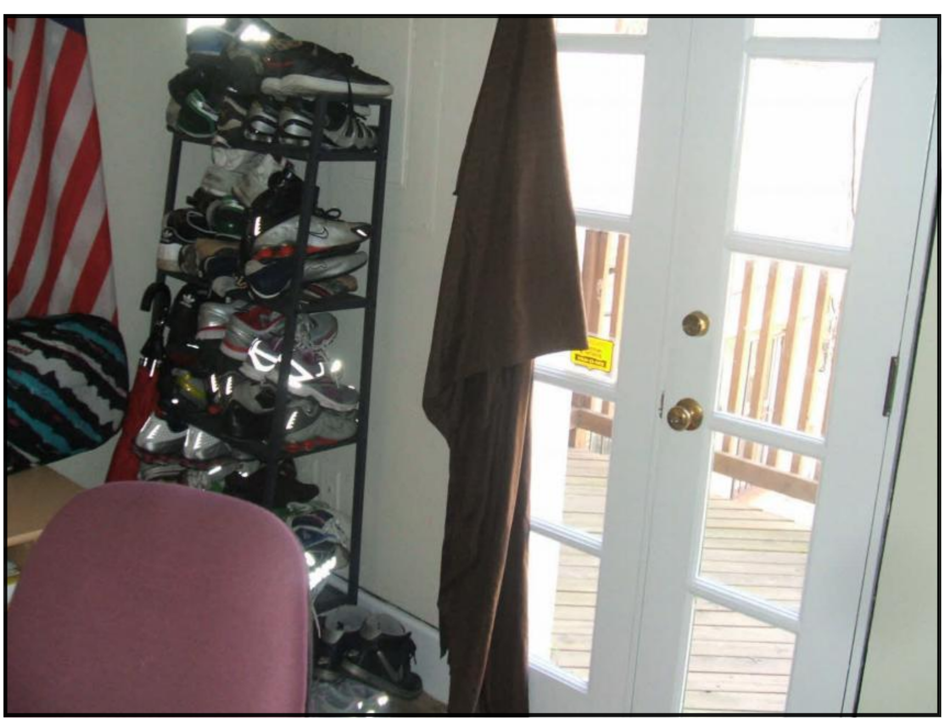
Subject Interior

520 Saint Paul St

Sales Price	462,000
Gross Living Area	
Total Rooms	20
Total Bedrooms	6
Total Bathrooms	4.4
Location	Urban
View	CityStreet
Site	1,410 sf
Quality	Brick/GD
Age	113
	Unit #1 - Lower level Bth

Subject Interior

Unit #1 - Laundry



Subject Interior

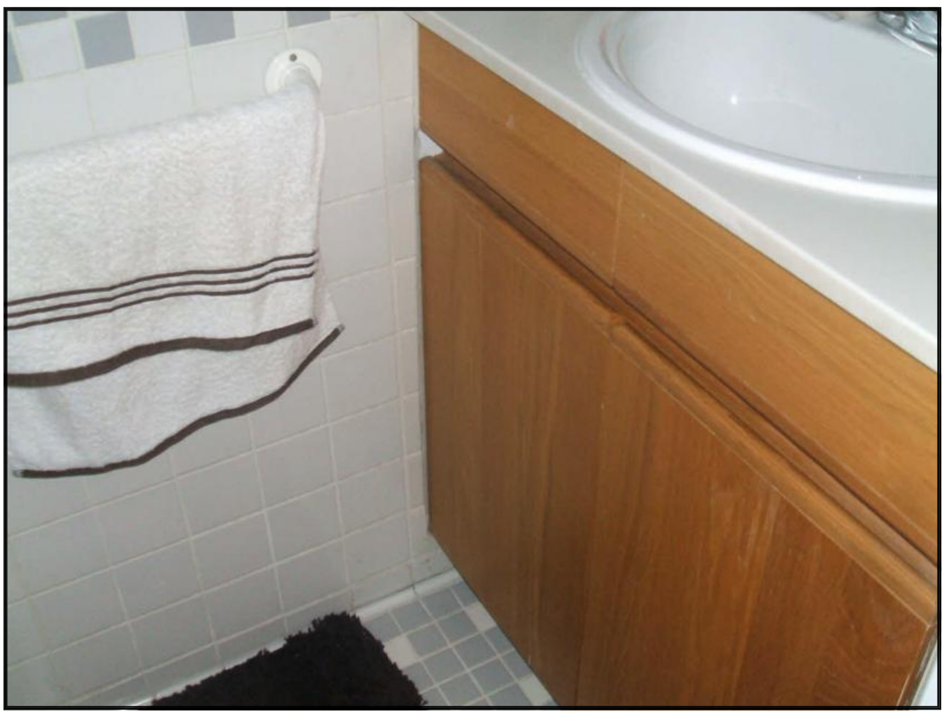
Unit 2 - Rear Den

Subject Interior Photo Page

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						

Subject Interior

520 Saint Paul St
Sales Price 462,000
Gross Building Area 4,470
Age 113
Unit 2 - Laundry



Subject Interior

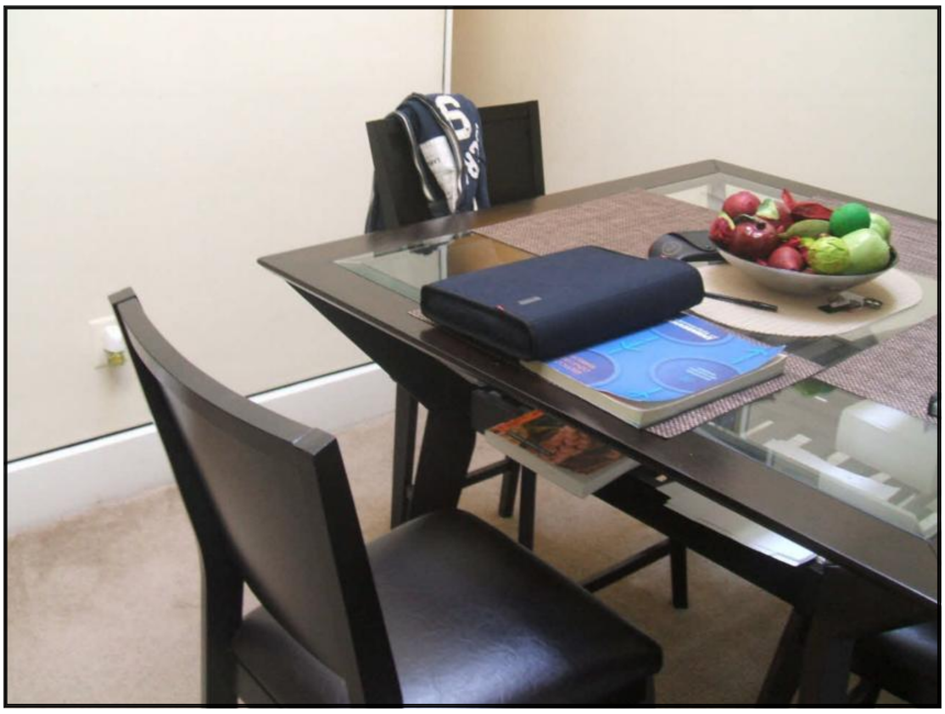
Unit 2 - Lowder Room

Subject Interior

Unit 2 - Kitchen

Subject Interior Photo Page

Borrower/Client	Ratan Kumar
Property Address	520 Saint Paul St
City	Baltimore
County	Baltimore City
State	MD
Zip Code	21202
Lender	UNITED BANK



