

APPRAISAL OF



LOCATED AT:

64 LUDLOW AVE
BELLE MEAD, NJ 08502-3906

FOR:

HOMEBRIDGE FINANCIAL SERVICES INC.
194 WOOD AVE SOUTH, 9TH FLOOR
ISELIN, NJ 08830

BORROWER:

CROSS, JOHN L. JR

AS OF:

OCTOBER 13, 2015

BY:

JOHN JERBAS

MORTGAGE MANAGEMENT CONSULTING
HOMEBRIDGE FINANCIAL SERVICES INC.
194 WOOD AVE SOUTH, 9TH FLOOR
ISELIN, NJ 08830

File Number: 64LUDLOW

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

64 LUDLOW AVE
BELLE MEAD, NJ 08502-3906

The purpose of this appraisal is to develop an opinion of the market value of the subject property, as improved.
The property rights appraised are the fee simple interest in the site and improvements.

In my opinion, the market value of the property as of OCTOBER 13, 2015 is:

\$485,000
FOUR HUNDRED EIGHTY-FIVE THOUSAND DOLLARS

The attached report contains the description, analysis and supportive data for the conclusions,
final opinion of value, descriptive photographs, limiting conditions and appropriate certifications.


JOHN JERBAS

Uniform Residential Appraisal Report

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

Property Address 64 LUDLOW AVE City BELLE MEAD State NJ Zip Code 08502-3906
Borrower CROSS, JOHN L. JR Owner of Public Record CROSS, JOHN L. JR County SOMERSET
Legal Description BLOCK : 3001 LOT: 3 *MONTGOMERY TWP
Assessor's Parcel # 1813-03001-0000-00003 Tax Year 2015 R.E. Taxes \$ 9,323
Neighborhood Name MONTGOMERY TWP/ BELLE MEAD POSTAL ADDRESS Map Reference SKY MAPS Census Tract 0542.02
Occupant [X] Owner [] Tenant [] Vacant Special Assessments \$ 0.00 [] PUD HOA \$ 0.00 [] per year [] per month
Property Rights Appraised [X] Fee Simple [] Leasehold [] Other (describe)
Assignment Type [] Purchase Transaction [X] Refinance Transaction [] Other (describe)
Lender/Client HOMEBRIDGE FINANCIAL SERVICES INC. Address 194 WOOD AVE SOUTH, 9TH FLOOR, ISELIN, NJ 08830
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 [X] No
Report data source(s) used, offering price(s), and date(s). NO LISTING HISTORY IN THE PAST 12-MONTHS ACCORDING TO THE COUNTY MLS SERVICE.

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.

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 [X] Suburban [] Rural Property Values [] Increasing [X] Stable [] Declining PRICE AGE One-Unit 85 %
Built-Up [X] Over 75% [] 25-75% [] Under 25% Demand/Supply [] Shortage [X] In Balance [] Over Supply \$(000) (yrs) 2-4 Unit %
Growth [] Rapid [X] Stable [] Slow Marketing Time [] Under 3 mths [X] 3-6 mths [] Over 6 mths 300 Low 1 Multi-Family %
Neighborhood Boundaries THE NEIGHBORHOOD BOUNDARIES ARE WEST TO MOUNTAINVIEW RD, EAST TO ROUTE 206, SOUTH TO BELL MEADE RD AND NORTH TO AMWELL RD. 600 High 75 Commercial %
500 Pred. 45 Other VAC 15 %
Neighborhood Description THE SUBJECT IS LOCATED ON A DEAD ND STREET IN MONTGOMERY THAT IS MADE UP OF VARIOUS AGE AND STYLE SINGLE FAMILY HOMES. MAINTENANCE IN THE AREA IS DEEM TO BE AVERAGE WITH NO UNFAVORABLE FACTORS NOTED. THERE ARE SHOPPING FACILITIES ALONG ROUTE 206. THERE IS A SMALL PRIVATE FARM AND SOME VACANT LAND DOWN THE STREET.
Market Conditions (including support for the above conclusions) THE SUBJECT IS LOCATED IN AN AVERAGE GROWTH AREA. TYPICAL FINANCING IS CONVENTIONAL WITH VA/FHA. LOAN DISCOUNTS AND/OR CONCESSIONS ARE NOT UNCOMMON IN THIS MARKET.
SEE ATTACHED 1004 MARKETING CONDITIONS FORM.

