

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

SECURITIES AND EXCHANGE)
COMMISSION,)
)
Plaintiff,)
)
v.)
)
KEVIN B. MERRILL, et al.,)
)
Defendants.)

Case No.: 1:18-cv-02844-RDB

**RECEIVER GREGORY S. MILLIGAN’S MOTION FOR AUTHORIZATION OF SALE OF
REAL PROPERTY LOCATED AT 27776 SHARP ROAD, EASTON, MD 21601**

This Motion for Sale of Real Property (“Sale Motion”) seeks authorization to sell real property located at 27776 Sharp Road, Easton, MD 21601 (the “Real Property”). If you oppose the sale identified in this Sale Motion, you should immediately contact the undersigned counsel for Receiver Gregory S. Milligan (the “Receiver”). If you and the Receiver cannot agree, you must file a written objection to the proposed sale within thirty (30) days of the filing of this Sale Motion. Your objection must state why the proposed sale should not be approved by the Court and whether the objecting party has a proposed buyer willing to purchase the Real Property for an amount that exceeds the Purchase Price set forth below. If no party files a timely objection, the proposed sale may be approved by the Court without a hearing, thereby authorizing the Receiver to close the sale as soon as practicable.

Receiver Gregory S. Milligan, with the consent of the Securities and Exchange Commission (the “SEC”) and the Office of the United States Attorney (the “U.S. Attorney’s Office”), respectfully files this Sale Motion for authorization to sell the real property located at 27776 Sharp Road, Easton, MD 21601 (the “Real Property”), pursuant to the approved procedures for the sale of the residential real property held by the Receiver. See Dkt. No. 137. The facts and circumstances supporting this Sale Motion are set forth in the Declaration of

Gregory S. Milligan (the “Milligan Declaration”), which is attached hereto as **Exhibit A**. In further support of this Sale Motion, the Receiver states as follows:

I. BACKGROUND

1. On March 8, 2019, the Receiver filed the Motion for Approval of Procedures for Sale of Real Property and Retention of Sotheby’s International Realty, Inc. as Broker (the “Sotheby’s Motion”) to obtain Court approval to market and sell the real property in the Receivership Estate. *See* Dkt. No. 107.

2. Defendant Kevin B. Merrill (“Merrill”) and Relief Defendant Amanda Merrill (“Amanda Merrill”) consented to the Sotheby’s Motion. *See* Dkt. Nos. 116 and 117.

3. Defendant Jay Ledford opposed the Sotheby’s Motion. *See* Dkt. No. 115.

4. On April 23, 2019, the Court entered an Agreed Order on the Sotheby’s Motion (the “Agreed Order”) with respect to certain real property owned or purchased by Merrill and/or Amanda Merrill (the “Merrill Real Property”), which established the procedures for the sale of the Merrill Real Property (the “Real Property Sales Procedures”). *See* Dkt. No. 137.

5. The Real Property is one of the Merrill Real Properties that was approved for marketing and sale by the Court, and title is held in the name of Kevin and Amanda Merrill. *See* Dkt. No. 137.

6. Pursuant to the Real Property Sales Procedures, the Receiver retained Sotheby’s International Realty, Inc. (“Sotheby’s”) and began marketing the Real Property for sale. *See* Milligan Declaration at ¶ 6.

7. The initial listing price for the Real Property was \$1,400,000.00. *See id.* at ¶ 7.

8. After diligently marketing the Real Property, Sotheby’s received offers from four different prospective purchasers. After entering into several rounds of negotiations with such

potential purchasers, Sotheby's received an offer from Mike Gowl (the "Buyer") to purchase the Real Property for \$1,600,000.00 (the "Purchase Price"), which is \$200,000.00 above the listing price and \$111,000.00 above the highest appraised value for the Real Property. *See id.* at ¶ 8. A copy of the Residential Contract of Sale (the "Contract") is attached as **Exhibit 1** to the Milligan Declaration.

9. The Purchase Price is not contingent upon inspections or the sale of any current home owned by the Buyer. *See id.* at ¶ 9.

10. Pursuant to the Real Property Sales Procedures, the Receiver believes a private sale of the Real Property pursuant to the terms of the Contract will yield a higher return than a public auction. *See id.* at ¶ 10.

11. Pursuant to 28 U.S.C. § 2001, the Receiver obtained three appraisals of the Real Property from disinterested appraisers. *See id.* at ¶ 11.

12. The first appraisal was performed by William D. Weise and W. Fitzhugh Turner of Tidewater Properties Appraisers (the "Tidewater Appraisal"), which concluded the present market value of the Real Property was \$900,000.00 as of May 23, 2019. *See id.* at ¶ 12. A copy of the Tidewater Appraisal is attached as **Exhibit 2** to the Milligan Declaration.

13. The second appraisal was performed by Adam J. Bolling of Appraisal Concepts, Inc. (the "Bolling Appraisal"), which concluded the present market value of the Real Property was \$1,489,000.00 as of May 24, 2019. *See id.* at ¶ 13. A copy of the Bolling Appraisal is attached as **Exhibit 3** to the Milligan Declaration.

14. The third appraisal was performed by Herbert L. Hosford, III, of Four Corners Appraisal Group (the "Hosford Appraisal") (the Tidewater Appraisal, Bolling Appraisal, and Hosford Appraisal are collectively, the "Appraisals"), which concluded the present market value

of the Real Property was \$1,450,000.00 as of May 27, 2019. *See id.* at ¶ 14. A copy of the Hosford Appraisal is attached as **Exhibit 4** to the Milligan Declaration.

15. The Purchase Price for the sale proposed by the Receiver significantly exceeds the appraised values of the Real Property. *See id.* at ¶ 15.

16. The Receiver believes that the sale of the Real Property to the Buyer at this time pursuant to the terms of the Contract is in the best interest of the Receivership Estate¹ to maximize the recovery and preservation of Receivership Assets. *See id.* at ¶ 16.

17. The Real Property is subject to a mortgage to Branch Banking and Trust Company (“**BB&T**”) with a balance of \$666,800.01 as of August 8, 2019. *See id.* at ¶ 17.

18. If approved by the Court, the proposed 6% commission of \$96,000.00 (the “Commission”) would be paid 50% to Sotheby’s and 50% to the Buyer’s broker and out of the Purchase Price at closing. *See id.* at ¶ 18.

19. Additionally, if approved by the Court, Sotheby’s would also receive an administrative fee of \$495.00 (the “Administrative Fee”) to be paid out of the Purchase Price at closing. *See id.* at ¶ 19.

20. Finally, if approved by the Court, the sale of the Real Property would also incur customary closing costs for taxes and other government fees in the approximate amount of \$21,660.00 to be paid at closing out of the Purchase Price. *See id.* at ¶ 20. A copy of the draft Settlement Statement is attached to the Milligan Declaration as **Exhibit 5**.

¹ Capitalized terms herein shall have the same meaning as used in the First Amended Order Appointing Temporary Receiver (the “Receivership Order”) (Dkt. No. 62) unless otherwise noted.

II. REQUESTED RELIEF

21. The Receiver seeks Court authorization to sell the Real Property to the Buyer for the Purchase Price and pursuant to the other terms and conditions described in this Sale Motion. Pursuant to the Agreed Order, the Receiver also seeks Court authorization to pay the Commission, Administrative Fee, and other customary closing costs out of the Purchase Price. *See* Dkt. No. 137 ¶ 6.

22. The Purchase Price for the sale proposed by the Receiver significantly exceeds the appraised values of the Real Property. *See* Milligan Declaration at ¶ 15.

23. The Receiver believes a private sale of the Real Property will yield a higher sale price than a public auction. *See id.* at ¶ 16.

24. In the Receiver's business judgment, the Commission and Administrative Fee proposed by Sotheby's is fair market value for such services and will result in a net benefit to the Receivership Estate and will reduce the administrative cost to the Receivership Estate. Pursuant to the Agreed Order, the Receiver seeks authorization to pay these fees in connection with the sale of the Real Property. If Sotheby's was required to submit fee applications, the burden of preparing those fee applications would fall on the Receiver's professionals and would increase the burden on the Receivership Estate. Accordingly, the Receiver is requesting final approval for payment of Sotheby's Commission and Administrative Fee, along with all other customary closing costs, out of the Purchase Price at closing without need of further Court approval. *See id.* at ¶ 21.

25. Pursuant to the Real Property Sales Procedures, this Sale Motion will be served on all Known Parties of Interest. As used in this Sale Motion, the term "Known Parties of Interest" shall mean: (i) all counsel and/or pro se parties of record who have registered to receive

electronic service; (ii) all parties of record in this matter who have not registered to receive electronic service; and (iii) any individuals or entities who hold a recorded lien on the Real Property. Any Known Parties of Interest who have registered to receive electronic service shall receive a copy of this Sale Motion through the Court's CM/ECF filing system. All other Known Parties of Interest shall receive a copy of the Sale Motion through regular U.S. Mail. The Sale Motion will act as formal legal notice of the proposed sale and will require all Known Parties of Interest with objections to the proposed sale to timely respond to this Sale Motion or be deemed to consent to the sale. The Receiver will also post a copy of this Sale Motion and proposed order on the Receiver's website for this case, *www.merrill-ledford.com*, to provide adequate notice to the public of the proposed sale.

26. Pursuant to the Real Property Sales Procedures, any party, entity, or person asserting an objection to this Sale Motion shall file its objection within thirty (30) days of the filing of the Sale Motion. In the event an objection is filed to this Sale Motion, such objecting party shall state why the proposed sale should not be approved by the Court and whether the objecting party has a proposed buyer who is willing to purchase the Real Property for an amount that exceeds the proposed Purchase Price. The Receiver's response to any objection to this Sale Motion shall be due within fourteen (14) days of the date the objection was filed with the Court. If the Receiver fails to respond to the objection, the objection shall be granted and this Sale Motion shall be denied. If the Receiver files a response, the Court may thereafter determine whether a hearing is necessary to (i) approve the sale, (ii) sustain the objection, or (iii) order a public auction with the proposed Buyer and terms under the Sale Motion to act as a "stalking horse" bid, subject to higher and better offers.

27. Pursuant to the Real Property Sales Procedures, if no objection is filed, or if the Court approves the sale subsequent to an objection, the Receiver's sale of the Real Property shall be free and clear of all liens, claims, and encumbrances, unless the Court orders that such liens, claims, or encumbrances shall attach to the proceeds of such sale. All allowed claims shall attach to the proceeds of the sale of the Real Property without need for further Court order. If any party asserts a lien, claim, or encumbrance on the Real Property, such sale may still go forward to closing, with a determination of the extent, validity, and/or priority of the alleged lien, claim, or encumbrance to be made by the Court at a later date.

28. Pursuant to the Agreed Order, the net proceeds of the sale of the Real Property will be held in an interest-bearing account maintained by the Receiver pending final resolution of this SEC Action or further Order of this Court. Pursuant to the Agreed Order, all rights, reservations, claims, defenses, and objections of Amanda Merrill, the SEC, and the Receiver have been preserved with respect to distribution of the proceeds.

III. CONCLUSION

WHEREFORE, the Receiver respectfully requests that this Court enter an Order: (i) granting this Sale Motion; (ii) authorizing the Receiver to sell the Real Property to the Buyer free and clear of liens, claims, and encumbrances (with such liens, claims, and encumbrances, if any, to attach to the sales proceeds) for the Purchase Price and pursuant to the other terms disclosed in this Sale Motion; (iii) authorizing the Receiver to pay off the existing mortgage on the Real Property with BB&T, which had a balance of \$666,800.01 as of August 8, 2019, plus accrued interest; (iv) authorizing Sotheby's to receive the Commission at closing from the Purchase Price, which will be shared equally with the Buyer's broker, plus the Administrative Fee; (v)

authorizing the Receiver to pay other customary closing costs out of the Purchase Price at closing; and (vi) granting such other relief as the Court deems just and proper.

Date: August 22, 2019.

Respectfully Submitted,

/s/ Lynn H. Butler

Lynn H. Butler, *pro hac vice*
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buffey.klein@huschblackwell.com

Counsel for Receiver Gregory S. Milligan

CERTIFICATE OF SERVICE

On August 22, 2019, I electronically submitted the foregoing document with the clerk of the court of the U.S. District Court for the District of Maryland, using the electronic case filing system of the court. I hereby certify that I have served all counsel and/or pro se parties of record electronically through the Court's CM/ECF filing system for all parties who have registered to receive electronic service. Additionally, the foregoing document was served on the following parties not registered for Court's CM/ECF filing system as indicated below:

Defendant Kevin B. Merrill (via U.S. Mail):

Kevin B. Merrill
Harford County Detention Center, #1335278
1030 Rock Spring Rd.
Bel Air, MD 21014

Defendant Jay B. Ledford (via U.S. Mail):

Jay B. Ledford, #1563752
Howard County Department of Corrections
7301 Waterloo Road
Jessup, MD 20794

Criminal Counsel for Defendant Kevin B. Merrill (via E-Mail and U.S. Mail):

Elizabeth Genevieve Oyer
Office of the Federal Public Defender
100 S Charles St Ste 900 Tower II
Baltimore, MD 21201
liz_oyer@fd.org

Maggie Grace
Office of the Federal Public Defender
100 S Charles St, Tower II, 9th Floor
Baltimore, MD 21201
maggie_grace@fd.org

Criminal Counsel for Defendant Jay B. Ledford (via E-Mail and U.S. Mail):

Harry J Trainor, Jr
Trainor Billman Bennett and Milko LLP
116 Cathedral St Ste E
Annapolis, MD 21401
htrain@prodigy.net

Criminal Counsel for Defendant Cameron R. Jezierski (via E-Mail and U.S. Mail):

Joseph J Aronica
Duane Morris LLP
505 9th St NW Ste 1000
Washington, DC 20004
jjaronica@duanemorris.com

Criminal Counsel for Relief Defendant Amanda Merrill (via E-Mail and U.S. Mail):

Addy R. Schmitt
Ian Herbert
Miller & Chevalier Chartered
900 16th St NW
Washington, DC 20006
aschmitt@milchev.com
iherbert@milchev.com

Relief Defendant Lalaine Ledford (via U.S. Mail):

Lalaine Ledford
10512 Courtney Cove Ave.
Las Vegas, NV 89144

Baltimore County Office of Law (via E-Mail and U.S. Mail):

Susan B. Dubin
Baltimore County Office of Law
400 Washington Avenue
Towson, Maryland 21204
sdubin@baltimorecountymd.gov