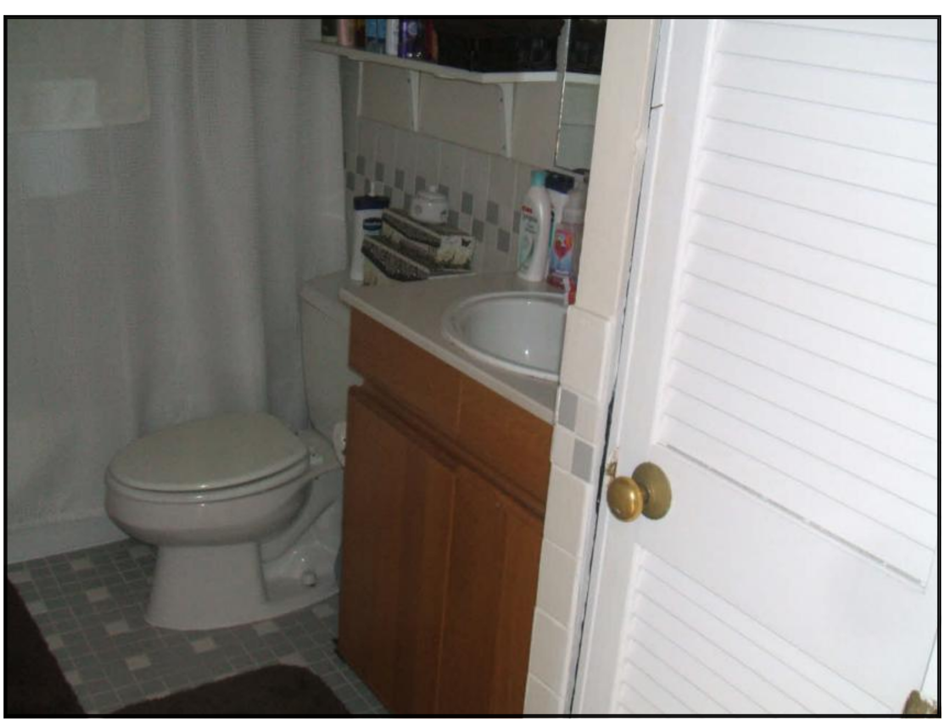
Subject Interior

520 Saint Paul St

Sales Price	462,000
Gross Building Area	4,470
Age	113
	Unit 2 - Dining Room

Subject Interior

Unit 2 - Main Living Area

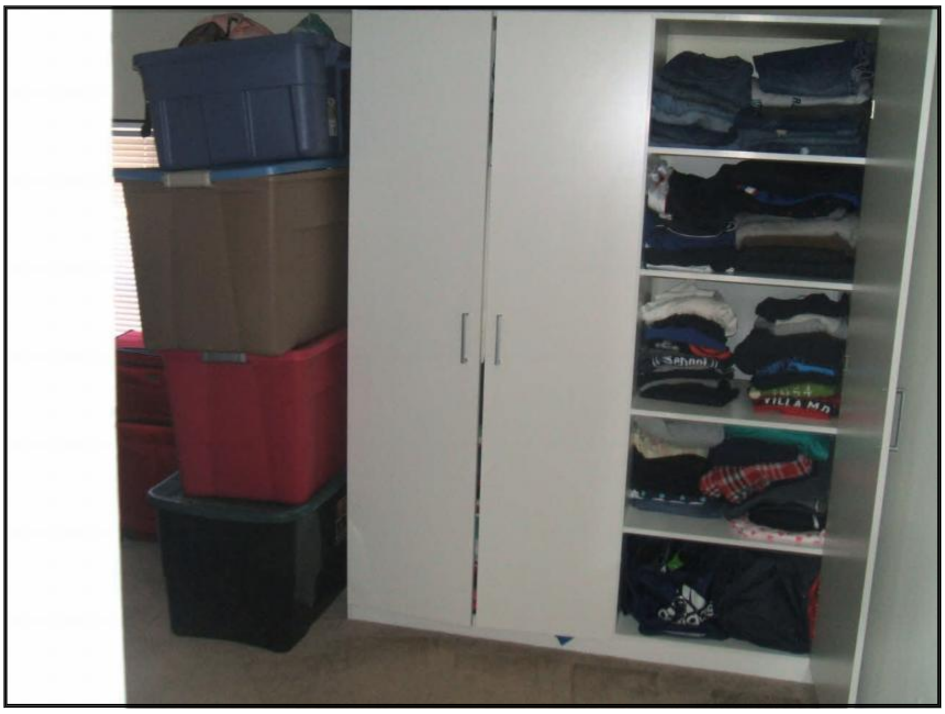


Subject Interior

Unit 2 - Upper Level Bth

Subject Interior Photo Page

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						

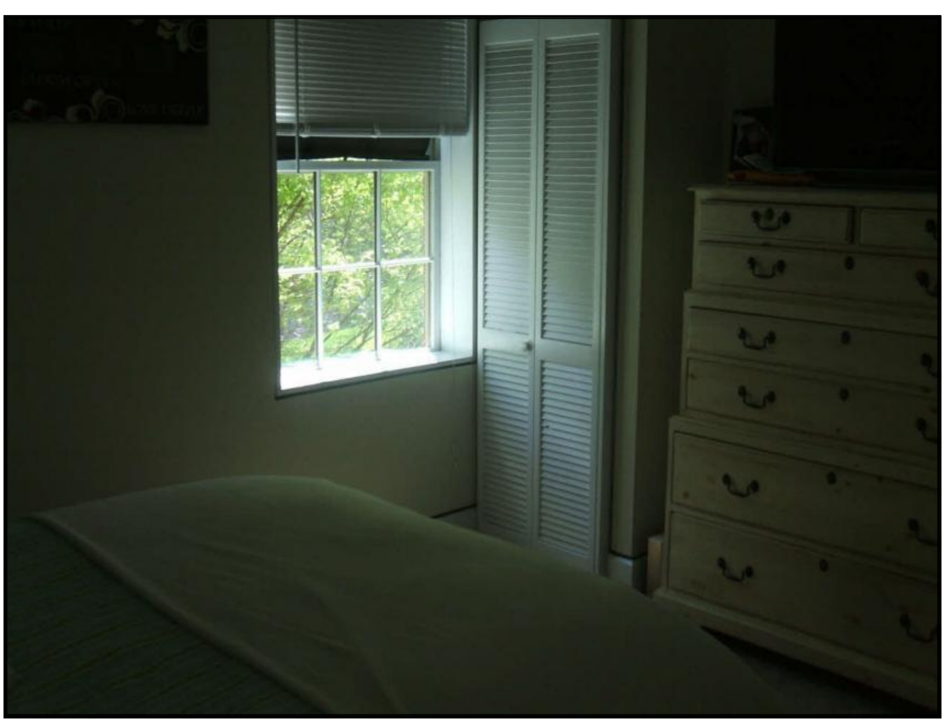


Subject Interior

520 Saint Paul St
Sales Price 462,000
Gross Building Area 4,470
Age 113
Unit 2 - Bedroom

Subject Interior

Unit 2



Subject Interior

Unit 2 - Bedroom

Subject Interior Photo Page

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						

Subject Interior

520 Saint Paul St

Sales Price 462,000

Gross Building Area 4,470

Age 113

Unit 3 - Front Room

Subject Interior

Unit 3 - Powder Room

Subject Interior

Unit 3 - Main Living Area

Subject Interior Photo Page

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						

Subject Interior