Dimensions 125X180 Area 21867 sf Shape MOSTLY RECTANGULAR View N;Res;
Specific Zoning Classification R-2 ZONE Zoning Description RESIDENTIAL SINGLE FAMILY
Zoning Compliance [X] Legal [] Legal Nonconforming (Grandfathered Use) [] No Zoning [] Illegal (describe)
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? [X] Yes [] No If No, describe.

Utilities Public Other (describe) Public Other (describe) Off-site Improvements—Type Public Private
Electricity [X] [] Water [] [X] WELL WATER Street MACADAM [X] []
Gas [X] [] Sanitary Sewer [] [X] SEPTIC SYSTEM Alley NONE [] []
FEMA Special Flood Hazard Area [] Yes [X] No FEMA Flood Zone X FEMA Map # 34035C0231E FEMA Map Date 09/28/2007
Are the utilities and off-site improvements typical for the market area? [X] Yes [] No If No, describe.
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? [] Yes [X] No If Yes, describe. NO APPARENT ADVERSE CONDITIONS NOTED. HOWEVER NO SURVEY WAS AVAILABLE. WELL AND SEPTIC SYSTEMS ARE COMMON FOR THE AREA. THERE ARE NO PUBLIC SEWERS OR WATER SERVICE IN THE AREA AT THIS TIME.

GENERAL DESCRIPTION FOUNDATION EXTERIOR DESCRIPTION materials/condition INTERIOR materials/condition
Units [X] One [] One with Accessory Unit [] Concrete Slab [] Crawl Space Foundation Walls CONCRETE BLK/AVG Floors HW/TILE/CPT/AVG
of Stories 2 [X] Full Basement [] Partial Basement Exterior Walls WOOD/BRICK/AVG Walls DRYWALL/AVG
Type [X] Det. [] Att. [] S-Det./End Unit Basement Area 816 sq. ft. Roof Surface ASPHALT/AVG Trim/Finish WOOD/AVG
[X] Existing [] Proposed [] Under Const. Basement Finish 59 % Gutters & Downspouts ALM/AVG Bath Floor CERAMIC/AVG
Design (Style) COLONIAL [] Outside Entry/Exit [X] Sump Pump Window Type WDH/ROLL OUT/AVG Bath Wainscot CERAMIC/DW/AVG
Year Built 1973 Evidence of [] Infestation Storm Sash/Insulated INSUL WINDS/AVG Car Storage [] None
Effective Age (Yrs) 12 [] Dampness [] Settlement Screens ALM/AVG [X] Driveway # of Cars 6
Attic [] None Heating [X] FWA [] HWBB [] Radiant Amenities [] WoodStove(s) #0 Driveway Surface MACADAM
[X] Drop Stair [] Stairs [] Other [] Fuel GAS [] Fireplace(s) # 0 [] Fence NONE [X] Garage # of Cars 2
[] Floor [] Scuttle Cooling [X] Central Air Conditioning [X] Patio/Deck PATIO [X] Porch OPEN [] Carport # of Cars 0
[] Finished [] Heated [] Individual [] Other [] Pool NONE [] Other NONE [] Att. [] Det. [X] Built-in
Appliances [P] Refrigerator [X] Range/Oven [X] Dishwasher [] Disposal [P] Microwave [P] Washer/Dryer [P] Other (describe) WD REFRIG PERSONAL

Finished area above grade contains: 8 Rooms 4 Bedrooms 2.1 Bath(s) 2,020 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.) THE SUBJECT ASH A SMALL OPEN FRONT PORCH, PATIO IN REAR, CAC. THE BASEMENT HAS A FINISHED ROOM. THE BELOW GRADE ROOM WAS NOT INCLUDED IN ROOM COUNT OR LIVING AREA OF THE HOUSE. SEE ATTACHED.
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C3:Kitchen-not updated;Bathrooms-remodeled-less than one year ago;THE SUBJECT APPEARS TO BE PROPERLY MAINTAINED AND IS DEEMED TO BE IN AVERAGE CONDITION AT THIS TIME.
PHYSICAL DEPRECIATION ATTRIBUTED TO NORMAL WEAR AND TEAR. NO FUNCTIONAL OR EXTERNAL DEPRECIATION NOTED.
*NO VALUE PLACED ON NON-REALTY ITEMS.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? [] Yes [X] No If Yes, describe.
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [X] Yes [] No If No, describe.