Dundalk United Methodist Church (U.S. Mail):

Dundalk United Methodist Church
c/o Edward F. Mathus
6903 Mornington Road
Baltimore, Maryland 21222

Branch Banking and Trust Company (via E-Mail and U.S. Mail):

Debra S. Clayman
Associate General Counsel
Branch Banking and Trust Company (BB&T)
200 West Second Street
Winston-Salem, North Carolina 27101
dclayman@bbandt.com

Lienholders, Tax Assessors, and Other Interested Parties (U.S. Mail):

Florida Community Bank, N.A.
2325 Vanderbilt Beach Road
Naples, Florida 34109
Mortgage Electronic Registration Systems, Inc.
PO Box 2026
Flint, Michigan 48501-2026

Collier County, Florida Tax Assessor
3291 Tamiami Trail East
Naples, Florida 34112

Maryland Department of Assessments & Taxation
301 W. Preston Street
Baltimore, Maryland 21201-2395

Branch Banking and Trust Company,
A North Carolina Banking Corporation
PO Box 1290
Whiteville, North Carolina 28472

Talbot County, Maryland Finance Office
Talbot County Courthouse
11 North Washington Street, Suite 9
Easton, Maryland 21601

HSBC Bank USA, National Association, as trustee of
J.P. Morgan Alternative Loan Trust 2006-A5
c/o Howard n. Bierman, Trustee
c/o Select Portfolio Servicing, Inc.
3815 Southwest Temple
Salt Lake City, Utah 84115

Clark County, Nevada Tax Assessor
500 S. Grand Central Parkway
Las Vegas, Nevada 89155

First Financial Bank, N.A. Southlake
3205 E. Hwy. 114
PO Box 92840
Southlake, Texas 76092

Hunter Kelsey of Texas, LLC
4131 Spicewood Springs Road, Bldg. J-1A
Austin, Texas 78759

Frost Bank, f/k/a The Frost National Bank
c/o Michael J. Quilling
Quilling, Selander Lownds, Winslett & Moser, P.C.
2001 Bryan Street, Suite 1800
Dallas, Texas 75201

The City of Colleyville, Texas
c/o Victoria W. Thomas
Nichols, Jackson, Dilard, Hager & Smith, L.L.P.
1800 Lincoln Plaza
500 North Akard
Dallas, Texas 75201
Tarrant County, Texas Tax Assessor
100 E. Weatherford
Fort Worth, Texas 76196

J Trust
c/o Hillary RE. Badrow, Trustee
2801 Paramount Boulevard
Amarillo, Texas 79109

Dallas Central Appraisal District
2949 N. Stemmons Freeway
Dallas, Texas 75247-6195

Bozeman West
PO Box 1970
15632 West Main Street
Bozeman, Montana 59771-1970

Neil A. Patel
5308 Burgandy Court
Colleyville, Texas 76034

TIB – The Independent BankersBank
350 Phelps Court, Suite 200
PO Box 560528i
Dallas, Texas 75356-0528

Wachovia Mortgage, FSB
PO Box 659548
San Antonio, Texas 78265-9548

Denton County Tax Assessor
1505 E. McKinney Street
Denton, Texas 76209-4525

Potter County, Texas Tax Assessor
900 South Polk, Suite 106
Amarillo, Texas 79101

Wells Fargo Home Mortgage
P.O. Box 10335
Des Moines, IA 50306

Albertelli Law
Attn: Coury M. Jacocks
2201 W. Royal Lane, Suite 155
Irving, TX 75063

Samual I. White, P.C.
5040 Corporate Woods Drive, Suite 120
Virginia Beach, VA 23462

/s/ Lynn H. Butler

Lynn H. Butler

EXHIBIT A

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND**

SECURITIES AND EXCHANGE)
COMMISSION,)
)
Plaintiff,)
)
v.)
)
KEVIN B. MERRILL, et al.,)
)
Defendants.)

Case No.: 1:18-cv-02844-RDB

**DECLARATION OF GREGORY S. MILLIGAN IN SUPPORT OF RECEIVER’S
MOTION FOR AUTHORIZATION OF SALE OF REAL PROPERTY LOCATED AT
27776 SHARP ROAD, EASTON, MD 21601**

Gregory S. Milligan declares, pursuant to 28 U.S.C. § 1746 and under penalty of perjury, that the following is true and correct:

1. My name is Gregory S. Milligan and I am of sound mind and capable of making this Declaration. I have personal knowledge of the facts stated herein and they are true and correct.
2. I am the Court-appointed Receiver in the civil action styled *Securities and Exchange Commission v. Kevin B. Merrill, et al.*, Case No.: 1:18-cv-02844-RDB pending in the United States District Court for the District of Maryland.
3. In furtherance of my duties to manage and maintain the value of the Receivership Assets,¹ I filed a Motion for Approval of Procedures for Sale of Real Property and Retention of Sotheby’s International Realty, Inc. as Broker (the “Sotheby’s Motion”) (Dkt. No. 107) to obtain Court approval to market and sell the real property in the Receivership Estate.
4. On April 23, 2019, the Court entered an Agreed Order on the Sotheby’s Motion (the “Agreed Order”) (Dkt. No. 137) with respect to certain real property owned or purchased by Defendant Kevin B. Merrill and/or Relief Defendant Amanda Merrill (the “Merrill Real Property”), which established the procedures for the sale of the Merrill Real Property (the “Real Property Sales Procedures”).

¹ Capitalized terms herein shall have the same meaning as used in the First Amended Order Appointing Temporary Receiver (the “Receivership Order”) (Dkt. No. 62) unless otherwise noted.

5. The real property that is the subject of the current sale motion is located at 27776 Sharp Road, Easton, MD 21601 (the “Real Property”) and is one of the Merrill Real Properties that was approved for marketing and sale by the Court.
6. Pursuant to the Real Property Sales Procedures, I retained Sotheby’s International Realty, Inc. (“Sotheby’s”) and began marketing the Real Property for sale.
7. The initial listing price for the Real Property was \$1,400,000.00.
8. After diligently marketing the Real Property, Sotheby’s received offers from four different prospective purchasers. After entering into several rounds of negotiations with such potential purchasers, Sotheby’s received an offer from Mike Gowl (the “Buyer”) to purchase the Real Property for \$1,600,000.00 (the “Purchase Price”), which is \$200,000.00 above the listing price and \$111,000.00 above the highest appraised value for the Real Property. A copy of the Residential Contract of Sale (the “Contract”) is attached hereto as **Exhibit 1**.
9. The Purchase Price is not contingent upon inspections or the sale of any current home owned by the Buyer.
10. Pursuant to the Real Property Sales Procedures, I believe a private sale of the Real Property pursuant to the terms of the Contract will yield a higher return than a public auction.
11. Pursuant to 28 U.S.C. § 2001, I obtained three appraisals of the Real Property from disinterested appraisers.
12. The first appraisal was performed by William D. Weise and W. Fitzhugh Turner of Tidewater Properties Appraisers (the “Tidewater Appraisal”), which concluded the present market value of the Real Property was \$900,000.00 as of May 23, 2019. A copy of the Tidewater Appraisal is attached hereto as **Exhibit 2**.
13. The second appraisal was performed by Adam J. Bolling of Appraisal Concepts, Inc. (the “Bolling Appraisal”), which concluded the present market value of the Real Property was \$1,489,000.00 as of May 24, 2019. A copy of the Bolling Appraisal is attached hereto as **Exhibit 3**.
14. The third appraisal was performed by Herbert L. Hosford, III, of Four Corners Appraisal Group (the “Hosford Appraisal”) (the Tidewater Appraisal, Bolling Appraisal, and Hosford Appraisal are collectively, the “Appraisals”), which concluded the present market value of the Real Property was \$1,450,000.00 as of May 27, 2019. A copy of the Hosford Appraisal is attached hereto as **Exhibit 4**.
15. The Purchase Price for the sale proposed herein significantly exceeds the appraised values of the Real Property.
16. I believe that the sale of the Real Property to the Buyer at this time pursuant to the terms of the Contract is in the best interest of the Receivership Estate to maximize the recovery and preservation of Receivership Assets.

17. The Real Property is subject to a mortgage to Branch Banking and Trust Company (“BB&T”) with a balance of \$666,800.01 as of August 8, 2019.
18. If approved by the Court, the proposed 6% commission of \$96,000.00 (the “Commission”) would be paid 50% to Sotheby’s and 50% to the Buyer’s broker out of the Purchase Price at closing.
19. Additionally, if approved by the Court, Sotheby’s would also receive an administrative fee of \$495.00 (the “Administrative Fee”) to be paid out of the Purchase Price at closing.
20. Finally, if approved by the Court, the sale of the Real Property would also incur customary closing costs for taxes and other government fees in the approximate amount of \$21,660.00 to be paid at closing out of the Purchase Price. A copy of the draft Settlement Statement is attached hereto as **Exhibit 5**.
21. In my business judgment, the Commission and Administrative Fee proposed by Sotheby’s is fair market value for such services, will result in a net benefit to the Receivership Estate, and will reduce the administrative cost to the Receivership Estate. Pursuant to the Agreed Order, I seek authorization to pay these fees in connection with the sale of the Real Property. If Sotheby’s were required to submit fee applications, the burden of preparing those fee applications would fall on my professionals and would increase the burden on the Receivership Estate. Accordingly, I am requesting final approval for payment of Sotheby’s Commission and Administrative fee, along with all other customary closing costs, at closing out of the Purchase Price without need of further Court approval.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 22, 2019.



GREGORY S. MILLIGAN

EXHIBIT 1

dotloop signature verification:
DocuSign Envelope ID: 41376B95-8DCB-4FC8-90C3-59B103A63BE9



RESIDENTIAL CONTRACT OF SALE

This is a Legally Binding Contract; If Not Understood, Seek Competent Legal Advice.

THIS FORM IS DESIGNED AND INTENDED FOR THE SALE AND PURCHASE OF IMPROVED SINGLE FAMILY RESIDENTIAL REAL ESTATE LOCATED IN MARYLAND ONLY.

TIME IS OF THE ESSENCE. Time is of the essence of this Contract. The failure of Seller or Buyer to perform any act as provided in this Contract by a prescribed date or within a prescribed time period shall be a default under this Contract and the non-defaulting party, upon written notice to the defaulting party, may declare this Contract null and void and of no further legal force and effect. In such event, all Deposit(s) shall be disbursed in accordance with Paragraph 20 of this Contract.

1. DATE OF OFFER: August 6, 2019

2. SELLER: Kevin B Merrill, Amanda M Merrill

3. BUYER: Mike Gowl and/or Assigns

4. PROPERTY: Seller does sell to Buyer and Buyer does purchase from Seller, all of the following described Property (hereinafter "Property") known as 27776 Sharp Rd located in Easton Talbot City/County, Maryland, Zip Code 21601, together with the improvements thereon, and all rights and appurtenances thereto belonging.

5. ESTATE: The Property is being conveyed: in fee simple or _____ subject to an annual ground rent, now existing, in the amount of _____ Dollars (\$ _____) payable semi-annually, as now or to be recorded among the Land Records of _____ City/County, Maryland.

6. PURCHASE PRICE: The purchase price is One Million, Six Hundred Thousand Dollars (\$ 1,600,000.00).

7. PAYMENT TERMS: The payment of the purchase price shall be made by Buyer as follows:

(a) An initial Deposit by way of Check in the amount of Fifty Thousand Dollars (\$ 50,000.00) at the time of this offer.

(b) An additional Deposit by way of _____ in the amount of _____ Dollars (\$ _____) to be paid _____.

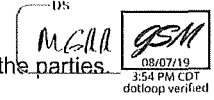
(c) All Deposits will be held in escrow by: Benson and Mangold Real Estate.
(If not a Maryland licensed real estate broker, the parties may execute a separate escrow deposit agreement.)

(d) The purchase price less any and all Deposits shall be paid in full by Buyer in cash, wired funds, bank check, certified check or other payment acceptable to the settlement officer at settlement.

(e) Buyer and Seller instruct broker named in paragraph (c) above to place the Deposits in: **(Check One)**

A non-interest bearing account;
OR An interest bearing account, the interest on which, in absence of default by Buyer, shall accrue to the benefit of Buyer. Broker may charge a fee for establishing an interest bearing account.

8. SETTLEMENT: Date of Settlement On or before September 22, 2019 or sooner if agreed to in writing by the parties.



9. FINANCING: Buyer's obligation to purchase the Property is contingent upon Buyer obtaining a written commitment for a loan secured by the Property as follows:

- Conventional Financing Addendum
- FHA Financing Addendum
- VA Financing Addendum
- USDA Financing Addendum
- Assumption Addendum
- Gift of Funds Contingency Addendum
- Owner Financing Addendum
- No Financing Contingency
- OTHER: _____



Buyer _____



Seller _____



dotloop signature verification:
DocuSign Envelope ID: 41376B95-8DCB-4FC8-90C3-59B103A63BE9

10. FINANCING APPLICATION AND COMMITMENT: Buyer agrees to make a written application for the financing as herein described within _____ (_____) days from the Date of Contract Acceptance.

If a written financing commitment is not obtained by Buyer within _____ (_____) days from the Date of Contract Acceptance: (1) Seller, at Seller's election and upon written notice to Buyer, may declare this Contract null and void and of no further legal effect; or (2) Buyer, upon written notice to Seller, which shall include written evidence from the lender of Buyer's inability to obtain financing as provided in Paragraph 9 of this Contract, may declare this Contract null and void and of no further legal effect. In either case, the deposit shall be disbursed in accordance with the Deposit paragraph of this Contract. If Buyer has complied with all of Buyer's obligations under this Contract, including those with respect to applying for financing and seeking to obtain financing, then the Release of Deposit agreement shall provide that the deposit shall be returned to Buyer.

11. ALTERNATE FINANCING: Provided Buyer timely and diligently pursues the financing described in the **Financing** paragraph, paragraph, the **Financing Application and Commitment** paragraph, and the **Buyer Responsibility** paragraph, Buyer, at Buyer's election, may also apply for alternate financing. If Buyer, at Buyer's sole option, obtains a written commitment for financing in which the loan amount, term of note, amortization period, interest rate, down payment or loan program differ from the financing as described in the Financing paragraph, or any addendum to this Contract, the Financing Application and Commitment paragraph or any addendum to this Contract shall be deemed to have been fully satisfied. Such alternate financing may not increase costs to Seller or exceed the time allowed to secure the financing commitment as provided in the Financing Application and Commitment paragraph, or any addendum to this Contract.