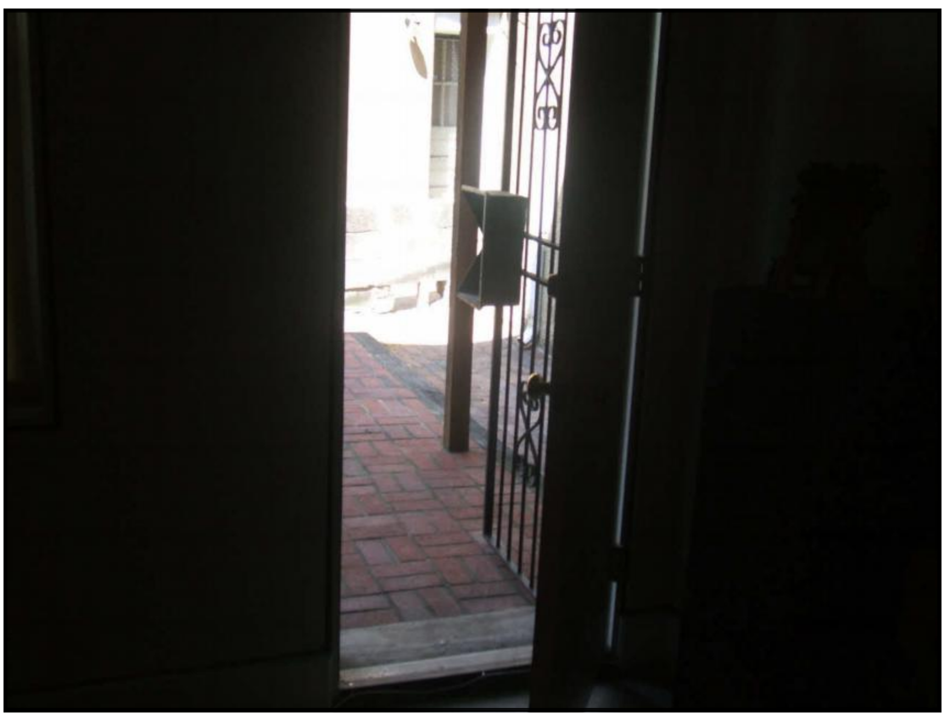
520 Saint Paul St

Sales Price 462,000

Gross Building Area 4,470

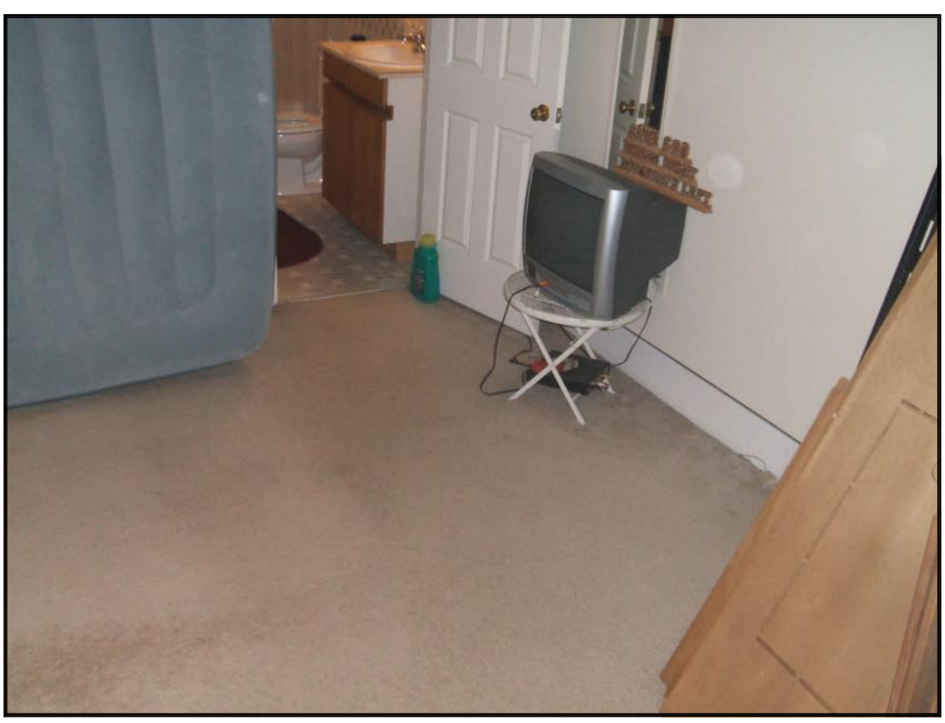
Age 113

Unit 3 - Kitchen



Subject Interior

Unit 3 - Rear Exit



Subject Interior

Unit 3 - Lower level

Bedroom

Subject Interior Photo Page

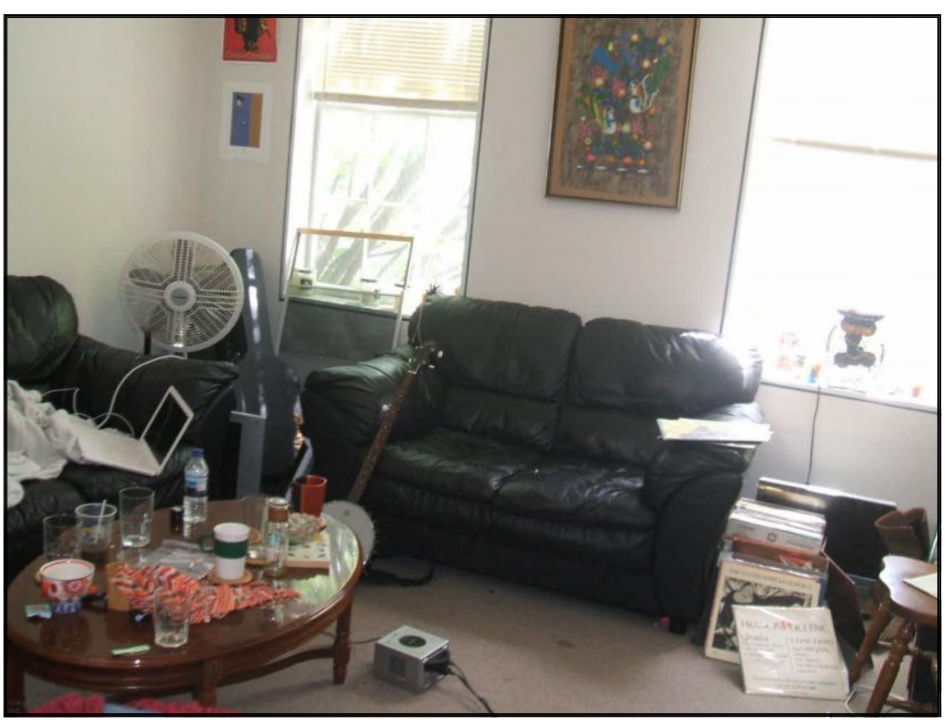
Borrower/Client	Ratan Kumar
Property Address	520 Saint Paul St
City	Baltimore County Baltimore City State MD Zip Code 21202
Lender	UNITED BANK

Subject Interior

520 Saint Paul St
Sales Price 462,000
Gross Building Area 4,470
Age 113
Unit 3 - Lower level Bth

Subject Interior

Unit 3 - Laundry

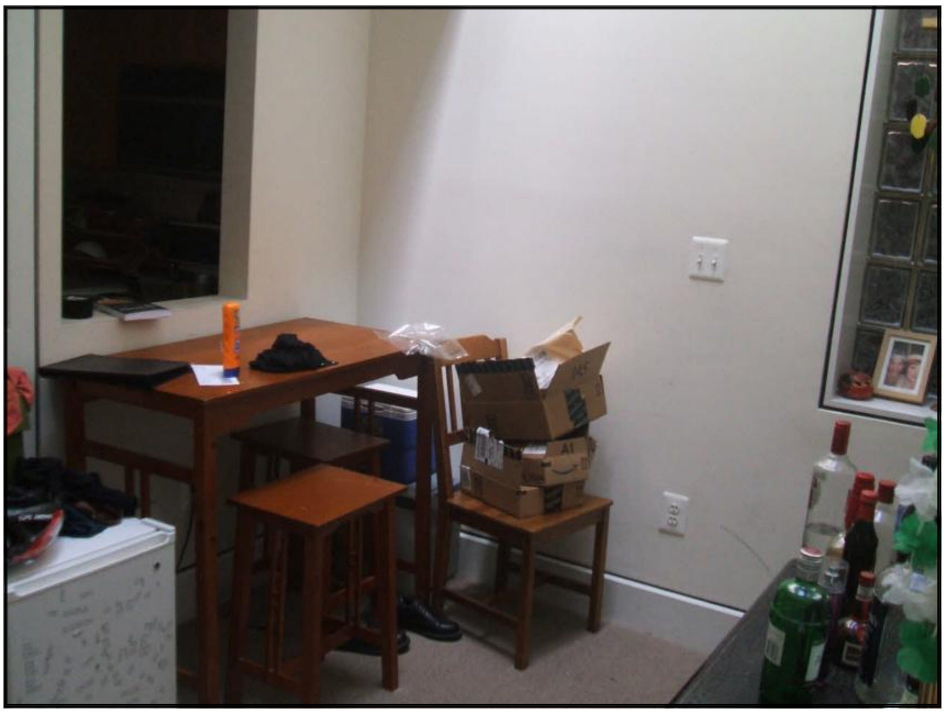


Subject Interior

Unit 4 - Main Living Area

Subject Interior Photo Page

Borrower/Client	Ratan Kumar
Property Address	520 Saint Paul St
City	Baltimore County Baltimore City State MD Zip Code 21202
Lender	UNITED BANK



Subject Interior
520 Saint Paul St
Sales Price 462,000
Gross Building Area 4,470
Age 113
Unit 4 - Dining Room