Uniform Residential Appraisal Report

There are 29 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 365,000 to \$ 600,000
 There are 73 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 335,000 to \$ 591,000

FEATURE	SUBJECT	COMPARABLE SALE NO. 1		COMPARABLE SALE NO. 2		COMPARABLE SALE NO. 3	
Address	64 LUDLOW AVE BELLE MEAD, NJ 08502-3906	49 Ludlow Ave Belle Mead, NJ 08502-3907		38 Ludlow Ave Belle Mead, NJ 08502-3905		127 Bridgepoint Rd Belle Mead, NJ 08502-5805	
Proximity to Subject		0.09 MILES SE		0.13 MILES SE		3.37 MILES SE	
Sale Price	\$	\$ 412,000		\$ 390,000		\$ 515,000	
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 236.78 sq. ft.		\$ 246.52 sq. ft.		\$ 254.32 sq. ft.	
Data Source(s)		GSMLS #3227774;DOM 25		GSMLS #3214111;DOM 0		GSMLS #3230037;DOM 65	
Verification Source(s)		COUNTY TAX RECORDS		COUNTY TAX RECORDS		COUNTY TAX RECORDS	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sale or Financing Concessions		ArmLth Conv:0		ArmLth Conv:0		ArmLth Conv:0	
Date of Sale/Time		s08/15:c06/15		s05/15:c04/15		s09/15:c08/15	
Location	N;Res;	N;Res;		N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	FEE SIMPLE		FEE SIMPLE		FEE SIMPLE	
Site	21867 sf	30928 sf	-9,000	1.12 ac	-27,000	1.06 ac	-24,500
View	N;Res;	N;Res;		N;Res;		N;Res;	
Design (Style)	DT2:COLONIAL	DT1:RANCH	20,600	DT1:RANCH	19,500	DT2:COLONIAL	
Quality of Construction	Q3	Q3		Q3		Q3	
Actual Age	42	57	0	61	0	50	0
Condition	C3	C3		C4	19,500	C3	
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Room Count	8 4 2.1	7 3 2.0	10,000	7 3 2.0	10,000	8 4 2.1	
Gross Living Area 50.00	2,020 sq. ft.	1,740 sq. ft.	14,000	1,582 sq. ft.	22,000	2,025 sq. ft.	0
Basement & Finished Rooms Below Grade	816sf489sfin 1r0br0.0ba0o	1127sf338sfin 1r0br0.0ba0o	0	1294sf680sfin 1r0br1.0ba0o	0	1107sf553sfin 1r0br0.0ba0o	0
Functional Utility	AVERAGE	AVERAGE		AVERAGE		AVERAGE	
Heating/Cooling	FWA C/AIR	FWA C/AIR		FWA C/AIR		FWA C/AIR	
Energy Efficient Items	INSUL WINDOWS	INSUL WINDOWS		INSUL WINDOWS		INSUL WINDOWS	
Garage/Carport	2gb6dw	2ga6dw	0	2ga6dw	0	2gb6dw	
Porch/Patio/Deck	PATIO/PORCH	PATIO/PORCH/DECK	-5,000	PATIO/PORCH		DECK/PORCH	0
FIREPLACE	NONE	2 F/P	-10,000	1 F/P	-5,000	1 F/P	-5,000
POOL	NONE	NONE		NONE		NONE	
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 20,600	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 39,000	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 29,500
Adjusted Sale Price of Comparables		Net Adj. 5.0% Gross Adj. 16.7%	\$ 432,600	Net Adj. 10.0% Gross Adj. 26.4%	\$ 429,000	Net Adj. -5.7% Gross Adj. 5.7%	\$ 485,500

SALES COMPARISON APPROACH

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

My research 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) THE SUBJECT WAS LAST SOLD ON 09/08/15 FOR \$340,000 AS A BANK OWNED PROPERTY. SEE BELOW.