12. HOME AND/OR ENVIRONMENTAL INSPECTION: Buyer acknowledges, subject to Seller acceptance, that Buyer is afforded the opportunity, at Buyer's sole cost and expense, to condition Buyer's purchase of the Property upon a Home Inspection and/or Environmental Inspection in order to ascertain the physical condition of the Property or the existence of environmental hazards. If Buyer desires a Home Inspection and/or Environmental Inspection contingency, such contingency must be included in an addendum to this Contract. Buyer and Seller acknowledge that Brokers, agents or subagents are not responsible for the existence or discovery of property defects.

Inspection(s) Addenda Attached _____ Buyer _____ Buyer _____ Inspection(s) Declined ^{McAll} ~~XXX~~ Buyer _____ Buyer _____

13. INCLUSIONS/EXCLUSIONS: Included in the purchase price are all permanently attached fixtures, including all smoke detectors. Certain other **now existing items** which may be considered personal property, whether installed or stored upon the property, are included if box below is checked.

- | | | |
|---|---|---|
| INCLUDED | INCLUDED | INCLUDED |
| <input type="checkbox"/> Alarm System | <input type="checkbox"/> Exhaust Fan(s) # _____ | <input type="checkbox"/> Pool, Equipment & Cover |
| <input type="checkbox"/> Built-in Microwave | <input type="checkbox"/> Exist. W/W Carpet | <input type="checkbox"/> Refrigerator(s) # _____ |
| <input type="checkbox"/> Ceiling Fan(s) # _____ | <input type="checkbox"/> Fireplace Screen Doors | <input type="checkbox"/> w/ice maker |
| <input type="checkbox"/> Central Vacuum | <input type="checkbox"/> Freezer | <input type="checkbox"/> Satellite Dish |
| <input type="checkbox"/> Clothes Dryer | <input type="checkbox"/> Furnace Humidifier | <input type="checkbox"/> Screens |
| <input type="checkbox"/> Clothes Washer | <input type="checkbox"/> Garage Opener(s) # _____ | <input type="checkbox"/> Shades/Blinds |
| <input type="checkbox"/> Cooktop | <input type="checkbox"/> w/remote(s) # _____ | <input type="checkbox"/> Storage Shed(s) # _____ |
| <input type="checkbox"/> Dishwasher | <input type="checkbox"/> Garbage Disposer | <input type="checkbox"/> Storm Doors |
| <input type="checkbox"/> Drapery/Curtain Rods | <input type="checkbox"/> Hot Tub, Equipment & Cover | <input type="checkbox"/> Storm Windows |
| <input type="checkbox"/> Draperies/Curtains | <input type="checkbox"/> Intercom | <input type="checkbox"/> Stove or Range |
| <input type="checkbox"/> Electronic Air Filter | <input type="checkbox"/> Playground Equipment | <input type="checkbox"/> T.V. Antenna |
| | | <input type="checkbox"/> Trash Compactor |
| | | <input type="checkbox"/> Wall Oven(s) # _____ |
| | | <input type="checkbox"/> Water Filter |
| | | <input type="checkbox"/> Water Softener |
| | | <input type="checkbox"/> Window A/C Unit(s) # _____ |
| | | <input type="checkbox"/> Window Fan(s) # _____ |
| | | <input type="checkbox"/> Wood Stove |

ADDITIONAL INCLUSIONS (SPECIFY): **All appliances and attached fixtures currently at property.**

ADDITIONAL EXCLUSIONS (SPECIFY): _____

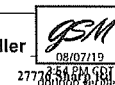


14. AGRICULTURALLY ASSESSED PROPERTY: The *Agricultural Use Assessment* (Assessment) is a reduced property tax assessment for agricultural land. To be eligible for the Assessment, the land must be actively used for agricultural purposes. The *Agricultural Land Transfer Tax* (Tax) is a tax imposed under Section 13-301 et seq. of the Tax-Property Article, Annotated Code of Maryland. **If the Property is assessed in the agricultural use category and the Buyer does not intend to use the Property for agricultural purposes, the Tax may become due and could be substantial.** The Tax is imposed on the deed itself and must be paid before the deed can be recorded. At the time of sale, Seller shall notify Buyer in writing that the transfer may be subject to the Tax. Buyer will be responsible to pay the Tax unless the parties negotiate a different agreement. To avoid paying the Tax, Buyer must continue to use the Property for agricultural purposes and comply with the other requirements of the law. **The Property, or any portion thereof, may be subject to an Agricultural Land Transfer Tax as imposed by Section 13-301 et seq. of the Tax-Property Article, Annotated Code of Maryland, by reason of the Property's having been assessed on the basis of agricultural use. The tax assessed as a result of this transfer shall be paid by n/a**

15. FOREST CONSERVATION AND MANAGEMENT PROGRAM: Buyer is hereby notified that this transfer may be subject to the Forest Conservation and Management Program imposed by Section 8-211 of the Tax-Property Article, Annotated Code of Maryland. Forest Conservation and Management program taxes assessed as a result of this transfer shall be paid by **n/a**

Buyer _____ / _____

Seller _____



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16. LEAD-BASED PAINT:

A. FEDERAL LEAD-BASED PAINT LAW: Title X, Section 1018, the Residential Lead-Based Paint Hazard Reduction Act of 1992 (the "Act"), requires the disclosure by Seller of information regarding lead-based paint and lead-based paint hazards in connection with the sale of any residential real property on which a residential dwelling was constructed prior to 1978. Unless otherwise exempt by the Act, the disclosure shall be made on the required federal Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards form. Seller and any agent involved in the transaction are required to retain a copy of the completed Lead-Based Paint Disclosure form for a period of three (3) years following the date of settlement. A Seller who fails to give the required Lead-Based Paint Disclosure form and EPA pamphlet may be liable under the Act for three times the amount of damages and may be subject to both civil and criminal penalties.

Buyer acknowledges by Buyer's initials below that Buyer has read and understands the provisions of Paragraph 16.A.
_____ / _____ (BUYER)

B. RENOVATION, REPAIR AND PAINTING OF PROPERTY: In accordance with the Lead Renovation, Repair and Painting Rule ("RRP") as adopted by the Environmental Protection Agency ("the EPA"), effective April 22, 2010, if the improvements on the Property were built before 1978, contractor(s) engaged by Seller to renovate, repair or paint the Property must be certified by the EPA where such work will disturb more than six square feet of paint per room for interior projects; more than 20 square feet of paint for any exterior project; or includes window replacement or demolition ("Covered Work"). Before and during any Covered Work project, contractor(s) must comply with all requirements of the RRP.

A Seller who personally performs any Covered Work on a rental property is required to be certified by the EPA prior to performing such Covered Work. No certification is required for a Seller who personally performs Covered Work on the Seller's principal residence. However, Seller has the ultimate responsibility for the safety of Seller's family or children while performing such Covered Work. For detailed information regarding the RRP, Seller should visit <http://www2.epa.gov/lead/renovation-repair-and-painting-program>.

Buyer acknowledges by Buyer's initials below that Buyer has read and understands Paragraph 16.B.
_____ / _____ (BUYER)

C. MARYLAND LEAD POISONING PREVENTION PROGRAM: Under the Maryland Lead Poisoning Prevention Program (the "Maryland Program"), any residential dwelling constructed prior to 1978 that is leased for residential purposes is required to be registered with the Maryland Department of the Environment (MDE). If the Property was built prior to 1978 and is now or has been a rental property or may become a rental property in the future, a separate Maryland Lead-Based Paint Disclosure form is attached. Detailed information regarding compliance requirements may be obtained at: <http://www.mde.state.md.us/programs/Land/LeadPoisoningPrevention/Pages/index.aspx>.

Buyer acknowledges by Buyer's initials below that Buyer has read and understands Paragraph 16.C.
_____ / _____ (BUYER)

17. NOTICE REGARDING DISCLOSURE OF DEFERRED WATER AND SEWER ASSESSMENTS: Pursuant to Section 14-117(a)(5) of the Real Property Article of the Annotated Code of Maryland, a contract for the resale of residential real property that is served by public water or wastewater facilities for which deferred water and sewer charges have been established by a recorded covenant or declaration shall contain a notice disclosing information about the deferred water and sewer charges. **If a Seller subject to this law fails to comply:**

- (a) **Prior to settlement, Buyer is entitled to rescind in writing the sales contract without penalty or liability. On rescission, Buyer is also entitled to the full return of any deposits made on account of the sales contract. If any deposits are held in trust by a licensed real estate broker, the return of the deposits to a Buyer under this law shall comply with the procedures under § 17-505 of the Business Occupations and Professions Article of the Annotated Code of Maryland. Buyer's right of rescission shall terminate five days after Seller provides to Buyer written notice in accordance with this requirement; and**
- (b) **After settlement, Seller shall be liable to Buyer for the full amount of any fee or assessment not disclosed, unless Seller was never charged a fee or assessment to defray the costs of public water or wastewater facilities by the developer, a successor of the developer, or a subsequent assignee.**

This law does *not* apply in a county that has adopted a disclosure requirement that is substantially similar to this law. (If the Property is served by public water or wastewater facilities for which deferred water and sewer charges have been established by a recorded covenant or declaration: See Notice Regarding Deferred Water and Sewer Charges.)

Buyer _____ / _____

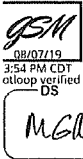
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Buyer acknowledges by Buyer's initials below that Buyer has read and understands Paragraph 17.
M.G.H. / _____ (BUYER)

18. ADDENDA/DISCLOSURES: The Addenda checked below, which are hereby attached, are made a part of this Contract:



- | | |
|--|---|
| <input type="checkbox"/> Affiliated Business Disclosure Notice | <input type="checkbox"/> MD Non-Resident Seller Transfer Withholding Tax |
| <input checked="" type="checkbox"/> As Is | <input checked="" type="checkbox"/> Notice to Buyer and Seller – Maryland Residential Real Property Disclosure/Disclaimer Act |
| <input type="checkbox"/> Back-Up Contract Addendum | <input type="checkbox"/> Notice & Disclosure of Deferred Water & Sewer Charges |
| <input type="checkbox"/> Cash Appraisal Contingency | <input type="checkbox"/> On-Site Sewage Disposal System Inspection |
| <input type="checkbox"/> Condominium Resale Notice | <input type="checkbox"/> Property Inspections |
| <input type="checkbox"/> Conservation Easement | <input type="checkbox"/> Property Subject to Ground Rent |
| <input type="checkbox"/> Disclosure of Licensee Status | <input type="checkbox"/> Purchase Price Escalation |
| <input checked="" type="checkbox"/> Disclosure of Leased Items Addendum | <input type="checkbox"/> Sale, Financing, Settlement or Lease of Other Real Estate |
| <input type="checkbox"/> Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards | <input type="checkbox"/> Seller Contribution |
| <input type="checkbox"/> First-Time Maryland Home Buyer Transfer & Recordation Tax | <input type="checkbox"/> Seller's Purchase of Another Property |
| <input type="checkbox"/> Homeowners Association Notice | <input type="checkbox"/> Short Sale |
| <input type="checkbox"/> Kickout | <input type="checkbox"/> Third Party Approval |
| <input type="checkbox"/> Local City/County Certifications/Registrations | <input type="checkbox"/> Water Quality |
| <input checked="" type="checkbox"/> Local City/County Notices/Disclosure | |
| <input type="checkbox"/> Maryland Lead Poisoning Prevention Program Disclosure | |

Other Addenda/Special Conditions:

General Addendum



Third Party Approval Addendum

DS
M.G.H.

19. WOOD DESTROYING INSECT INSPECTION: Buyer, at Buyer's expense, (if VA, then at Seller's expense) is authorized to obtain a written report on the state regulated form from a Maryland licensed pest control company that, based on a careful visual inspection, there is no evidence of termite or other wood-destroying insect infestation in the residence or within three (3) feet of the residence; and damage due to previous infestation has been repaired. The provisions of this paragraph also shall apply to: (1) the garage or within three (3) feet of the garage (whether attached or detached); (2) any outbuildings located within three feet of the residence or garage; and (3) a maximum of ten (10) linear feet of the nearest portion of a fence on Seller's Property within three feet of the residence or garage. If there is evidence of present infestation as described above, or if damage caused by present or prior infestation is discovered, Seller, at Seller's expense, shall repair any damage caused by present or prior infestation and have the present infestation treated by a licensed pest control company. If the cost of treatment and repair of such damage exceeds 2% of the purchase price, Seller may, at Seller's option, cancel this Contract, unless Buyer, at Buyer's option should choose to pay for the cost of treatment and repairs exceeding 2% of the purchase price, then this Contract shall remain in full force and effect. If such report reveals damage for which the cost of treatment and repair exceeds 2% of the purchase price, Seller's decision regarding treatment and repair of damage shall be communicated in writing to Buyer within five (5) days from receipt of the report, after which Buyer shall respond to Seller in writing with Buyer's decision within three (3) days from receipt of Seller's notification of Seller's decision. If Seller does not notify Buyer in writing of Seller's decision within five (5) days from receipt of report, Buyer may, at Buyer's option, pay for the cost of treatment and repairs exceeding 2% of the purchase price. If Buyer does not want to pay for the cost of treatment and repairs exceeding 2% of the purchase price, Buyer may terminate this Contract upon written notice delivered to Seller. In the event this Contract is terminated under the terms of this paragraph, the Deposit(s) shall be disbursed in accordance with the Deposit paragraph of this Contract.

20. DEPOSIT: If the Deposit is held by a Broker as specified in Paragraph 7(c) of this Contract, Buyer hereby authorizes and directs Broker to hold the Deposit instrument without negotiation or deposit until the parties have executed and accepted this Contract. Upon acceptance, the initial Deposit and additional Deposits (the "Deposit"), if any, shall be placed in escrow as provided in Paragraph 7(e) of this Contract and in accordance with the requirements of Section 17-502(b)(1) of the Business Occupations and Professions Article, Annotated Code of Maryland. If Seller does not execute and accept this Contract, the initial Deposit instrument shall be promptly returned to Buyer. The Deposit shall be disbursed at settlement. In the event this Contract shall be terminated or settlement does not occur, Buyer and Seller agree that the Deposit shall be disbursed by Broker only in accordance with a Release of Deposit agreement executed by Buyer and Seller. In the event Buyer and/or Seller fail to complete the real estate transaction in accordance with the terms and conditions of this Contract, and either Buyer or Seller shall be unable or unwilling to execute a Release of Deposit agreement, Buyer and Seller hereby acknowledge and agree that Broker may distribute the Deposit in accordance with the provisions of Section 17-505(b) of the Business Occupations and Professions Article, Annotated Code of Maryland.