Subject Interior
Unit 4 - Kitchen

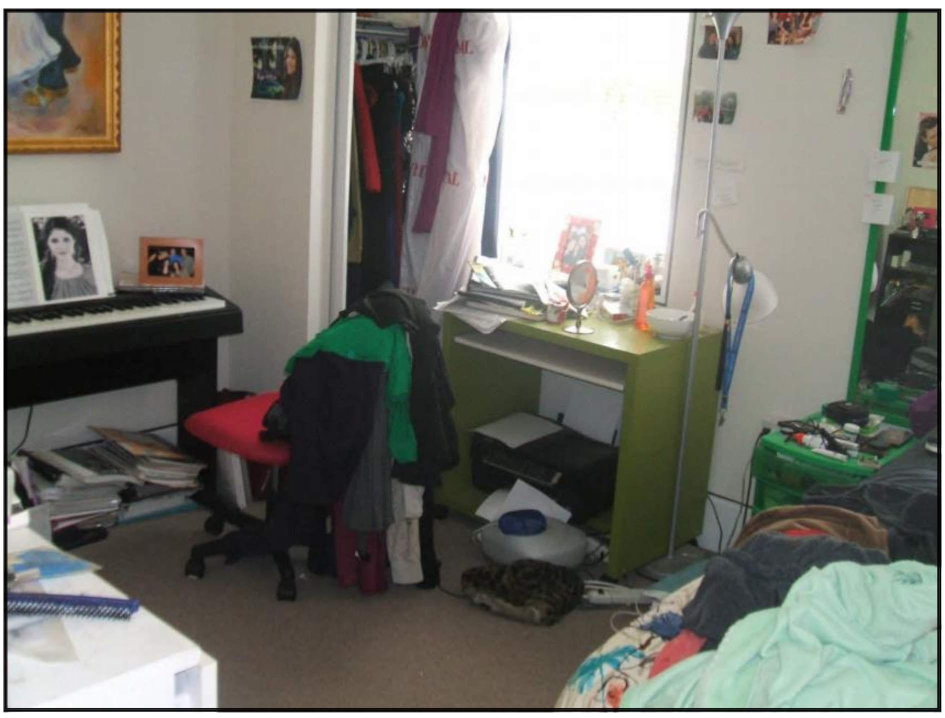
Subject Interior
Unit 4 - Powder Room

Subject Interior Photo Page

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						

Subject Interior

520 Saint Paul St
Sales Price 462,000
Gross Building Area 4,470
Age 113
Unit 4 - Rear Den/Room



Subject Interior

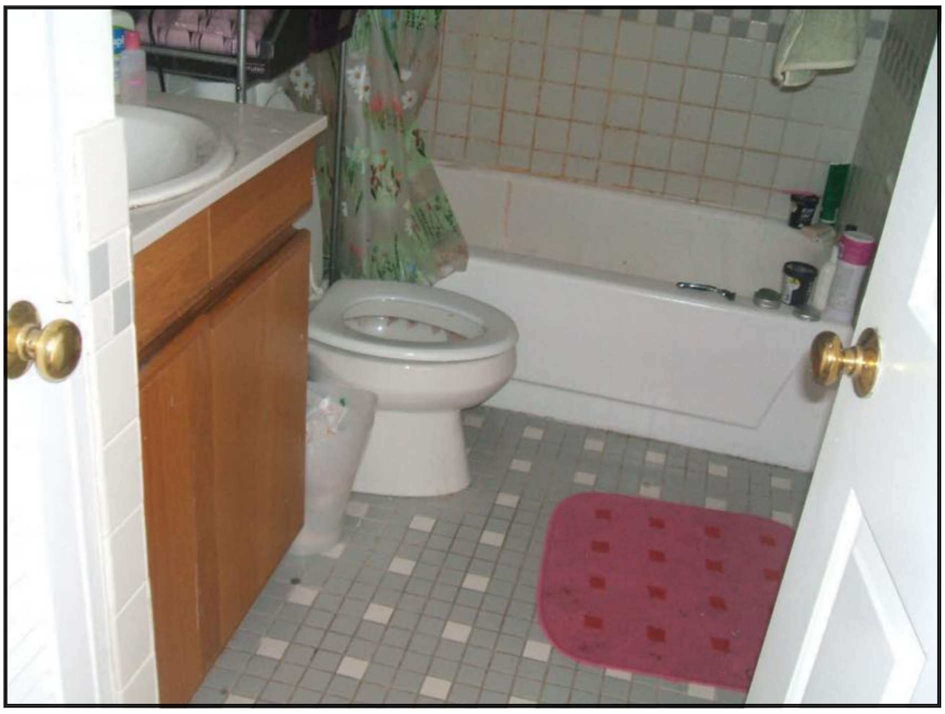
Unit 4 - Bedroom

Subject Interior

Unit 4

Subject Interior Photo Page

Borrower/Client	Ratan Kumar
Property Address	520 Saint Paul St
City	Baltimore County Baltimore City State MD Zip Code 21202
Lender	UNITED BANK