My research 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) NONE NOTED IN THE PAST 12-MONTHS.

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

ITEM	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Date of Prior Sale/Transfer	09/08/2014			
Price of Prior Sale/Transfer	\$340,000			
Data Source(s)	SOMERSET COUNTY TAX	SOMERSET COUNTY TAX	SOMERSET COUNTY TAX	SOMERSET COUNTY TAX
Effective Date of Data Source(s)	10/13/2015	10/13/2015	10/13/2015	10/13/2015

Analysis of prior sale or transfer history of the subject property and comparable sales SEE ATTACHED FOR ADDITIONAL COMPS AND COMMENTS.
 SOME OF THE SALES HAVE BELLE MEAD POSTAL ADDRESSES, HOWEVER THEY ARE ALL WITHIN THE MUNICIPALITY OF MONTGOMERY NJ.

THE SUBJECT WAS SOLD IN 2014 AS A BANK OWNED HOUSE. SINCE THIS TIME THE INTERIOR AND EXTERIOR OF THE HOUSE WAS UPDATED. THERE WAS A SHERIFF'S SALE ON 04/16/13 FOR \$1000 DEED TRANSFER. THIS WAS NOT AN ARMS LENGTH TRANSACTION. NO OTHER 3-YEAR HISTORY NOTED.

Summary of Sales Comparison Approach. ALL THREE APPROACHES TO VALUE WERE CONSIDERED. THE INCOME APPROACH WAS NOT UTILIZED DUE TO THE LACK OF SUPPORTABLE DATA. MOST WEIGHT WAS GIVEN TO THE SALES APPROACH SINCE IT IS MOST REFLECTIVE OF BUYERS ACTIONS.

Indicated Value by Sales Comparison Approach \$ 485,000

Indicated Value by: Sales Comparison Approach \$ 485,000 Cost Approach (if developed) \$ 485,700 Income Approach (if developed) \$ 0
 MOST CONSIDERATION WAS GIVEN TO THE SALES COMPARISON ANALYSIS AS IT BEST REFLECTS THE ACTIONS OF TYPICAL BUYERS & SELLERS IN A COMPETITIVE MARKET. THE COST WAS NOT DEVELOPED. THE APPRAISER'S SIGNATURE WAS ELECTRONICALLY AFFIXED.

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: AS-IS VALUE OF THE SUBJECT. ALL OF THE UTILITIES WERE OPERABLE AT THE TIME OF THE INSPECTION.

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 \$ 485,000 as of 10/13/2015, which is the date of inspection and the effective date of this appraisal.