Buyer: M.G.H. / _____



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21. DEED AND TITLE: Upon payment of the purchase price, a deed for the Property containing covenants of special warranty and further assurances (except in the case of transfer by personal representative of an estate), shall be executed by Seller and shall convey the Property to Buyer. Title to the Property, including all chattels included in the purchase, shall be good and merchantable, free of liens and encumbrances except as specified herein; except for use and occupancy restrictions of public record which are generally applicable to properties in the immediate neighborhood or the subdivision in which the Property is located and publicly recorded easements for public utilities and any other easements which may be observed by an inspection of the Property. Buyer expressly assumes the risk that restrictive covenants, zoning laws or other recorded documents may restrict or prohibit the use of the Property for the purpose(s) intended by Buyer. In the event Seller is unable to give good and merchantable title or such as can be insured by a Maryland licensed title insurer, with Buyer paying not more than the standard rate as filed with the Maryland Insurance Commissioner, Seller, at Seller's expense, shall have the option of curing any defect so as to enable Seller to give good and merchantable title or, if Buyer is willing to accept title without said defect being cured, paying any special premium on behalf of Buyer to obtain title insurance on the Property to the benefit of Buyer. In the event Seller elects to cure any defects in title, this Contract shall continue to remain in full force and effect; and the date of settlement shall be extended for a period not to exceed fourteen (14) additional days. If Seller is unable to cure such title defect(s) and is unable to obtain a policy of title insurance on the Property to the benefit of Buyer from a Maryland licensed title insurer, Buyer shall have the option of taking such title as Seller can give, or terminating this Contract and being reimbursed by Seller for cost of searching title as may have been incurred not to exceed 1/2 of 1% of the purchase price. In the latter event, there shall be no further liability or obligation on either of the parties hereto; and this Contract shall become null and void; and all Deposit(s) shall be disbursed in accordance with the Deposit paragraph of this Contract. In no event shall Broker(s) or their agent(s) have any liability for any defect in Seller's title.

22. CONDITION OF PROPERTY AND POSSESSION: At settlement, Seller shall deliver possession of the Property and shall deliver the Property vacant, clear of trash and debris, broom clean and in substantially the same condition as existed on the Date of Contract Acceptance. Buyer reserves the right to inspect the Property within five (5) days prior to settlement. **EXCEPT AS OTHERWISE SPECIFIED IN THIS CONTRACT, INCLUDING THIS PARAGRAPH, THE PROPERTY IS SOLD "AS IS."** The obligations of Seller as provided in this paragraph shall be in addition to any Disclosure and Disclaimer Statement as required by Section 10-702, Real Property Article, Annotated Code of Maryland and any provision of any inspection contingency addendum made a part of this Contract (See Property Inspections Notice).

23. ADJUSTMENTS: Ground rent, homeowner's association fees, rent and water rent shall be adjusted and apportioned as of date of settlement; and all taxes, general or special, and all other public or governmental charges or assessments against the Property which are or may be payable on a periodic basis, including Metropolitan District Sanitary Commission, Washington Suburban Sanitary Commission, or other benefit charges, assessments, liens or encumbrances for sewer, water, drainage, paving, or other public improvements completed or commenced on or prior to the date hereof, or subsequent thereto, are to be adjusted and apportioned as of the date of settlement and are to be assumed and paid thereafter by Buyer, whether assessments have been levied or not as of date of settlement if applicable by local law. Any heating or cooking fuels remaining in supply tank(s) at time of settlement shall become the property of Buyer.

24. SETTLEMENT COSTS: Buyer agrees to pay all settlement costs and charges including, but not limited to, all Lender's fees in connection herewith, including title examination and title insurance fees, loan insurance premiums, all document preparation and recording fees, notary fees, survey fees where required, and all recording charges, except those incident to clearing existing encumbrances or title defects, except if Buyer is a Veteran obtaining VA financing, those prohibited to be paid by a Veteran obtaining VA financing, which prohibited charges shall be paid by Seller.

25. TRANSFER CHARGES:

A. IN GENERAL. Section 14-104(b) of the Real Property Article, Annotated Code of Maryland provides that, unless otherwise negotiated in the contract or provided by State or local law, the cost of any recordation tax or any State or local Transfer Tax shall be shared equally between the Buyer and Seller.

B. FIRST-TIME BUYER. Under Section 14-104(c) of the Real Property Article, the entire amount of recordation and local transfer tax shall be paid by the Seller of property that is sold to a first-time Maryland homebuyer, unless there is an express agreement that the recordation tax or any state or local transfer tax will not be paid entirely by the Seller.

RECORDATION AND LOCAL TRANSFER TAX. If the Buyer is a first-time Maryland homebuyer, Buyer and Seller expressly agree, in accordance with Section 14-104(c) of the Real Property Article, Annotated Code of Maryland, that payment of recordation tax and local transfer tax shall be shared equally between the Buyer and Seller unless a "First-time Maryland Homebuyer Transfer and Recordation Tax Addendum" is attached, which contains a different express agreement.

STATE TRANSFER TAX: Under Section 13-203(b) of the Tax-Property Article, Annotated Code of Maryland, the amount of state transfer tax due on the sale of property to a first-time Maryland homebuyer is reduced from 0.50% to 0.25% and shall be paid entirely by the Seller. Buyer is hereby notified that to ensure receipt of the above reduction, Buyer should so indicate on Page 10 of this Contract and complete the required affidavit at settlement indicating that the Buyer is a first-time Maryland homebuyer.

26. BROKER LIABILITY: Brokers, their agents, subagents and employees do not assume any responsibility for the condition of the Property or for the performance of this Contract by any or all parties hereto. By signing this Contract, Buyer and Seller acknowledge that they have not relied on any representations made by Brokers, or any agents, subagents or employees of Brokers, except those representations expressly set forth in this Contract.

Buyer _____ / _____

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Seller _____

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 27776 Sharp Rd

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27. BROKER'S FEE: All parties irrevocably instruct the settlement officer to collect the fee or compensation and disburse same according to the terms and conditions provided in the listing agreement and/or agency representation agreement. Settlement shall not be a condition precedent to payment of compensation.

28. SELLER RESPONSIBILITY: Seller agrees to keep existing mortgages free of default until settlement. All violation notices or requirements noted or issued by any governmental authority (including without limitation, any permit violation notices), or actions in any court on account thereof, against or affecting the Property at the date of settlement of this Contract, shall be complied with by Seller and the Property conveyed free thereof. The Property is to be held at the risk of Seller until legal title has passed or possession has been given to Buyer. If, prior to the time legal title has passed or possession has been given to Buyer, whichever shall occur first, all or a substantial part of the Property is destroyed or damaged, without fault of Buyer, then this Contract, at the option of Buyer, upon written notice to Seller, shall be null and void and no further effect, and the deposits shall be disbursed in accordance with the Deposit paragraph of this Contract.

29. BUYER RESPONSIBILITY: If Buyer has misrepresented Buyer's financial ability to consummate the purchase of the Property, or if this Contract is contingent upon Buyer securing a written commitment for financing and Buyer fails to apply for such financing within the time period herein specified, or fails to pursue financing diligently and in good faith, or if Buyer makes any misrepresentations in any document relating to financing, or takes (or fails to take) any action which causes Buyer's disqualification for financing, then Buyer shall be in default; and Seller may elect by written notice to Buyer, to terminate this Contract and/or pursue the remedies set forth under the Default paragraph of this Contract.

30. HOMEOWNER'S ASSOCIATION: The Property is not part of a development subject to the imposition of mandatory fees as defined by the Maryland Homeowner's Association Act, unless acknowledged by attached addendum.

31. GROUND RENT: If the Property is subject to ground rent and the ground rent is not timely paid, the ground lease holder (i.e., the person to whom the ground rent is payable) may bring an action under Section 8-402.3 of the Real Property Article, Annotated Code of Maryland. As a result of this action, a lien may be placed upon the property. If the Property is subject to ground rent, Sections 14-116 and 14-116.1 of the Real Property Article provide the purchaser, upon obtaining ownership of the Property, with certain rights and responsibilities relative to the ground rent. (If the Property is subject to ground rent: See Property Subject to Ground Rent Addendum.)

32. SALE/SETTLEMENT OR LEASE OF OTHER REAL ESTATE: Neither this Contract nor the granting of Buyer's loan referred to herein is to be conditioned or contingent in any manner upon the sale, settlement and/or lease of any other real estate unless a contingency for the sale, settlement and/or lease of other real estate is contained in an addendum to this Contract. Unless this Contract is expressly contingent upon the sale, settlement and/or lease of any other real estate, Buyer shall neither apply for nor accept a financing loan commitment which is contingent upon or requires as a pre-condition to funding that any other real estate be sold, settled and/or leased.

33. LEASES: Seller may neither negotiate new leases nor renew existing leases for the Property which extend beyond settlement or possession date without Buyer's written consent.

34. DEFAULT: Buyer and Seller are required and agree to make full settlement in accordance with the terms of this Contract and acknowledge that failure to do so constitutes a breach hereof. If Buyer fails to make full settlement or is in default due to Buyer's failure to comply with the terms, covenants and conditions of this Contract, the initial Deposit and additional Deposits (the "Deposit") may be retained by Seller as long as a Release of Deposit Agreement is signed and executed by all parties, expressing that said Deposit may be retained by Seller. In the event the parties do not agree to execute a Release of Deposit Agreement, Buyer and Seller shall have all legal and equitable remedies. If Seller fails to make full settlement or is in default due to Seller's failure to comply with the terms, covenants and conditions of this Contract, Buyer shall be entitled to pursue such rights and remedies as may be available, at law or in equity, including, without limitation, an action for specific performance of this Contract and/or monetary damages. In the event of any litigation or dispute between Buyer and Seller concerning the release of the Deposit, Broker's sole responsibility may be met, at Broker's option, by paying the Deposit into the court in which such litigation is pending, or by paying the Deposit into the court of proper jurisdiction by an action of interpleader. Buyer and Seller agree that, upon Broker's payment of the Deposit into the court, neither Buyer nor Seller shall have any further right, claim, demand or action against Broker regarding the release of the Deposit; and Buyer and Seller, jointly and severally, shall indemnify and hold Broker harmless from any and all such rights, claims, demands or actions. In the event of such dispute and election by Broker to file an action of interpleader as herein provided, Buyer and Seller further agree and hereby expressly and irrevocably authorize Broker to deduct from the Deposit all costs incurred by Broker in the filing and maintenance of such action of interpleader including but not limited to filing fees, court costs, service of process fees and attorneys' fees, provided that the amount deducted shall not exceed the lesser of \$500 or the amount of the Deposit held by Broker. All such fees and costs authorized herein to be deducted may be deducted by Broker from the Deposit prior to paying the balance of the Deposit to the court. Buyer and Seller further agree and expressly declare that all such fees and costs so deducted shall be the exclusive property of Broker. If the amount deducted by Broker is less than the total of all of the costs incurred by Broker in

Buyer _____ / _____

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Seller  _____
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filing and maintaining the interpleader action, then Buyer and Seller jointly, and severally, agree to reimburse Broker for all such excess costs upon the conclusion of the interpleader action.

35. MEDIATION OF DISPUTES: Mediation is a process by which the parties attempt to resolve a dispute or claim with the assistance of a neutral mediator who is authorized to facilitate the resolution of the dispute. The mediator has no authority to make an award, to impose a resolution of the dispute or claim upon the parties or to require the parties to continue mediation if the parties do not desire to do so. Buyer and Seller agree that any dispute or claim arising out of or from this Contract or the transaction which is the subject of this Contract shall be mediated through the Maryland REALTORS®, Inc. or its member local boards/associations in accordance with the established Mediation Rules and Guidelines of Maryland REALTORS® or through such other mediator or mediation service as mutually agreed upon by Buyer and Seller, in writing. Unless otherwise agreed in writing by the parties, mediation fees, costs and expenses shall be divided and paid equally by the parties to the mediation. If either party elects to have an attorney present that party shall pay his or her own attorney's fees.

Buyer and Seller further agree that the obligation of Buyer and Seller to mediate as herein provided shall apply to all disputes or claims arising whether prior to, during, or within one (1) year following the actual contract settlement date or when settlement should have occurred. Buyer and Seller agree that neither party shall commence any action in any court regarding a dispute or claim arising out of or from this Contract or the transaction which is the subject of this Contract, without first mediating the dispute or claim, unless the right to pursue such action or the ability to protect an interest or pursue a remedy as provided in this Contract, would be precluded by the delay of the mediation. In the event the right to pursue such action, or the ability to protect an interest or pursue a remedy would be precluded by the delay, Buyer or Seller may commence the action only if the initial pleading or document commencing such action is accompanied by a request to stay the proceeding pending the conclusion of the mediation. If a party initiates or commences an action in violation of this provision, the party agrees to pay all costs and expenses, including reasonable attorneys' fees, incurred by the other party to enforce the obligation as provided herein. The provisions of this paragraph shall survive closing and shall not be deemed to have been extinguished by merger with the deed.

36. ATTORNEY'S FEES: In any action or proceeding between Buyer and Seller based, in whole or in part, upon the performance or non-performance of the terms and conditions of this Contract, including, but not limited to, breach of contract, negligence, misrepresentation or fraud, the prevailing party in such action or proceeding shall be entitled to receive reasonable attorney's fees from the other party as determined by the court or arbitrator. In any action or proceeding between Buyer and Seller and/or between Buyer and Broker(s) and/or Seller and Broker(s) resulting in Broker(s) being made a party to such action or proceeding, including, but not limited to, any litigation, arbitration, or complaint and claim before the Maryland Real Estate Commission, whether as defendant, cross-defendant, third-party defendant or respondent, Buyer and Seller jointly and severally, agree to indemnify and hold Broker(s) harmless from and against any and all liability, loss, cost, damages or expenses (including filing fees, court costs, service of process fees, transcript fees and attorneys' fees) incurred by Broker(s) in such action or proceeding, providing that such action or proceeding does not result in a judgment against Broker(s).

As used in this Contract, the term "Broker(s)" shall mean: (a) the two (2) Brokers as identified on Page 11 of this Contract; (b) the two (2) named Sales Associates identified on Page 11 of the Contract; and (c) any agent, subagent, salesperson, independent contractor and/or employees of Broker(s). The term "Broker(s)" shall also mean, in the singular, any or either of the named Broker(s) and/or Sales Associate(s) as identified or, in the plural, both of the named Brokers and/or Sales Associates as identified.