Subject Interior

520 Saint Paul St

Sales Price	462,000
Gross Building Area	4,470
Age	113
	Unit 4 - Bath

Subject Interior

Subject Interior

Photograph Addendum

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						

Street

Front

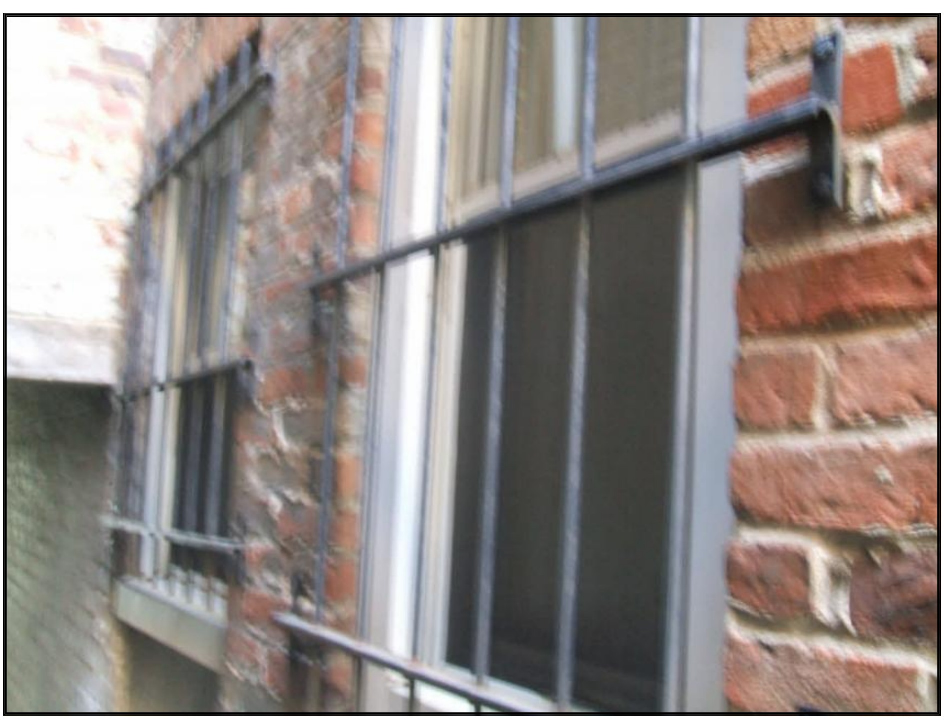
Front

Photograph Addendum

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						

Rear

Side

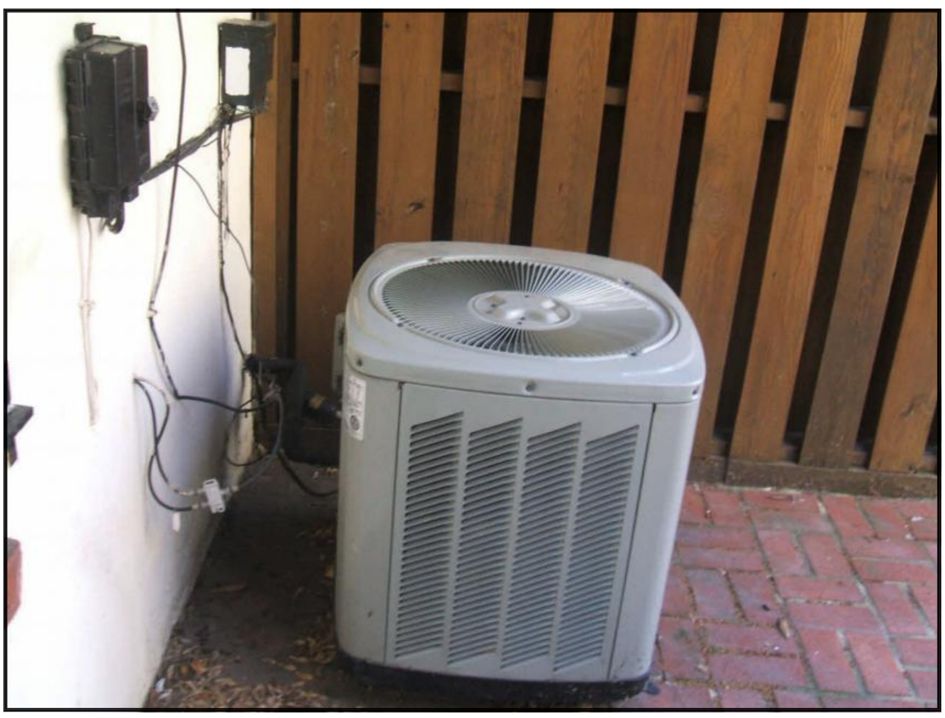


Side

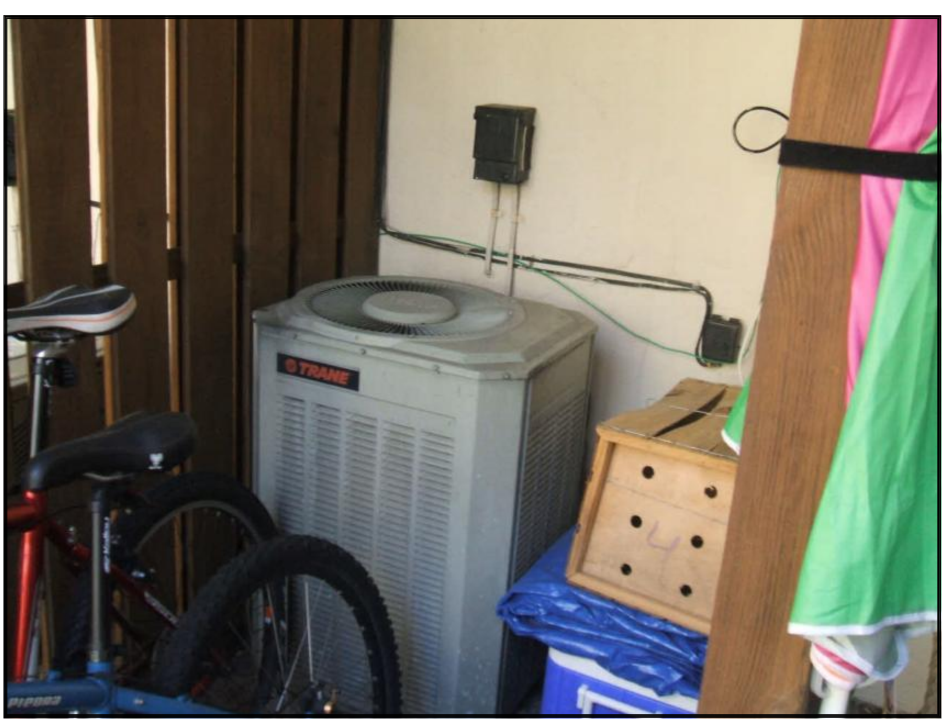
Photograph Addendum

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						

Rear Door Compliant Latch



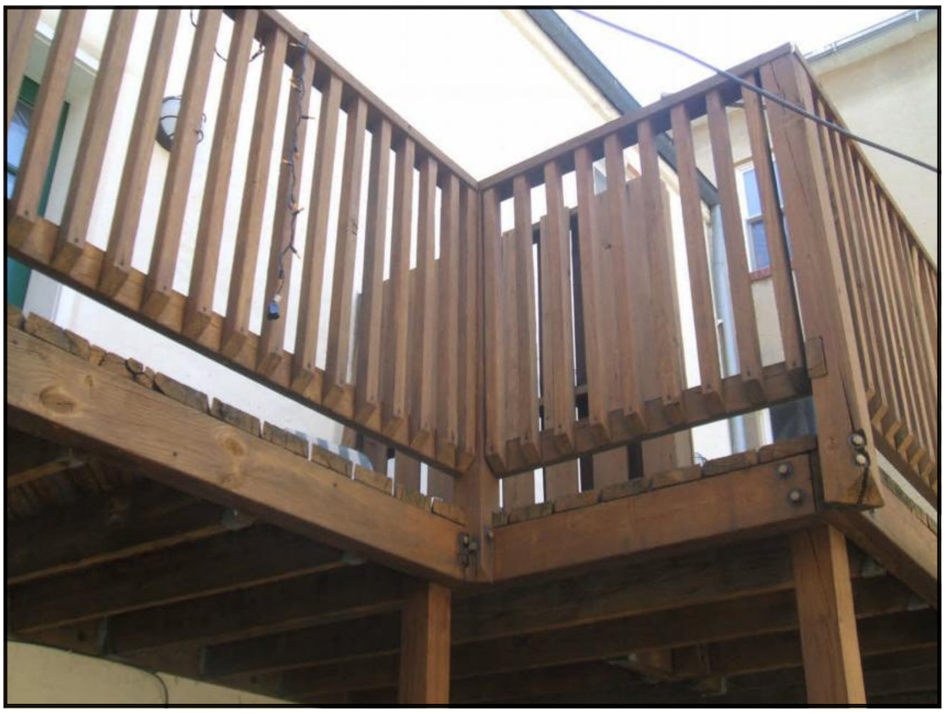
Central AC Unit



Central AC Unit

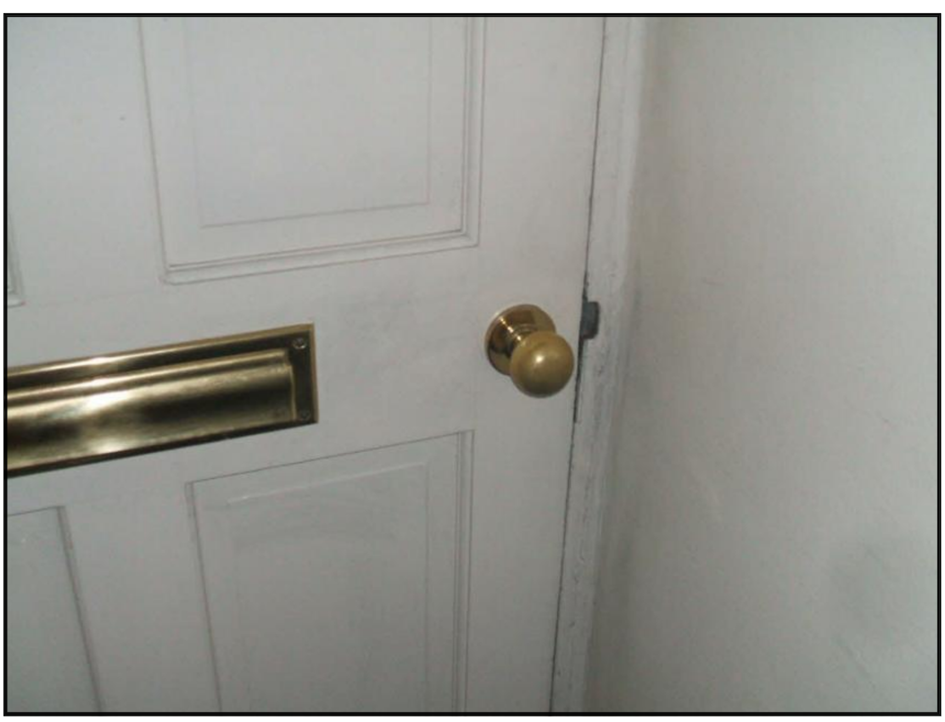
Photograph Addendum

Borrower/Client	Ratan Kumar
Property Address	520 Saint Paul St
City	Baltimore County Baltimore City State MD Zip Code 21202
Lender	UNITED BANK



Upper level Decks

Alley Security Gate With Compliant Latch



Main Front Door With Compliant Door latch/Handle

Photograph Addendum

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						

Auction Sign

Comparable Photo Page

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						

Comparable 1

2828 Saint Paul St

Prox. to Subject	1.85 miles N
Sale Price	249,000
Gross Living Area	
Total Rooms	14
Total Bedrooms	3
Total Bathrooms	4.3
Location	Urban
View	CityStreet
Site	2944 sf
Quality	Brick/GD
Age	111

Comparable 2

1214 N Calvert St

Prox. to Subject	0.55 miles N
Sale Price	360,000
Gross Living Area	
Total Rooms	20
Total Bedrooms	10
Total Bathrooms	4.4
Location	Urban
View	CityStreet
Site	2418 sf
Quality	Brick/GD
Age	123

Comparable 3

1601 S Hanover St

Prox. to Subject	1.70 miles S
Sale Price	387,000
Gross Living Area	
Total Rooms	16
Total Bedrooms	4
Total Bathrooms	4
Location	Urban
View	CityStreet
Site	1460 sf
Quality	Brick/GD
Age	113

Comparable Photo Page

Borrower/Client	Ratan Kumar
Property Address	520 Saint Paul St
City	Baltimore County Baltimore City State MD Zip Code 21202
Lender	UNITED BANK

Comparable 4

1204 Saint Paul St
Sales Price 679,000
G.B.A. 5,170
Age/Yr. Blt. 113

Comparable 5

817 S Bond St
Sales Price 750,000
G.B.A. 4,080
Age/Yr. Blt. 93

Comparable 6

Sales Price
G.B.A.
Age/Yr. Blt.