Uniform Residential Appraisal Report

FEATURE	SUBJECT	COMPARABLE SALE NO. 4		COMPARABLE SALE NO. 5		COMPARABLE SALE NO. 6	
64 LUDLOW AVE		30 Ellis Dr		11 Deer Run Dr		245 Township Line Rd	
Address	BELLE MEAD, NJ 08502-3906	Belle Mead, NJ 08502-5015		Belle Mead, NJ 08502-5712		Belle Mead, NJ 08502-4106	
Proximity to Subject		3.03 MILES SE		2.50 MILES SW		1.27 MILES SE	
Sale Price	\$	\$	560,000	\$	529,000	\$	539,900
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 221.52 sq. ft.		\$ 221.62 sq. ft.		\$ 270.49 sq. ft.	
Data Source(s)		GSMLS #3207436;DOM 69		GSMLS #3182616;DOM 24		GSMLS #3227866;DOM 99	
Verification Source(s)		COUNTY TAX RECORDS		COUNTY TAX RECORDS		COUNTY TAX RECORDS	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sale or Financing Concessions		ArmLth Conv:0		ArmLth Conv:0		Listing ;	
Date of Sale/Time		s07/15;c06/15		s02/15;c11/14		c09/15	-16,197
Location	N:Res;	N:Res;		N:Res;		A:Bsyrd;	16,197
Leasehold/Fee Simple	Fee Simple	FEE SIMPLE		FEE SIMPLE		FEE SIMPLE	
Site	21867 sf	1.14 ac	-28,000	1.00 ac	-21,500	1.43 ac	-40,500
View	N:Res;	N:Res;		N:Res;		B:Glfvw;	-26,995
Design (Style)	DT2:COLONIAL	DT2:COLONIAL		DT2:COLONIAL		DT2:COLONIAL	
Quality of Construction	Q3	Q3		Q3		Q3	
Actual Age	42	51	0	42		37	0
Condition	C3	C3		C3		C3	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths	
Room Count	8 4 2.1	9 5 2.1	0	9 4 2.1	0	8 4 2.1	
Gross Living Area 50.00	2,020 sq. ft.	2,528 sq. ft.	-25,500	2,387 sq. ft.	-18,500	1,996 sq. ft.	0
Basement & Finished Rooms Below Grade	816sf489sfin 1rr0br0.0ba0o	728sf430sfin 1rr0br0.0ba0o	0	1188sf800sfin 1rr0br0.0ba0o	0	1008sf0sfin	0 10,000
Functional Utility	AVERAGE	AVERAGE		AVERAGE		AVERAGE	
Heating/Cooling	FWA C/AIR	FWA C/AIR		FWA C/AIR		FWA C/AIR	
Energy Efficient Items	INSUL WINDOWS	INSUL WINDOWS		INSUL WINDOWS		INSUL WINDOWS	
Garage/Carport	2gbi6dw	2gbi6dw		2gbi6dw		2gbi6dw	
Porch/Patio/Deck	PATIO/PORCH	PATIO/PORCH		DECK/PORCH	0	PATIO/PORCH	
FIREPLACE	NONE	1 F/P	-5,000	1 F/P	-5,000	1 F/P	5,000
POOL	NONE	INGR POOL	-20,000	NONE		NONE	
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 78,500	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 45,000	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 52,495
Adjusted Sale Price of Comparables		Net Adj. -14.0% Gross Adj. 14.0%	\$ 481,500	Net Adj. -8.5% Gross Adj. 8.5%	\$ 484,000	Net Adj. -9.7% Gross Adj. 21.3%	\$ 487,405
ITEM	SUBJECT	COMPARABLE SALE NO. 4		COMPARABLE SALE NO. 5		COMPARABLE SALE NO. 6	
Date of Prior Sale/Transfer	09/08/2014						
Price of Prior Sale/Transfer	\$340,000						
Data Source(s)	SOMERSET COUNTY TAX	SOMERSET COUNTY TAX		SOMERSET COUNTY TAX		SOMERSET COUNTY TAX	
Effective Date of Data Source(s)	10/13/2015	10/13/2015		10/13/2015		10/13/2015	
Summary of Sales Comparison Approach COMPS 6 & 7 ARE NOT CLOSED SALES THESE ARE CURRENT LISTINGS IN THE AREA AND WERE ADJUSTED 3% OFF OF THEIR ASKING PRICES IN ORDER TO BRING THEM IN LINE WITH THE AVERAGE ASKING PRICE TO SALES PRICE RATIOS IN THE AREA.							
THE PHOTOS FROM THE MLS SERVICE WERE USED FOR THE LISTING COMPS WHICH IS COMMON APPRAISAL PRACTICE. IT IS ACCEPTABLE TO USE MLS PHOTOS FOR HOMES THAT ARE NOT CLOSED. BELOW IS A STATEMENT FROM FANNIE MAE AND USPAP REGARDING LISTING PHOTOS.							
•CLEAR, DESCRIPTIVE PHOTOGRAPHS (EITHER IN BLACK AND WHITE OR COLOR) THAT SHOW THE FRONT OF EACH COMPARABLE SALE AND THAT ARE APPROPRIATELY IDENTIFIED. (WE DO NOT REQUIRE PHOTOGRAPHS OF COMPARABLE RENTALS AND LISTINGS.) GENERALLY, PHOTOGRAPHS SHOULD BE ORIGINALS THAT ARE PRODUCED BY PHOTOGRAPHY OR ELECTRONIC IMAGING; HOWEVER, COPIES OF PHOTOGRAPHS FROM A MULTIPLE LISTING SERVICE OR FROM THE APPRAISER'S FILES ARE ACCEPTABLE IF THEY ARE CLEAR AND DESCRIPTIVE.							
OTHER SALES IN THE AREA THAT WERE CONSIDERED BUT NOT USED IN THIS REPORT WERE:							
-63 WILLOW RUN LANE 07/30/15 \$544,500							
-17 FAWN DR 07/31/15 \$530,000							
-10 FAWN DR 07/02/15 \$561,000							