This Paragraph shall apply to any and all such action(s) or proceeding(s) against Broker(s) including those action(s) or proceeding(s) based, in whole or in part, upon any alleged act(s) or omission(s) by Broker(s), including, but not limited to, any alleged act of misrepresentation, fraud, non-disclosure, negligence, violation of any statutory or common law duty, or breach of fiduciary duty by Broker(s). The provisions of this Paragraph shall survive closing and shall not be deemed to have been extinguished by merger with the deed.

37. NOTICE OF BUYER'S RIGHT TO SELECT SETTLEMENT SERVICE PROVIDERS: Buyer has the right to select Buyer's own title insurance company, title lawyer, settlement company, escrow company, mortgage lender or financial institution as defined in the Financial Institutions Article, Annotated Code of Maryland. Buyer acknowledges that Seller may not be prohibited from offering owner financing as a condition of settlement.

38. PROPERTY OWNER'S TITLE INSURANCE: Buyer, at Buyer's expense, may purchase owner's title insurance at either "standard" or "enhanced" coverage and rates. The coverage afforded by such title insurance would be governed by the terms and conditions thereof, and the premium for obtaining such title insurance coverage would be determined by the extent of its coverage. For purposes of owner's title insurance policy premium rate disclosures by Buyer's lender, Buyer and Seller agree that enhanced rates (if available) shall be quoted by Buyer's lender. Buyer understands that nothing herein obligates Buyer to obtain any owner's title insurance coverage at any time, including at settlement, and that the availability of owner's title insurance coverage is subject to the underwriting criteria of the title insurer.

39. AUTHORIZATION TO PROVIDE TILA-RESPA INTEGRATED DISCLOSURES: Buyer and Seller hereby authorize the lender, title company, escrow agent, and/or their representatives to disclose and provide copies of the closing disclosure(s)

Buyer _____ / _____

Page 7 of 11 10/18

Seller _____

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and/or other settlement statement to the real estate licensees involved in the transaction at the time these documents are provided to Buyer and Seller.

40. LIMITED WARRANTY: NOTICE TO BUYER: IF A WARRANTY PLAN IS BEING OFFERED WITH THE PURCHASE OF THE PROPERTY, IT MAY BE A LIMITED WARRANTY. SINCE SUCH WARRANTY PLANS DO NOT COVER STRUCTURAL DEFECTS AND MAY NOT COVER PRE-EXISTING DEFECTS, BUYER SHOULD REQUEST THE REAL ESTATE AGENT TO PROVIDE BUYER WITH ANY BROCHURE WHICH DESCRIBES THE PLAN IN ORDER TO DETERMINE THE EXTENT OF COVERAGE PROVIDED BY THE WARRANTY.

41. PROPERTY INSURANCE BROCHURE: An informational brochure published by the Maryland REALTORS®, Inc. titled "The New Reality of Property Insurance — What You Should Know" is available to explain current issues relative to obtaining insurance coverage for the Property to be purchased.

42. FLOOD DISCLOSURE NOTICE:

A. FLOOD INSURANCE PREMIUMS: The Property or part of the Property may be located in an area established by the government as a "flood plain" or otherwise in an area where flood insurance could be required by Buyer's mortgage lender as a condition of granting a mortgage. In addition, construction on the Property could be prohibited or restricted. The National Flood Insurance Program ("NFIP") provides for the availability of flood insurance but also establishes flood insurance policy premiums based on the risk of flooding in the area where properties are located. Due to amendments to federal law governing the NFIP those premiums are increasing, and in some cases will rise by a substantial amount over the premiums previously charged for flood insurance. As a result, Buyer should not rely on the premiums paid for flood insurance on the Property as an indication of the premiums that will apply after Buyer completes the purchase. In considering the purchase of this Property, Buyer should consult with one or more carriers of flood insurance for better understanding of flood insurance coverage, the premiums that are likely to be required to purchase such insurance and any available information about how those premiums may increase in the future. Detailed information regarding flood insurance coverage may be obtained at: <http://www.fema.gov/national-flood-insurance-program>.

B. FLOOD INSURANCE RATE MAPS: The State of Maryland in conjunction with the Federal Emergency Management Agency has been systematically updating flood insurance rate maps. The Property may be affected. Buyer is advised to contact the Maryland Department of the Environment and consult a flood insurance carrier to inquire about the status of the Property. Detailed information regarding updated maps may be obtained at: <http://www.md floodmaps.net/home.html>.

43. GUARANTY FUND: NOTICE TO BUYER: BUYER IS PROTECTED BY THE REAL ESTATE GUARANTY FUND OF THE MARYLAND REAL ESTATE COMMISSION, UNDER SECTION 17-404 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE OF THE ANNOTATED CODE OF MARYLAND, FOR LOSSES IN AN AMOUNT NOT EXCEEDING \$50,000 FOR ANY CLAIM.

44. SINGLE FAMILY RESIDENTIAL REAL PROPERTY DISCLOSURE NOTICE: Buyer is advised of the right to receive a "Disclosure and Disclaimer Statement" from Seller (Section 10-702 Real Property Article, Annotated Code of Maryland).

45. MARYLAND NON-RESIDENT SELLER: If the Property is not the Seller's principal residence and the Seller is a non-resident individual of the State of Maryland or is a non-resident entity which is not formed under the laws of the State of Maryland or qualified to do business in the State of Maryland, a withholding tax from the proceeds of sale may be withheld at the time of settlement except as otherwise provided by Maryland law. (See Maryland Non-Resident Seller Transfer Withholding Tax Addendum.)

46. INTERNAL REVENUE SERVICE FILING: Buyer and Seller each agree to cooperate with the settlement officer by providing all necessary information so that a report can be filed with the Internal Revenue Service, as required by Section 6045 of the IRS Code. To the extent permitted by law, any fees incurred as a result of such filing will be paid by the Seller.

47. NOTICE TO BUYER CONCERNING THE CHESAPEAKE AND ATLANTIC COASTAL BAYS CRITICAL AREA: Buyer is advised that all or a portion of the property may be located in the "Critical Area" of the Chesapeake and Atlantic Coastal Bays, and that additional zoning, land use, and resource protection regulations apply in this area. The "Critical Area" generally consists of all land and water areas within 1,000 feet beyond the landward boundaries of state or private wetlands, the Chesapeake Bay, the Atlantic Coastal Bays, and all of their tidal tributaries. The "Critical Area" also includes the waters of and lands under the Chesapeake Bay, the Atlantic Coastal Bays and all of their tidal tributaries to the head of tide. For information as to whether the property is located within the Critical Area, Buyer may contact the local Department of Planning and Zoning, which maintains maps showing the extent of the Critical Area in the jurisdiction. Allegany, Carroll, Frederick, Garrett, Howard, Montgomery and Washington Counties do not include land located in the Critical Area.

Buyer _____ / _____

Seller  _____
08/07/19
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27776 Sharp Rd

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48. WETLANDS NOTICE: Buyer is advised that if the Property being purchased contains waters of the United States, or if the Property contains land and/or waters regulated by the State, including, but not limited to, wetlands, approval from the U.S. Army Corps of Engineers (Corps) and/or the Maryland Department of the Environment (MDE) will be necessary before starting any work, including construction, if the work includes the discharge of dredged or fill material into a regulated area, or certain other activities conducted in a regulated area. The Corps has adopted a broad definition of waters of the United States, which occur throughout the Chesapeake Bay Region, as well as other portions of the State. The land and waters regulated by the State include tidal wetlands, nontidal wetlands and their buffers, and streams and their 100-year nontidal floodplain. For information as to whether the Property includes waters of the United States or land and/or waters regulated by the State, Buyer may contact the Baltimore District of the Corps and/or MDE. Buyer may also elect, at Buyer's expense, to engage the services of a qualified specialist to inspect the Property for the presence of Corps-or MDE-regulated areas, including wetlands, prior to submitting a written offer to purchase the Property; or Buyer may include in Buyer's written offer a clause making Buyer's purchase of the Property contingent upon a satisfactory wetlands inspection.

49. FOREST CONSERVATION ACT NOTICE: If the Property is a tract of land 40,000 square feet or more in size, Buyer is notified that, unless exempted by applicable law, as a prerequisite to any subdivision plan or grading or sediment control permit for the Property, Buyer will be required to comply with the provisions of the Maryland Forest Conservation Act imposed by Section 5-1601, et seq. of the Natural Resources Article, Annotated Code of Maryland, including, among other things, the submission and acceptance of a Forest Stand Delineation and a Forest Conservation Plan for the Property in accordance with applicable laws and regulations. Unless otherwise expressly set forth in an addendum to this Contract, Seller represents and warrants that the Property is not currently subject to a Forest Conservation Plan, Management Agreement or any other pending obligation binding the owner of the Property under said Act; further, Seller represents and warrants that no activities have been undertaken on the Property by Seller in violation of the Forest Conservation Act.

50. NOTICE CONCERNING CONSERVATION EASEMENTS: If the Property is encumbered by a Conservation Easement as defined in Section 10-705 of the Real Property Article, Annotated Code of Maryland, the contract must contain a notice concerning the easement, which is contained in an attached addendum. This Paragraph does not apply to the sale of property in an action to foreclose a mortgage or deed of trust. (If the Property is encumbered by a Conservation Easement: See Conservation Easement Addendum.)

51. FOREIGN INVESTMENT TAXES-FIRPTA: Section 1445 of the United States Internal Revenue Code of 1986 provides that a Buyer of residential real property located in the United States must withhold federal income taxes from the payment of the purchase price if (a) the purchase price exceeds Three Hundred Thousand Dollars (\$300,000.00) and (b) the seller is a foreign person. Unless otherwise stated in an addendum attached hereto, if the purchase price is in excess of Three Hundred Thousand Dollars (\$300,000.00), Seller represents that Seller is not a non-resident alien, foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined by the Internal Revenue Code and applicable regulations) and agrees to execute an affidavit to this effect at the time of settlement.

52. CRIMINAL ACTIVITY AND SEXUAL OFFENDERS: Buyer may contact the state, county or municipal police departments in which the Property is located or check the "Sex Offender Registry" at the Maryland Department of Public Safety and Correctional Services website in order to ascertain criminal activity in the vicinity of the Property or the presence of registered sexual offenders who live or work within the vicinity of the Property. Buyer acknowledges that Buyer is solely responsible to inquire of such matters before signing this Contract. Buyer shall have no right to cancel this Contract based upon criminal activity or the presence of registered sexual offenders in the vicinity of the Property. Buyer further acknowledges that no real estate licensee involved in the sale or purchase of the Property, whether acting as the agent for Seller or Buyer, has any duty nor assumes any duty or responsibility to ascertain criminal activity or the presence of registered sexual offenders in the vicinity of the Property.

53. MILITARY INSTALLATIONS: This Section does not apply in Allegany, Carroll, Frederick, Garrett, Howard, Montgomery, and Washington Counties. Buyer is advised that the Property may be located near a military installation that conducts flight operations, munitions testing, or military operations that may result in high noise levels.

54. NOTICE TO THE PARTIES:

(A) NO REPRESENTATIONS: Brokers, their agents, subagents and employees, make no representations with respect to:

- (1) Water quantity, quality, color, or taste or operating conditions of public and/or private water systems;
- (2) Location, size or operating condition of on-site sewage disposal systems;
- (3) The extensions of public utilities by local municipal authorities, existence or availability of public utilities, and any assessments, fees or costs for public utilities which might be imposed by local municipal authorities or private entities, should public utilities be extended or available to the subject Property. (Buyer should consult the Department of Public Works to determine the availability of proposed future extensions of utilities.);

(4) Lot size, exact location. If the subject Property is part of a recorded subdivision, Buyer can review the plat upon request at the Record Office. If the subject Property is not part of a recorded subdivision, Buyer may verify exact size and location through a survey by a licensed engineer or land surveyor, at Buyer's expense;

Buyer _____

Seller  _____
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(5) Existing zoning or permitted uses of the Property, including, without limitation, whether any improvements to the Property required permit(s) and, if so, whether such improvements, were completed pursuant to permit(s) issued and/or whether any permit(s) issued were complied with. Buyer should contact the appropriate local government agency and/or a licensed engineer to verify zoning, permit issuance/status, and permitted uses;

(6) Whether properly licensed contractors have been used to make repairs, renovations and improvements to the Property.

(B) NO ADVISING: Brokers/agents are not advising the parties as to certain other issues, including without limitation: soil conditions; flood hazard areas; possible restrictions of the use of property due to restrictive covenants, subdivision, environmental laws, easements or other documents; airport or aircraft noise; planned land use, roads or highways; and construction materials and/or hazardous materials, including without limitation flame retardant treated plywood (FRT), radon, radium, mold spores, urea formaldehyde foam insulation (UFFI), synthetic stucco (EIFS), asbestos, polybutylene piping and lead-based paint. Information relating to these issues may be available from appropriate governmental authorities. This disclosure is not intended to provide an inspection contingency.

(C) COMPENSATION OF VENDORS: Buyer and Seller each assume full responsibility for selecting and compensating their respective vendors.

(D) PROTECTION OF HOMEOWNERS IN FORECLOSURE ACT NOTICE: BUYER AND SELLER ACKNOWLEDGE THAT, UNDER SECTION 7-310 OF THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND, IF THE MORTGAGE ON THE PROPERTY IS AT LEAST 60 DAYS IN DEFAULT ON THE DATE OF CONTRACT ACCEPTANCE, SELLER HAS THE RIGHT TO RESCIND THE CONTRACT WITHIN 5 DAYS AFTER THE DATE OF CONTRACT ACCEPTANCE. ANY PROVISION IN THIS CONTRACT OR OTHER AGREEMENT THAT ATTEMPTS OR PURPORTS TO WAIVE ANY OF THE SELLER'S RIGHTS UNDER SECTION 7-310 IS VOID.

55. PROPERTY TAX NOTICE - 60 DAY APPEAL: If any real property is transferred after January 1 and before the beginning of the next taxable year to a new owner, the new owner may submit a written appeal as to a value or classification on or before 60 days after the date of the transfer.

56. NON-ASSIGNABILITY: This Contract may not be assigned without the written consent of Buyer and Seller. If Buyer and Seller agree in writing to an assignment of this Contract, the original parties to this Contract remain obligated hereunder until settlement.