Rental Photo Page

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						

Rental 1

1214 N Calvert St

Proximity to Subj. 0.55 miles N

GBA 4,350

Age/Year Built 123

Rental 2

1204 Saint Paul St

Proximity to Subj. 0.53 miles N

GBA 5,170

Age/Year Built 113

Rental 3

817 S Bond St

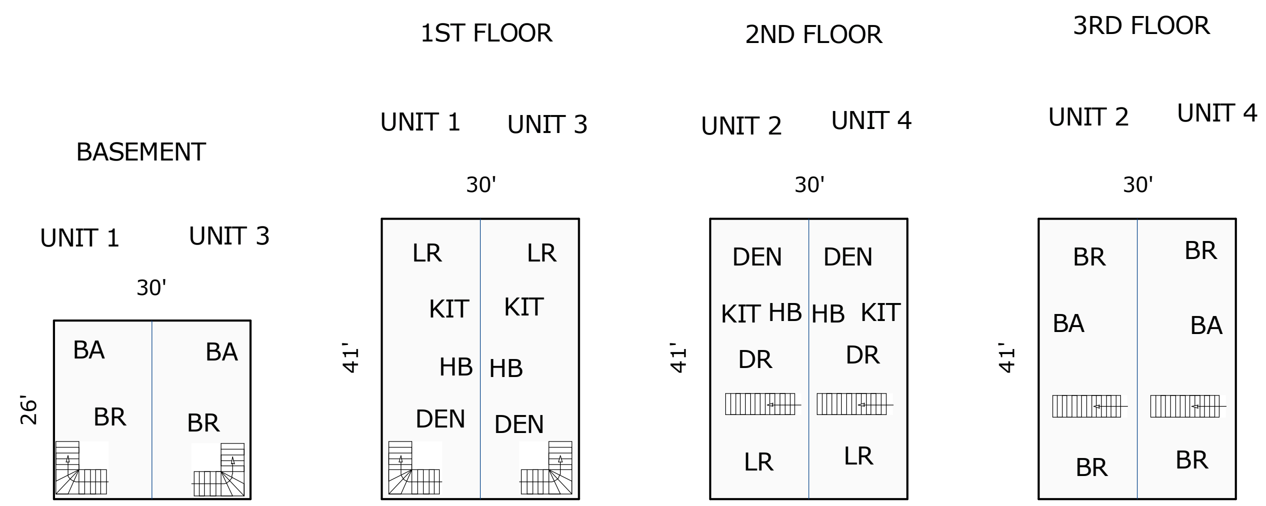
Proximity to Subj. 1.43 miles SE

GBA 4,080

Age/Year Built 93

Building Sketch

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						



Sketch by Apex Medina™

Comments:

AREA CALCULATIONS SUMMARY

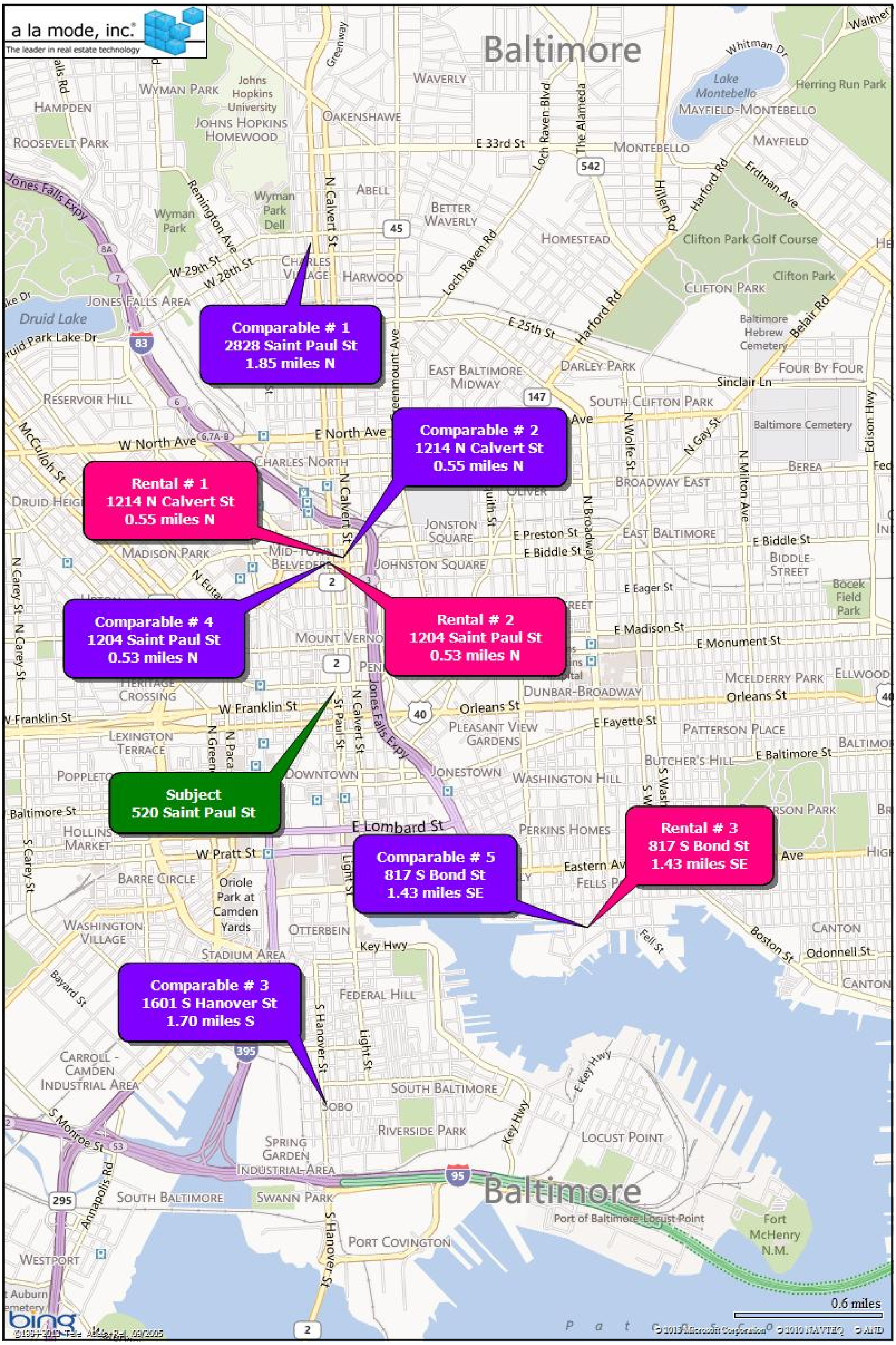
Code	Description	Net Size	Net Totals
GLA1	First Floor	1230.0	1230.0
GLA2	Second Floor	1230.0	1230.0
GLA3	Third Floor	1230.0	1230.0
BSMT	Basement	-780.0	-780.0
Net LIVABLE Area		(rounded)	3690

LIVING AREA BREAKDOWN

Breakdown	Subtotals
First Floor	
41.0 x 30.0	1230.0
Second Floor	
41.0 x 30.0	1230.0
Third Floor	
41.0 x 30.0	1230.0
3 Items (rounded)	3690