Uniform Residential Appraisal Report

ADDITIONAL COMMENTS

COST APPROACH

INCOME

PUD INFORMATION

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) THE LAND VALUE WAS OBTAINED THROUGH LAND SALES IN THE ARE AND INTERVIEWS WITH LOCAL REAL ESTATE AGENTS. THERE HAVE BEEN MINIMAL BUILDABLE LOT SALES IN THE PAST YEAR DUE TO THE AREA BEING BUILT UP AT THIS TIME. LAND TO VALUE RATIO IS APPROXIMATELY 36% OF TOTAL VALUE WHICH IS COMMON FOR THE AREA.

Table with columns for Cost Approach details: ESTIMATED, REPRODUCTION OR REPLACEMENT COST NEW, OPINION OF SITE VALUE, Dwelling, BSMT, PATIO/CAC/PORCH, Garage/Carport, Total Estimate of Cost-New, Less Physical/Functional/External, Depreciation, Depreciated Cost of Improvements, *As-is* Value of Site Improvements, Estimated Remaining Economic Life (HUD and VA only).

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 DEPARTURE PROVISION WAS UTILIZED FOR THE INCOME APPROACH SINCE THERE WAS A LACK OF RELIABLE DATA TO DEVELOP A GROSS RENT MULTIPLIER AND THE SUBJECT IS OWNER OCCUPIED.

PROJECT INFORMATION FOR PUDs (if applicable)

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

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

Legal name of project

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

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

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

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

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

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

Describe common elements and recreational facilities.

Uniform Residential Appraisal Report

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

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

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

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

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

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

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

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

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

Uniform Residential Appraisal Report

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

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

Uniform Residential Appraisal Report

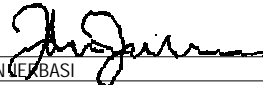
- 22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution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

THE APPRAISER'S SIGNATURE WAS ELECTRONICALLY AFFIXED.

APPRAISER

Signature 
 Name JOHN FERBASI
 Company Name JAYARR APPRAISERS
 Company Address 2191 MORRIS AVE
 UNION, NJ 07083
 Telephone Number 908-687-1300
 Email Address JAYARR100@VERIZON.NET
 Date of Signature and Report 10/16/2015
 Effective Date of Appraisal 10/13/2015
 State Certification # _____
 or State License # 42RA00023700
 or Other (describe) _____ State # _____
 State NJ
 Expiration Date of Certification or License 12/31/2015

ADDRESS OF PROPERTY APPRAISED
 64 LUDLOW AVE
 BELLE MEAD, NJ 08502-3906

APPRAISED VALUE OF SUBJECT PROPERTY \$ 485,000

LENDER/CLIENT
 Name MORTGAGE MANAGEMENT CONSULTING
 Company Name HOMEBRIDGE FINANCIAL SERVICES INC.
 Company Address 194 WOOD AVE SOUTH, 9TH FLOOR
 ISELIN, NJ 08830
 Email Address N/A

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

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

SUBJECT PROPERTY
 Did not inspect subject property
 Did inspect exterior of subject property from street
 Date of Inspection _____
 Did inspect interior and exterior of subject property
 Date of Inspection _____

COMPARABLE SALES
 Did not inspect exterior of comparable sales from street
 Did inspect exterior of comparable sales from street
 Date of Inspection _____

Uniform Appraisal Dataset Definitions

Condition Ratings and Definitions

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

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

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

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

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

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

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

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

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

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

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

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

Quality Ratings and Definitions

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

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

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

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

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

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

Definitions of Not Updated, Updated, and Remodeled**Not Updated**

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

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

Updated

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

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

Remodeled

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

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

Explanation of Bathroom Count

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