57. PARAGRAPH HEADINGS: The Paragraph headings of this Contract are for convenience and reference only, and in no way define or limit the intent, rights or obligations of the parties.

58. COMPUTATION OF DAYS: As used in this Contract, and in any addendum or addenda to this Contract, the term "days" shall mean consecutive calendar days, including Saturdays, Sundays, and holidays, whether federal, state, local or religious. A day shall be measured from 12:00:00 a.m. to and including 11:59:59 p.m. in the Eastern Time Zone. For the purposes of calculating days, the count of "days" shall begin on the day following the day upon which any act or notice as provided in this Contract, or any addendum or addenda to this Contract, was required to be performed or made.

59. ENTIRE AGREEMENT: This Contract and any addenda thereto contain the final and entire agreement between the parties, and neither they nor their agents shall be bound by any terms, conditions, statements, warranties or representations, oral or written, not herein contained. The parties to this Contract mutually agree that it is binding upon them, their heirs, executors, administrators, personal representatives, successors and, if permitted as herein provided, assigns. Once signed, the terms of this Contract can only be changed by a document executed by all parties. This Contract shall be interpreted and construed in accordance with the laws of the State of Maryland. It is further agreed that this Contract may be executed in counterparts, each of which when considered together shall constitute the original Contract.

60. ELECTRONIC DELIVERY: The parties agree that this Contract offer shall be deemed validly executed and delivered by a party if a party executes this Contract and delivers a copy of the executed Contract to the other party by facsimile transmittal, or delivers a digital image of the executed document by electronic transmittal.

DocuSigned by
Mike Gowl and/or Assigns 8/6/2019
Buyer's Signature Date
Mike Gowl and/or Assigns

Gregory S. Milligan dotloop verified 08/07/19 3:54 PM CDT B51D-BYQQ-QMEX-5L1P
Seller's Signature Date
Kevin B Merrill

Buyer's Signature Date

Seller's Signature Date
Amanda M Merrill

DATE OF CONTRACT ACCEPTANCE: 08/08/2019

Check if First-Time Maryland Homebuyer

dotloop signature verification:
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Contact Information:

BUYER / NAME(S): Mike Gowl and/or Assigns
MAILING ADDRESS: c/o Benson and Mangold 31 Goldsborough St
Easton, MD 21601

SELLER / NAME(S): Kevin B Merrill, Amanda M Merrill
MAILING ADDRESS: 1848 Circle Rd
Towson, MD 21204

Information provided for reference only:

LISTING BROKERAGE COMPANY NAME: Monument Sotheby's International Realty (MONUM1)
BROKER OF RECORD NAME: Thomas Saehler LICENSE NUMBER: 3096561
SALES ASSOCIATE NAME: Joe Petrone (3096589) LICENSE NUMBER: 658617
OFFICE ADDRESS: 801 Key Hwy Unit, Baltimore, MD 21230
OFFICE PHONE: (410)525-5435 BROKER/SALES ASSOCIATE MLS ID:
SALES ASSOCIATE PHONE: SALES ASSOCIATE E-MAIL: Joe.petrone@monumentsothebysrealty.com

ACTING AS: LISTING BROKER AND SELLER AGENT; OR
 INTRA - COMPANY AGENT WITH BROKER AS DUAL AGENT

SELLING BROKERAGE COMPANY NAME: Benson & Mangold Real Estate
BROKER OF RECORD NAME: Charles F Benson LICENSE NUMBER: 271
SALES ASSOCIATE NAME: Brian K. Gearhart LICENSE NUMBER: 510143
OFFICE ADDRESS: 700 Abruzzi Dr, Chester, MD 21619
OFFICE PHONE: (410)643-3033 BROKER/SALES ASSOCIATE MLS ID: 89469
SALES ASSOCIATE PHONE: (410)310-5179 SALES ASSOCIATE E-MAIL: briangearhart@goeaston.net

ACTING AS: SELLER AGENT; OR
 SUBAGENT; OR
 BUYER AGENT; OR
 INTRA - COMPANY AGENT WITH BROKER AS DUAL AGENT

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MARYLAND RESIDENTIAL PROPERTY DISCLAIMER STATEMENT


NOTICE TO SELLER(S): Sign this statement only if you elect to sell the property without representations and warranties as to its condition, except as otherwise provided in the contract of sale and in the listing of latent defects set forth below; otherwise, complete and sign the RESIDENTIAL PROPERTY DISCLOSURE STATEMENT.

Except for the latent defects listed below, the undersigned owner(s) of the real property make no representations or warranties as to the condition of the real property or any improvements thereon, and the purchaser will be receiving the real property "as is" with all defects, including latent defects, which may exist, except as otherwise provided in the real estate contract of sale. The seller(s) acknowledge having carefully examined this statement and further acknowledge that they have been informed of their rights and obligations under §10-702 of the Maryland Real Property Article.

Section 10-702 also requires the seller to disclose information about latent defects in the property that the seller has actual knowledge of. The seller must provide this information even if selling the property "as is." "Latent defects" are defined as: Material defects in real property or an improvement to real property that:

- (1) A purchaser would not reasonably be expected to ascertain or observe by a careful visual inspection of the real property; and
- (2) Would pose a direct threat to the health or safety of:
 - (i) the purchaser; or
 - (ii) an occupant of the real property, including a tenant or invitee of the purchaser.

Does the seller(s) have actual knowledge of any latent defects? Yes No If yes, specify:

Seller  Date _____
 Gregory S. Milligan, Receiver
 Seller _____ Date _____

The purchaser(s) acknowledge receipt of a copy of this disclaimer statement and further acknowledge that they have been informed of their rights and obligations under §10-702 of the Maryland Real Property Article.

Purchaser  Date 8/7/2019
 Purchaser _____ Date _____

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AS IS ADDENDUM

ADDENDUM dated
between Buyer
and Seller
for Property known as

05/17/2019

to Contract of Sale

Gregory S. Milligan, Receiver
27776 Sharp Rd, Easton, MD 21601-5300

The following provisions are included in and supersede any conflicting language in the Contract.

The Property is sold in "AS IS" condition as of the Date of Contract Acceptance. Seller makes no warranty, express or implied, as to the condition of the Property or any equipment or system contained therein. Seller agrees to comply with Section 10-702 of the Real Property Article of the Annotated Code of Maryland if applicable (*Residential Property Disclosure and Disclaimer*). The parties agree that all paragraphs in the Contract pertaining to property condition (Paragraph 22) and wood destroying insects (Paragraph 19) are hereby deleted from the Contract except that Buyer retains the right to walk through the Property within five (5) days prior to settlement.

Buyer and Seller agree to initial only one of the following:

A. "AS IS" WITHOUT INSPECTION(S)

The Property is sold in "AS IS" condition as of the Date of Contract Acceptance without any inspection(s) or contingencies regarding the condition of the Property.

B. "AS IS" WITH INSPECTION(S) AND RIGHT TO TERMINATE

The Property is sold in "AS IS" condition as of the Date of Contract Acceptance. Buyer, at Buyer's expense, may have the Property inspected. In the event Buyer is dissatisfied with the results of any inspection(s), Buyer, upon written notice to Seller given within 10 Days from the Date of Contract Acceptance, shall have the unconditional right to terminate the Contract. If Buyer elects to terminate the Contract, the Contract shall become null and void, and Deposit(s) shall be disbursed in accordance with the Deposit paragraph of the Contract. If Buyer fails to have inspection(s) performed or fails to submit written notice of termination within the time period specified, Buyer shall have no right thereafter to terminate the Contract and the Contract shall remain in full force and effect.

Seller shall make the Property accessible for such inspection(s) and shall have utilities in service at the time of the inspection. Neither Buyer, nor any agent or contractor(s) of Buyer, shall in any way excavate, penetrate or otherwise damage any part of the Property without the prior written consent of Seller nor shall any furnishings, boxes, or personal property belonging to Seller be moved or relocated unless absolutely necessary in connection with the inspection(s). If the Property is part of a condominium, Buyer will be given access to the common areas to perform the inspection(s). Buyer and Seller shall have the right to be present during the inspection(s), and Buyer shall give Seller reasonable advance notice of the date and time of any inspection(s).

If Buyer or Buyer's agents or contractors damage the Property during any inspection(s), Buyer shall be responsible for all costs incurred in correcting such damage. Buyer's responsibility for all costs incurred in correcting any damage shall survive termination of the Contract.

All other terms and conditions of the Contract of Sale remain in full force and effect.

8/7/2019

DocuSigned by
Gregory S. Milligan
Buyer Signature

Date

Gregory S. Milligan
dotloop verified
06/09/19 8:22 AM CDT
RVED-PRUC-FSAV-ASAN

Date

Gregory S. Milligan, Receiver

Buyer Signature

Date

Seller Signature

Date



10/17



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Monument Management Systems, LLC, 2801 Sixten Street Baltimore MD 21211
Joe Peirone

Phone: 410-339-1122

Fax:

27776 Sharp Rd.

Produced with zipForm® by zipLogic 16070 Pitcon Ln, # Road, Fraser, Michigan 48026 www.zipform.com

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THIRD PARTY APPROVAL ADDENDUM

NOT FOR USE IN SHORT SALE TRANSACTIONS WHEN THE MARYLAND REALTORS® SHORT SALE ADDENDUM IS USED


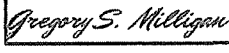
ADDENDUM dated 05/17/2019 to Contract of Sale
between Buyer
and Seller **Gregory S. Milligan, Receiver**
for Property known as **27776 Sharp Rd, Easton, MD 21601-5300**

The Contract, including all addenda thereto, is contingent upon approval by _____ (the "Third Party"). A Notice of approval is not required. A Notice of disapproval is required.

Check one:

- Buyer is responsible for delivering written notice of disapproval, if any, to Seller.
- Seller is responsible for delivering written notice of disapproval, if any, to Buyer.

If the Contract is not approved by the Third Party, written notice of disapproval of the Contract must be delivered as indicated above within _____ (_____) days from the Date of Contract Acceptance. In the event written notice of disapproval is timely delivered, the Contract, without further notice, shall be null and void and of no further legal force and effect and all deposits shall be disbursed in accordance with the Deposit paragraph of the Contract. If written notice of disapproval is not timely delivered, this Addendum, without further notice, shall be null and void, and the Contract shall remain in full force and effect.

DocuSigned by: 	8/7/2019		dotloop verified 05/09/19 8:22 AM CDT 19-C2-HWZ-R2K-PTJ0
Buyer's Signature	Date	Seller's Signature Gregory S. Milligan, Receiver	Date
Buyer's Signature	Date	Seller's Signature	Date



10/18



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BENSON AND MANGOLD
REAL ESTATE

GENERAL ADDENDUM

ADDENDUM # _____ dated **08/06/2019** to Contract of Sale dated **08/06/2019** ,
between Buyer **Mike Gowl and/or Assigns** , _____ and
Seller ~~Kevin B Merrill~~ , ~~Amanda M Merrill~~ for
Property known as **27776 Sharp Rd** , **Easton** ,
Md , **21601** .

Seller shall respond to Buyer within 24 hours of Listing Agents receipt of contract.

Gregory S. Milligan
dotloop verified
08/07/19 3:54 PM CDT
PBDD-XVM0-CAMU-IJH1

Seller ~~Kevin B Merrill~~

DocuSigned by:
Mike Gowl and/or Assigns
Buyer **Mike Gowl and/or Assigns**

Seller ~~Amanda M Merrill~~

Buyer

Date

August 6, 2019

Date

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BENSON AND MANGOLD
REAL ESTATE

GENERAL ADDENDUM

ADDENDUM # _____ dated **08/06/2019** to Contract of Sale dated **08/06/2019** ,
between Buyer **Mike Gowl and/or Assigns** , _____ and
Seller **Kevin B Merrill** , **Amanda M Merrill** for
Property known as **27776 Sharp Rd** , **Easton** ,
Md , **21601** .

Buyer understands, and contract hereby reflects, that the ownership of the property is in
receivership and Seller will be known as **Gregory S. Milligan** Receiver

DS
MGM
08/07/19
4:32 PM CDT
dotloop verified

Gregory S. Milligan
dotloop verified
08/07/19 4:32 PM CDT
6DAB-KTQB-SNQ2-1XX9

Seller **Gregory S Milligan, Receiver**

Seller _____

Date _____

DocuSigned by:
Mike Gowl and/or Assigns 8/6/2019
Buyer **Mike Gowl and/or Assigns**

Buyer _____

Date _____

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NOTICE AND DISCLOSURE OF DEFERRED WATER AND SEWER CHARGES

Contract of Sale between Buyer Mike Gowl and/or Assigns
and Seller Kevin B Merrill, Amanda M Merrill
for Property known as 27776 Sharp Rd, Easton, Md 21601

Pursuant to Section 14-117(a)(5) of the Real Property Article of the Annotated Code of Maryland, the following Notice applies to the resale of residential real property that is served by public water or wastewater facilities for which deferred water and sewer charges have been established by a recorded covenant or declaration. **This law does not apply in a county that has adopted a disclosure requirement that is substantially similar to the disclosure requirements under this law.**

NOTICE REQUIRED BY MARYLAND LAW REGARDING DEFERRED WATER AND SEWER CHARGES

THIS PROPERTY IS SUBJECT TO A FEE OR ASSESSMENT THAT PURPORTS TO COVER OR DEFRAY THE COST OF INSTALLING OR MAINTAINING DURING CONSTRUCTION ALL OR PART OF THE PUBLIC WATER OR WASTEWATER FACILITIES CONSTRUCTED BY THE DEVELOPER. THE FEE OR ASSESSMENT IS \$ 0, PAYABLE (annually, quarterly, monthly, etc.) _____ UNTIL (DATE) _____ TO (NAME & ADDRESS) _____

(HEREAFTER CALLED "LIENHOLDER").

THERE MAY BE A RIGHT OF PREPAYMENT OR A DISCOUNT FOR EARLY PREPAYMENT, WHICH MAY BE ASCERTAINED BY CONTACTING THE LIENHOLDER. THIS FEE OR ASSESSMENT IS A CONTRACTUAL OBLIGATION BETWEEN THE LIENHOLDER AND EACH OWNER OF THIS PROPERTY, AND IS NOT IN ANY WAY A FEE OR ASSESSMENT IMPOSED BY THE COUNTY IN WHICH THE PROPERTY IS LOCATED.