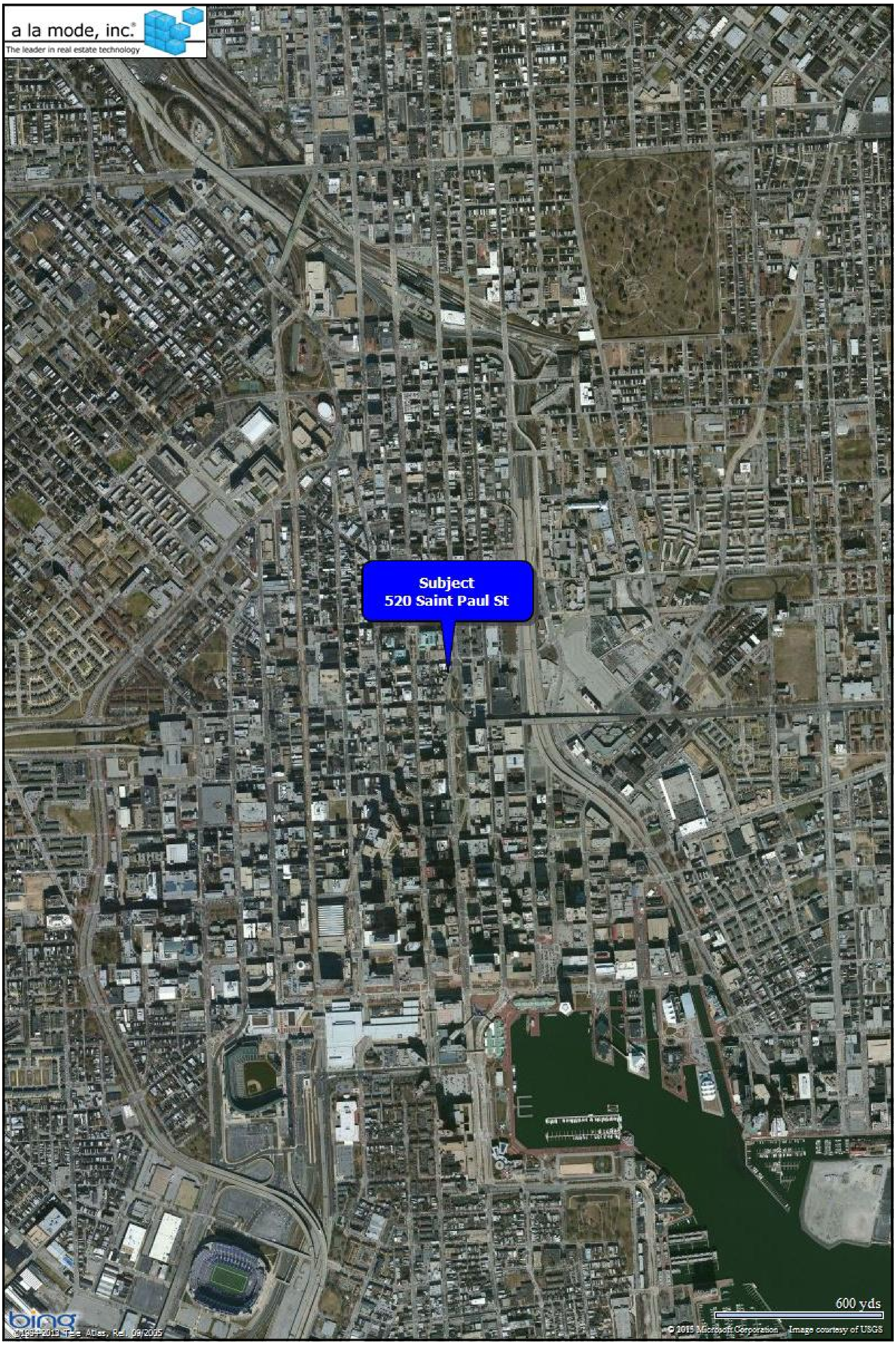
Location Map

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						



Location Map

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						



Market Conditions Addendum to the Appraisal Report

File No. MRQ39915

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 520 Saint Paul St | City Baltimore | State MD | ZIP Code 21202

Borrower Ratan Kumar

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)	6	4	4	[ ] Increasing	[X] Stable	[ ] Declining
Absorption Rate (Total Sales/Months)	1	1.33	1.33	[ ] Increasing	[X] Stable	[ ] Declining
Total # of Comparable Active Listings	N/A	N/A	25	[ ] Declining	[ ] Stable	[ ] Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	N/A	N/A	18.8	[ ] Declining	[ ] Stable	[ ] Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7–12 Months	Prior 4–6 Months	Current – 3 Months	Overall Trend		
Median Comparable Sale Price	$446,500	$490,500	$373,500	[ ] Increasing	[ ] Stable	[X] Declining
Median Comparable Sales Days on Market	59	65	0	[X] Declining	[ ] Stable	[ ] Increasing
Median Comparable List Price	$482,000	$555,000	$397,500	[ ] Increasing	[ ] Stable	[X] Declining
Median Comparable Listings Days on Market	N/A	N/A	165	[ ] Declining	[ ] Stable	[ ] Increasing
Median Sale Price as % of List Price	92.63	88.38	93.96	[X] Increasing	[ ] 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 MRIS MLS indicates there were 14 closed sales during the past 12 months and 1 of those sales contained seller concessions which is 7% of the total transactions in this market area. Prior Months 7-12: 6 Sales; 1 with concessions; 17% of sales for this period. 4-6: 4 Sales; 0 with concessions; 0% of sales for this period. 0-3: 4 Sales; 0 with concessions; 0% of sales for this period. The concessions ranged between 1,000 and 1,000. The median concession amount is $1,000.

Are foreclosure sales (REO sales) a factor in the market? [X] Yes [ ] No If yes, explain (including the trends in listings and sales of foreclosed properties).
The MRIS MLS indicates there were 14 closed sales during the past 12 months and 2 of those sales were either foreclosures or short sales which is 14% of the total transactions in this market area. Prior Months 7-12: 6 Sales; 2 foreclosures or short sales; 33% of sales for this period. 4-6: 5 Sales; 0 foreclosures or short sales; 0% of sales for this period. 0-3: 3 Sales; 0 foreclosures or short sales; 0% of sales for this period.

Cite data sources for above information. Note: Regional MLS data source provides only current active/pending listings. Therefore, total compatible listings, months supply, and DOM for the 7 to 12 and 4 to 6 months data groups are not applicable. Sources include MRIS-MLS/Tax records, and Maryland SDAT.

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.
Effective Date: Monday, April 29, 2013. The market designated for analysis has been expanded to include residential 4+ unit properties throughout Baltimore City. The median sales price has declined an estimated 16.35% over the past 12 months.

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 John W. Van Dyke	Signature
Appraiser Name JOHN VAN DYKE	Supervisory Appraiser Name
Company Name MARQUEE PROPERTIES, INC	Company Name
Company Address 5501 MERCHANTS VIEW SQ #264, HAYMARKET	Company Address
State License/Certification # 12471 State MD	State License/Certification # State
Email Address MRQ@MARQUEEREALESTATE.COM	Email Address

Supplemental Addendum

File No. MRQ39915

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						

Scope of the appraisal assignment:

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, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended Users are identified by the appraiser.

Supporting documentation that is not provided with the appraisal report is retained in the appraiser's file.

The appraisal is based on information gathered by the appraiser from one or more of the following: owner, MLS, public records, real estate agents and/or builders, inspection of the property and neighborhood, and selection of comparable sales within the subject's marketing area. The original source of the comparables is shown in the data source section of the market grid along with the source of confirmation if available. Not all counties update public records in a timely manner thus the information is considered accurate until otherwise noted in writing by the county. All prior transfers within 36 months of the date of the appraisal are noted in the report as per public records. The sources and data are considered reliable. Note that land sales are not noted as they usually encompass more then one lot and are not considered reliable information.

The interest appraised in this report is the fee simple interest of the subject property as a whole, as if owned in fee simple, free and clear of any encumbrances, special assessments, leases or other liens, unless otherwise specified as a leasehold property. Leasehold information is not always readily available to the appraiser and should be verified by the client.

In this appraisal, unless otherwise indicated, the existence of potentially hazardous material used in the construction or maintenance of the building or infestation or water damage has not been observed. This would include but is not limited to the presence of ureaformaldehyde foam insulation, existence of radon gas or toxic wastes, which may or may not be present on the property, infestation of any kind, current water leaks or flooding. Also subsoil factors, conditions and substances are assumed to be adequate for the subject's improvements. The appraiser is not qualified to detect any such substances or conditions and does not conduct the required testing to determine if such substances are existing on the subject property site. A reputable firm or local authority in such matters would need to be consulted to determine the existence of any unapparent conditions that would adversely affect the marketability and/or market value of the subject property. The estimate of value is based on the assumption that there are no hidden or unapparent substances or conditions present that would affect the marketability or the market value of the subject property. The appraiser does not normally inspect roofs, attics, crawl spaces well/septic areas or foundations under decks/porches or sheds. Insulation is assumed unless otherwise noted by the builder/homeowner. See also attached Statement of Limiting Conditions.

FEMA flood maps numbers are included whether or not the subject property is located in a flood plain hazard area. The appraiser has used his/her best abilities in reviewing the FEMA maps and in reviewing the assessor's records to determine if the subject property is in a flood zone. Because of the size of the FEMA maps and because of the lack of detail (individual lots are not outlined in the FEMA maps) and the potential for error, it is recommended that Flood Certification be obtained.

The reasonable exposure time for the subject property is estimated to be 1 - 6 months given statistical information of days on the market, sales verification and information from local realtors when available assuming the subject property is priced accordingly for the market. The subject's design, appeal and style are good and conform well with the surrounding homes and thus is considered to have good overall marketability.

The signature on this report may have been affixed using a scanned, password protected original signature. Per the most current version of USPAP, "a signature can be represented by a handwritten mark, a digitized image controlled by a personalized identification number, or other media, where the appraiser has sole personalized control of affixing the signature." This report cannot be modified by anyone other than the appraiser controlling his/her own personal password except by those which the appraiser gives permission accordingly and therefore complies with all regulations set forth by the Appraisal Foundation, Fannie Mae and Freddie Mac.

The appraiser will be entitled to an hourly rate of compensation of $250, above and beyond the initial fee for preparing this report, for any participation in subsequent legal proceedings.

The present use of the subject property conforms to the neighborhood and conforms to current zoning regulations. As currently improved the subject meets the requirements for testing highest and best use, that is, the present use is physically possible, legally permissible, financially feasible and is maximally productive over any other uses that meet the preceding three requirements.

This assignment follows all guidelines outlined by the Uniform Standards of Professional Appraisal Practice. Any apparent requests in the order that are not in compliance with USPAP are addressed to the lender and/or deleted from the order by the appraiser and appraiser proceeds with assignment in full compliance with USPAP Ethics Rule Standards 1 and 2. The appraiser will send no copies of this report to anyone other than the lender stated in the appraisal without the written consent of said lender (this includes but is not limited to: the homeowner/s, intended users, investors etc). Altering a report in a manner that conceals the original client or intended users in the assignment violates the Conduct section of the Ethics Rule and therefore is not permitted.

In estimating the market value of the subject property an unbiased and systematic procedure is followed which leads to a logical final conclusion. The steps followed in this procedure are described below:

Identify the interest to be appraised and the purpose of the appraisal.

Identify and gather subject property information.

Define and gather neighborhood information.

Identify and gather information pertaining to comparable properties using research from MLS, under contract properties, and choose properties most similar to the subject property within the subject's neighborhood and marketing area.

Inspection of the subject - The exterior and (if applicable to the assignment) the interior of the subject property is inspected by the appraiser who notes features, materials, type and condition. Any apparent system or functional deficiencies, or any apparent hazardous substances are noted.

Inspect comparable properties: The appraiser drives by the comparable sales and performs an exterior inspection from the street noting construction, quality, views and other features. If a comparable has been viewed recently by the appraiser, this photo may be used. A photograph of each comparable is taken to be included in the appraisal report. If a photo is not able to be taken (ie: owner refusal, summer foliage, construction, private property notice, fence, people or other exterior blockage) a photo may be used from MRIS. Once the subject has been inspected and the comparables analyzed and selected, the Appraisal Report form is completed.

The report form and approaches to value: The comparables used in this report are, in the opinion of the appraiser, the best available after investigation of all sales activity in the subject's market area. Non-realty equipment, called personal property, such as kitchen equipment, hot tubs, washer/dryer or other miscellaneous items are often conveyed in the market because of their minimal value and typically do not affect the sales price or market value of property.

Note that any adjustment found on the room-count line reflects an adjustment for bathrooms only. Rooms and bedrooms are considered in the overall Gross Living Area and may or may not be adjusted for accordingly on the GLA line.

Supplemental Addendum

File No. MRQ39915

Borrower/Client	Ratan Kumar						
Property Address	520 Saint Paul St						
City	Baltimore	County	Baltimore City	State	MD	Zip Code	21202
Lender	UNITED BANK						

Sales Comparison Approach - After investigation and confirmation of relevant information obtained, the appraiser completed the market approach displaying the comparables that he/she considers to be the most similar to the subject property based on financing, time, location, features, and conditions. If an interior inspection was done, a sketch of the interior is included for conceptualization only and is not intended to be a precise delineation of the dwelling. Adjustments made in this approach are based on market reaction through matched pair sales analysis or otherwise known market reaction in terms of dollars to the specific differences between the subject property and comparable sales. Adjustments are not based on cost figures. If "No Adj" was noted in the comparable grid, then the difference is noted between the comparable and the subject however the difference is considered too slight/insignificant to warrant a dollar adjustment. After adjustments are made the different indications of value from each of the comparable sales are weighed, based on the similarity to the subject and reliability of information obtained, and an estimate of value using the market approach is reconciled. The Sales Comparison approach is weighed heavily in estimated market value due to sufficient market data. The Sales Comparison approach best reflects the actions of buyers and sellers in the marketplace.

The Cost Approach - The cost approach is only considered in the report if it is applicable to the assignment. Under USPAP, the appraiser is the one who determines if this approach is applicable. If not applicable but is provided, it is due to lender request only and should not be used to determine actual building cost/land value for insurance or any other purpose. If deemed applicable by the appraiser, the appraiser estimates the value of any improvements to the land in terms of their reproduction/replacement costs as though new. The appraiser then subtracts any estimated loss in value owing to the depreciation of the improvements and then adds an estimate of the value of the land. The Cost Approach is developed as additional support of value to the Sales Comparison analysis only and is not considered a good indicator of value for existing residential properties. The Cost Approach is completed using information from appraiser’s opinion of the local market with similar utility to the subject property, local builders/MLS and/or county land assessments records. Depreciation is a rounded estimate made by the appraiser who takes into account the effective age of the subject property and its remaining economic life to determine a depreciation factor applicable to the subject property and subtracting it from the estimate cost of replacing the subject improvements. To this depreciation cost, the land value is added to under 1 year of age and is not considered a good indicator of value for older/existing homes or condos as it is not always feasible to determine the price of constructing an identical new property as the exact details of workmanship present in an older home may make it impossible to duplicate today at a reasonable price. Land values (if measured) are determined by sales data on land sales and/or available county assessment records. If enough information is available to develop an Income Approach, then an Income Approach is also developed using a GRM, Gross Rent Multiplier.Typically, in the subject's market, sufficient information is not available on single family properties to estimate the value by the Income Approach.

Income Approach - Estimated value by the income approach is calculated by the market rent, derived from comparable rentals when an ample number are available, and a gross rent multiplier, derived from est. value and sales of rental units purchased for income production when an ample number are available. When there is not sufficient data to reach a meaningful indication of value using this approach it is noted on the report form and not used.

Final Reconciliation - A final reconciliation of the approaches to value utilized in the development of this report is completed based on the reliability of each approach and of the information obtained. The appraiser then makes his/her estimate of market value for the subject property and completes and signs the report. The sales comparison approach may be the only approach used in the final reconciliation due to being considered most credible in the value conclusion, unless otherwise noted in the report.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report, I John Van Dyke, residential Associate Member of the Appraisal Institute has completed the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.

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

LICENSE

Martin O'Malley
Governor

Anthony G. Brown
Lt. Governor

Alexander M. Sanchez
Secretary

LICENSE, REGISTRATION, OR CERTIFICATION

State of Maryland

DEPARTMENT OF LABOR, LICENSING AND REGULATION

COMMISSION OF RE APPRAISERS & HOME INSPECTORS

CERTIFIES THAT

JOHN M VAN DYKE

SIGNATURE OF BEARER

IS AN AUTHORIZED CERTIFIED RESIDENTIAL

LIC. REG. CERT. NO.	EXPIRATION DATE	EFFECTIVE DATE	CATEGORY	
12471	07-16-2013	06-07-2010	03	3993373

WHERE REQUIRED BY LAW THIS MUST BE CONSPICUOUSLY DISPLAYED IN OFFICE TO WHICH IT APPLIES