If a Seller subject to this law fails to comply:

- (a) Prior to settlement, Buyer is entitled to rescind in writing the sales contract without penalty or liability. On rescission, Buyer is also entitled to the full return of any deposits made on account of the sales contract. If any deposits are held in trust by a licensed real estate broker, the return of the deposits to a Buyer under this law shall comply with the procedures under § 17-505 of the Business Occupations and Professions Article of the Annotated Code of Maryland. Buyer's right of rescission shall terminate five days after Seller provides to Buyer written notice in accordance with this requirement; and
- (b) After settlement, Seller shall be liable to Buyer for the full amount of any fee or assessment not disclosed, unless Seller was never charged a fee or assessment to defray the costs of public water or wastewater facilities by the developer, a successor of the developer, or a subsequent assignee.

All other terms and conditions of the Contract of Sale remain in full force and effect.

DocuSigned by: <u>Mike Gowl and/or Assigns</u> Buyer Signature Mike Gowl and/or Assigns	<u>8/6/2019</u> Date	<u>Gregory S. Milligan</u> Seller Signature Kevin B Merrill	dotloop verified 08/07/19 3:54 PM CDT 0807-AAG0-OKOL-ESB0
Buyer Signature	Date	Seller Signature	Date
		<u>Amanda M Merrill</u>	



10/17



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Benson and Mangold, LLC, 700 Abruzzi Drive, Suite B Chester MD 21619
Brian Gearhart

Phone: 4103105179

Fax: 4107638054

27776 Sharp Rd

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STATE OF MARYLAND
REAL ESTATE COMMISSION

Understanding Whom Real Estate Agents Represent

THIS NOTICE IS NOT A CONTRACT

In this form "seller" includes "landlord"; "buyer" includes "tenant"; and "purchase" or "sale" includes "lease"

Agents Who Represent the Seller

Seller's Agent: A seller's agent works for the real estate company that lists and markets the property for the sellers and exclusively represents the sellers. A Seller's agent may assist the buyer in purchasing the property, but his or her duty of loyalty is only to the sellers.

Subagent: A Subagent means a licensed real estate broker, licensed associate real estate broker, or licensed real estate salesperson who is not affiliated with or acting as the listing real estate broker for a property, is not a buyer's agent, has an agency relationship with the seller, and assists a prospective buyer in the acquisition of real estate for sale in a non-agency capacity. The subagent works for a real estate company different from the company for which the seller's agent works. The subagent can assist a buyer in purchasing a property, but his or her duty of loyalty is only to the seller.

If you are viewing a property listed by the company with whom the agent accompanying you is affiliated, and you have not signed a Buyer Agency Agreement and a "Consent for Dual Agency" form, that agent is representing the seller

Agents Who Represent the Buyer

Buyer's Agent: A buyer may enter into a written contract with a real estate broker which provides that the broker will represent the buyer in locating a property to buy. The agent from that broker's company is then known as the buyer's agent. The buyer's agent assists the buyer in evaluating properties and preparing offers and developing negotiation strategies and works in the best interest of the buyer. The agent's fee is paid according to the written agreement between the broker and the buyer. If you as a buyer wish to have an agent represent you, you must enter into a written buyer agency agreement.

Dual Agents

The possibility of **dual agency** arises when the buyer's agent and the seller's agent both work for the same real estate company, and the buyer is interested in property listed by that company. The real estate broker or the broker's designee, is called the "dual agent." Dual agents do not act exclusively in the interests of either the seller or buyer, and therefore cannot give undivided loyalty to either party. There may be a conflict of interest because the interests of the seller and buyer may be different or adverse.

If both seller and buyer agree to dual agency by signing a Consent For Dual Agency form, the "dual agent" (the broker or the broker's designee) shall assign one agent to represent the seller (the seller's "intra-company agent") and another agent to represent the buyer (the buyer's "intra-company agent"). Intra-company agents are required to provide the same services to their clients that agents provide in transactions not involving dual agency, including advising their clients as to price and negotiation strategies.

P 1 of 2

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If either party does not agree to dual agency, the real estate company must withdraw the agency agreement for that particular property with either the buyer or seller, or both. If the seller's agreement is terminated, the seller must then either represent him or herself or arrange to be represented by an agent from another real estate broker/company. If the buyer's agreement is terminated, the buyer may choose to enter into a written buyer agency agreement with a different broker/company. Alternatively, the buyer may choose not to be represented by an agent of his or her own but simply to receive assistance from the seller's agent, from another agent in that company, or from a subagent from another company.

No matter what type of agent you choose to work with, you have the following rights and responsibilities in selling or buying property:

- >Real estate agents are obligated by law to treat all parties to a real estate transaction honestly and fairly. They must exercise reasonable care and diligence and maintain the confidentiality of clients. They must not discriminate in the offering of properties; they must promptly present each written offer or counteroffer to the other party; and they must answer questions truthfully.
- >Real estate agents must disclose all material facts that they know or should know relating to a property. An agent's duty to maintain confidentiality does not apply to the disclosure of material facts about a property.
- >All agreements with real estate brokers and agents must be in writing and explain the duties and obligations of both the broker and the agent. The agreement must explain how the broker and agent will be paid and any fee-sharing agreements with other brokers.
- >You have the responsibility to protect your own interests. You should carefully read all agreements to make sure they accurately reflect your understanding. A real estate licensee is qualified to advise you on real estate matters only. If you need legal or tax advice, it is your responsibility to consult a licensed attorney or accountant.

Any complaints about a real estate licensee may be filed with the Real Estate Commission at 500 North Calvert Street, Baltimore, MD 21202. (410) 230-6205

We, the Sellers/Landlord Buyers/Tenants acknowledge receipt of a copy of this disclosure and that **Monument Sotheby's International Realty** (firm name) and **Joseph A Petrone** (salesperson) are working as:

- (You may check more than one box but not more than two)
- seller/landlord's agent
 - subagent of the Seller
 - buyer's/tenant's agent

Signature Gregory S. Milligan (Date) _____
dotloop verified 06/09/19 8:22 AM CDT IT41XWBTJRGU-JWTF

I certify that on this date I made the required agency disclosure to the individuals identified below and they were **unable or unwilling** to acknowledge receipt of a copy of this disclosure statement

Name of Individual to whom disclosure made _____ Name of Individual to whom disclosure made _____

Agent's Signature **Joseph A Petrone** (Date) _____

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NOTICE TO BUYER AND SELLER OF BUYER'S RIGHTS AND SELLER'S OBLIGATIONS UNDER MARYLAND'S SINGLE FAMILY RESIDENTIAL PROPERTY CONDITION DISCLOSURE LAW

ADDENDUM dated 05/17/2019 to the Contract of Sale
between Buyer and Seller
known as **Gregory S. Milligan, Receiver** for Property
27776 Sharp Rd, Easton, MD 21601-5300

NOTE: This notice does not apply to: (1) the initial sale of single family residential property which has never been occupied, or for which a certificate of occupancy has been issued within one year prior to the date of the Contract; (2) a transfer that is exempt from the transfer tax under Subsection 13-207 of the Tax-Property Article, except land installments contracts of sale under Subsection 13-207(a)(11) of the Tax-Property Article and options to purchase real property under Subsection 13-207(a)(12) of the Tax-Property Article; (3) a sale by a lender or an affiliate or subsidiary of a lender that acquired the real property by foreclosure or deed in lieu of foreclosure; (4) a sheriff's sale, tax sale, or sale by foreclosure, partition or by court appointed trustee; (5) a transfer by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust; (6) a transfer of single family residential real property to be converted by the buyer into a use other than residential use or to be demolished; or (7) a sale of unimproved real property.

Section 10-702 of the Real Property Article of the Annotated Code of Maryland ("Section 10-702") requires that a seller of a single family residential property ("the property") deliver to each buyer, on or before entering into a contract of sale, on a form published and prepared by the Maryland Real Estate Commission, EITHER:

- (A) A written property condition disclosure statement listing all defects including latent defects, or information of which the seller has actual knowledge in relation to the following:
 - (i) Water and sewer systems, including the source of household water, water treatment systems, and sprinkler systems;
 - (ii) Insulation;
 - (iii) Structural systems, including the roof, walls, floors, foundation and any basement;
 - (iv) Plumbing, electrical, heating, and air conditioning systems;
 - (v) Infestation of wood-destroying insects;
 - (vi) Land use matters;
 - (vii) Hazardous or regulated materials, including asbestos, lead-based paint, radon, underground storage tanks, and licensed landfills;
 - (viii) Any other material defects, including latent defects, of which the seller has actual knowledge;
 - (ix) Whether the required permits were obtained for any improvements made to the property;
 - (x) Whether the smoke alarms:
 - 1. will provide an alarm in the event of a power outage;
 - 2. are over 10 years old; and
 - 3. if battery operated, are sealed, tamper resistant units incorporating a silence/hush button and use long-life batteries as required in all Maryland homes by 2018; and
 - (xi) If the property relies on the combustion of a fossil fuel for heat, ventilation, hot water, or clothes dryer operation, whether a carbon monoxide alarm is installed on the property.

"Latent defects" under Section 10-702 means material defects in real property or an improvement to real property that:

- (i) A buyer would not reasonably be expected to ascertain or observe by a careful visual inspection, and
- (ii) Would pose a threat to the health or safety of the buyer or an occupant of the property, including a tenant or invitee of the buyer;

OR

- (B) A written disclaimer statement providing that:
 - (i) Except for latent defects of which the seller has actual knowledge, the seller makes no representations or warranties as to the condition of the real property or any improvements on the real property; and
 - (ii) The buyer will be receiving the real property "as is," with all defects, including latent defects, that may exist, except as otherwise provided in the contract of sale of the property



Buyer

[Handwritten Signature]

Seller



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At the time the disclosure or disclaimer statement is delivered to you ("the buyer"), you are required to date and sign a written acknowledgement of receipt on the disclosure or disclaimer statement which shall be included in or attached to the contract of sale.

Section 10-702 further provides that a buyer who receives the disclosure or disclaimer statement on or before entering into a contract of sale does not have the right to rescind the contract based upon the information contained in the disclosure or disclaimer statement.

You are hereby notified that, in certain circumstances, you have the right to rescind your contract with the seller if the seller fails to deliver to you the written property condition disclosure or disclaimer statement. Section 10-702 provides that a buyer who does not receive the disclosure or disclaimer statement on or before entering into the contract has the unconditional right, upon written notice to the seller or seller's agent.

- (i) To rescind the contract at any time before the receipt of the disclosure or disclaimer statement or within 5 days following receipt of the disclosure or disclaimer statement; and
- (ii) To the immediate return of any deposits made on account of the contract.

Your right to rescind the contract under Section 10-702 terminates if not exercised before making a written application to a lender for a mortgage loan, if the lender discloses in writing at or before the time application is made that the right to rescind terminates on submission of the application or within 5 days following receipt of a written disclosure from a lender who has received your application for a mortgage loan, if the lender's disclosure states that your right to rescind terminates at the end of that 5 day period.

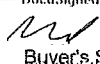
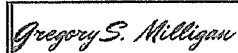
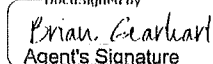

Your rights as a buyer under Section 10-702 may not be waived in the contract and any attempted waiver is void. Your rights as the buyer to terminate the contract under Section 10-702 are waived conclusively if not exercised before:

- (i) Closing or occupancy by you, whichever occurs first, in the event of a sale; or
- (ii) Occupancy, in the event of a lease with option to purchase.

The information contained in the property condition disclosure statement is the representation of the seller and not the representation of the real estate broker or sales person, if any. A disclosure by the seller is not a substitute for an inspection by an independent professional home inspection company. You should consider obtaining such an inspection. The information contained in a disclosure statement by the seller is not a warranty by the seller as to the condition of the property of which condition the seller has no actual knowledge or other condition, including latent defects, of which the seller has no actual knowledge. The seller is not required to undertake or provide an independent investigation or inspection of the property in order to make the disclosures required by Section 10-702. The seller is not liable for an error, inaccuracy or omission in the disclosure statement if the error, inaccuracy or omission was based upon information that was not within the actual knowledge of the seller or was provided to the seller by a third party as specified in Section 10-702(i) or (j).

You may wish to obtain professional advice about the property or obtain an inspection of the property.

The undersigned buyer(s) and seller(s) acknowledge receipt of this notice on the date indicated below and acknowledge that the real estate licensee(s) named below have informed the buyer(s) and the seller(s) of the buyer(s) rights and the seller(s) obligations under Section 10-702.

<p>DocuSigned by  Buyer's Signature</p>	<p>8/7/2019 Date</p>	<p> Seller's Signature Gregory S. Milligan, Receiver</p>	<p><small>dotloop verified 06/09/19 8:22 AM CDT NCTY-MBLL-PLG-WP75</small> Date</p>
<p>Buyer's Signature</p>	<p>Date</p>	<p>Seller's Signature</p>	<p>Date</p>
<p>DocuSigned by  Agent's Signature</p>	<p>8/7/2019 Date</p>	<p> Agent's Signature Joseph A Petrone</p>	<p><small>dotloop verified 08/08/19 2:49 PM EDT GZOB-CXJX-J3IA-6JEX</small> Date</p>

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Case 1:18-cv-02844-RDB Document 199-2 Filed 08/22/19 Page 1 of 6

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

SECURITIES AND EXCHANGE)
COMMISSION,)
)
Plaintiff,)
)
v.)
)
KEVIN B. MERRILL, et al.,)
)
Defendants.)

Case No.: 1:18-cv-02844-RDB

AGREED ORDER GRANTING IN PART RECEIVER GREGORY S. MILLIGAN'S
(i) MOTION TO APPROVE SALE PROCEDURES AND RETENTION OF SOTHEBY'S
INTERNATIONAL REALTY, INC. AND (ii) MOTION TO APPROVE SALE
PROCEDURES AND RETENTION OF PRESTIGE MOTOR CAR IMPORTS, LLC
(Related to Dkt. Nos. 107 & 108)

This matter is before the Court on the (i) Motion for Approval of Procedures for Sale of Real Property and Retention of Sotheby's International Realty, Inc. as Broker (the "Sotheby's Motion") (Dkt. No. 107) and (ii) Motion to Approve Procedures for Sale of Automobiles and for Order Authorizing Retention, Employment, and Compensation of Prestige Motor Car Imports, LLC as Broker (the "Prestige Motion") (Dkt. No. 108) (the Sotheby's Motion and Prestige Motion are collectively, the "Motions"), filed by Receiver Gregory S. Milligan (the "Receiver"), the Court-appointed Receiver in the above-captioned case. The Court, having considered the Motions and evidence submitted in support thereof, the Receiver's Supplemental Briefing in Support of Sale Motions (Dkt. No. 110), the Certificate of Conference and Stipulation Regarding Sale Motions (the "Stipulation") (Dkt. No. 116), the Certificate of Conference Regarding Sale Motions (Dkt. No. 117), responses or objections, if any, the arguments of counsel, and the pleadings on file, finds that the Motions should be, and hereby are, GRANTED IN PART.

It is therefore ORDERED that:

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Case 1:18-cv-02844-RDB Document 137 Filed 04/25/19 Page 2 of 6

A. The Sotheby's Motion.

1. The Sotheby's Motion is GRANTED IN PART with respect to the following real property owned or purchased by Defendant Kevin B. Merrill and/or Relief Defendant Amanda Merrill:

- 1055 Spyglass Lane, Naples, Florida 34102;
- 1848 Circle Road, Towson, Maryland 21204;
- 27776 Sharp Road, Easton, Maryland 21601;
- 531 Hampton Lane, Baltimore, Maryland 21286;
- 3018 Susanne Court, Owings Mills, Maryland 21117; and
- 1718 Greenspring Valley Road, Stevenson, Maryland 21153.

(collectively, the "Merrill Real Property").

2. The Receiver is authorized to retain and employ Sotheby's International Realty, Inc. ("Sotheby's") as broker of the Merrill Real Property pursuant to the Fee Proposal outlined in the Milligan Declaration.

3. The Real Property Sales Procedures set forth in the Sotheby's Motion are hereby approved and the Receiver is authorized to sell the Merrill Real Property in accordance with the Real Property Sales Procedures.

4. Any party asserting a claim against the Merrill Real Property shall file its claim within thirty (30) days of the date of entry of this Order. To the extent that a claim is made to or against the Merrill Real Property, the claimant shall describe such claim in detail. The Receiver's response to any claim against the Merrill Real Property shall be due within fourteen (14) days of the date the claim was filed with the Court. If the Receiver fails to respond to the claim, the claim shall be deemed allowed and the Real Property shall be sold subject to the claim. If the Receiver files a response, the Court may thereafter determine whether a hearing is necessary to allow or deny the claim.

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Case 1:18-cv-02844-RDB Document 199-2 Filed 08/22/19 Page 3 of 6

5. Any party asserting an objection to a Sale Motion¹ shall file its objection within thirty (30) days of the filing of the Sale Motion. In the event an objection is filed to a Sale Motion, such objecting party shall state why the proposed sale should not be approved by the Court and whether the objecting party has a proposed buyer who is willing to purchase the Merrill Real Property for an amount that exceeds the proposed sale price in the Sale Motion. The Receiver's response to any objection to a Sale Motion shall be due within fourteen (14) days of the date the objection was filed with the Court. If the Receiver fails to respond to the objection, the objection shall be granted and the Sale Motion shall be denied. If the Receiver files a response, the Court may thereafter determine whether a hearing is necessary to (i) approve the sale, (ii) sustain the objection, or (iii) order a public auction with the proposed buyer and terms under the Sale Motion to act as a "stalking horse" bid, subject to higher and better offers.

6. Any commission or administrative fee to be paid to Sotheby's for its brokerage services will be requested and approved as part of any Sale Motion and, if such Sale Motion is approved, Sotheby's fees shall be paid as part of the closing of the real estate transaction.

7. Pursuant to the Stipulation and with the consent of the Office of the United States Attorney (the "U.S. Attorney's Office"), the net proceeds of any sale of Merrill Real Property pursuant to a Sale Motion (the "Proceeds") shall be held in an interest-bearing account maintained by the Receiver pending final resolution of this SEC Action² or further Order of this Court. All rights, reservations, claims, defenses, and objections of Relief Defendant Amanda Merrill, Plaintiff Securities and Exchange Commission (the "SEC"), and the Receiver are

¹ The term "Sale Motion" herein shall have the same meaning as used in the Sotheby's Motion.

² The term "SEC Action" herein shall mean the civil action styled *Securities and Exchange Commission v. Kevin Merrill, et al.*, Case No. 18-cv-02844-RDB, in the United States District Court for the District of Maryland.

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Case 1:18-cv-02844-RDB Document 199-2 Filed 08/22/19 Page 4 of 6

preserved pursuant to the terms identified in the Stipulation with respect to distribution of the Proceeds.

8. The Sotheby's Motion is GRANTED IN PART with the express consent of the U.S. Attorney's Office, the Securities and Exchange Commission, Kevin Merrill and Amanda Merrill. As such, the cooperation of any party with regard to the sales of Merrill Real Property as set forth in the Sotheby's Motion and authorized by this Order shall not be construed as a violation of the Restraining Orders entered in *United States of America v. Kevin B. Merrill, Jay B. Ledford, and Cameron R. Jezierski*, Criminal No. RDB-18-0465 (Dkt. Nos. 8 and 10) (the "Restraining Orders").

B. The Prestige Motion.

9. The Prestige Motion is GRANTED IN PART with respect to the following vehicles owned or purchased by Defendant Kevin B. Merrill and/or Relief Defendant Amanda Merrill:

- 2018 Cadillac Escalade, VIN No. 1GYS4DKJOJR194076;
- 2015 Harley-Davidson VRSCDX Night Rod, VIN No. 1HD1HHH18FC805081;
- 2015 BMW S1000R Motorcycle, VIN No. WB10D210XFZ352440;
- 2015 Ferrari 458 Spider Especial, VIN No. ZFF78VHA7F0213197;
- 2015 Porsche 918, VIN No. WP0CA2A13FS800561;
- 2016 Mercedes Benz Sprinter 2500, VIN No. WDAPE8CDXGP323201;
- 2018 Cadillac Escalade ESV, VIN No. 1GYS4KKJ4JR384130;
- 2017 Audi R8 5.2 Plus Coupe, VIN No. WUAKBAFX1H7902028;
- 2017 Land Rover Range Rover, VIN No. SALGS5FE7HA341466;
- 2017 Land Rover Range Rover Sport, VIN No. SALWz2FE6HA145282;
- 2017 Rolls Royce Dawn Convertible, VIN No. SCA666D57HU107107;
- 2017 Rolls Royce Wraith Coupe, VIN No. SCA665C58HUX86607;
- 2008 Bugatti Veyron, VIN No. VF9SA25C78M795164;
- 2014 Pagani Huayra, VIN No. ZA9H11RAYYSF76034;
- 2017 Lamborghini Aventador, VIN No. ZHWUT3ZDXHLA05923;
- 2018 Lamborghini Huracan, VIN No. ZIIWUS4ZF6JLA10746; and
- 2016 Ford F-150, VIN No. 1FTEW1EG3GFA83463.

(collectively, the "Merrill Vehicles").

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Case 1:18-cv-02844-RDB Document 137 Filed 04/26/19 Page 5 of 6

10. The Receiver is authorized to employ Prestige Motor Car Imports, LLC as vehicle broker for the Receiver with respect to the Merrill Vehicles pursuant to the Consignment Agreement attached to the David Declaration as Exhibit 1.

11. The Vehicle Sales Procedures set forth in the Prestige Motion are hereby approved and the Receiver is authorized to sell the Merrill Vehicles in accordance with the Vehicle Sales Procedures.

12. Prestige Motor Car Imports, LLC is authorized to receive a commission from the sales proceeds of each Merrill Vehicle in an amount equal to 5.0% of the purchase price without need of further application or Court approval.

13. Prestige Motor Car Imports, LLC is authorized to receive the pre-approved costs incurred for transportation, maintenance, repair, and sale from the sales proceeds of each Merrill Vehicle or, in the event of termination of the Consignment Agreement, from the Receiver.

14. The United States Marshals Service is authorized and ordered to turn over the Merrill Vehicles to Prestige Motor Car Imports, LLC, or its authorized agent, on a mutually agreeable date and time. The Receiver is authorized to pay the storage, maintenance, and other costs incurred by the United States Marshals Service for the Merrill Vehicles.

15. Pursuant to the Stipulation and with the consent of the U.S. Attorney's Office, the net proceeds of any sale of the Merrill Vehicles (the "Proceeds") shall be held in an interest-bearing account maintained by the Receiver pending final resolution of this SEC Action or further Order of this Court. All rights, reservations, claims, defenses, and objections of Relief Defendant Amanda Merrill, the SEC, and the Receiver are preserved pursuant to the terms identified in the Stipulation with respect to distribution of the Proceeds.

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16. The Prestige Motion is GRANTED IN PART with the express consent of the U.S. Attorney's Office, the Securities and Exchange Commission, Kevin Merrill and Amanda Merrill. As such, the cooperation of any party with regard to the sales of Merrill Vehicles as set forth in the Prestige Motion and authorized by this Order shall not be construed as a violation of the Restraining Orders.

C. Other Real Property and Vehicles.

17. Defendant Jay B. Ledford has filed an Opposition to the Motions (Dkt. No. 115) in which he objects to any relief requested with respect to the following real property and vehicles:

Real Property

- 9017 Grove Crest Lane, Las Vegas, Nevada 89134;
- 1132 Glade Road, Colleyville, Texas 76034;
- 1650 Cedar Hill, Dallas, Texas 75208;
- 2308 Cedar Elm Terrace, Westlake, Texas 76262; and
- 2801 Paramount Boulevard, Amarillo, Texas 79109.

Vehicles

- 2015 Bentley Flying Spur, VIN No. SCBET9ZA7FC042592;
- 2018 Land Range Rover, VIN No. SALGS2RE6JA501496;
- 2016 Ferrari 488 Coupe, VIN No. ZFF79ALA3G0217973; and
- 2016 Tesla Model, VIN No. 5YJSAIE49GF155262.

18. Nothing in this Order is intended to grant or deny any relief in the Motions with respect to the real property and vehicles referenced in paragraph 17 *supra*.

IT IS SO ORDERED, this 29th day of April, 2019.



HON. RICHARD D. BENNETT
UNITED STATES DISTRICT JUDGE

EXHIBIT 2



Appraisal of Real Property

LOCATED AT:

27776 Sharp Rd
37.0645 AC N/S Forest Landing RD NR Longwoods
Easton, MD 21601

FOR:

Gregory S. Milligan, Receiver
P.O. Box 90099
Austin, Texas 78709-0099

AS OF:

05/23/2019

BY:

William D. Weise
W. Fitzhugh Turner
Tidewater Properties Appraisers
1102 Butterworth Ct., STE 200
Stevensville MD 21666
Owners: Kevin B. Merrill and Amanda M. Merrill, T/E in fee simple

Subject Photo Page

Borrower	Not applicable				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver				

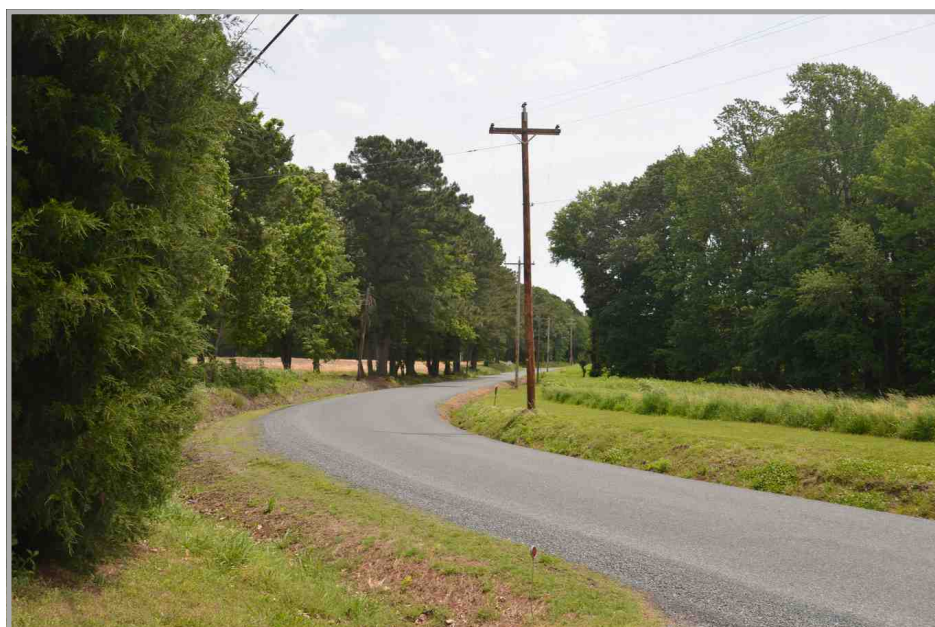


Subject Front

27776 Sharp Rd
 Sales Price N/A
 Gross Living Area 6,013
 Total Rooms 11
 Total Bedrooms 5
 Total Bathrooms 5.1*
 Location Easton
 View Pickering Creek 2+
 Site 37.06 Acres
 Quality Above Standard
 Age 37



Subject Rear



Subject Street

View of Sharpe Road

Photograph Addendum

Borrower	Not applicable				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver				



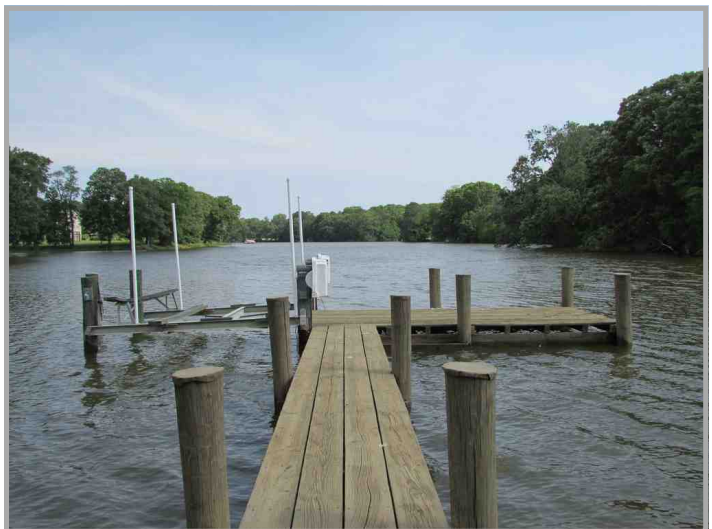
Gravel lane entrance to Subject. Subject is known as "Creek Bend Farm".



View of large pond on right side of gravel lane entrance.



View of broken gate at Subject dock. Subject is located at the head of Pickering Creek.



Facing north. Subject dock extends out 120 feet into Pickering Creek with electric boat lift.



Facing north from Subject dock. Subject MLW is 2+ feet.



Facing east from Subject dock at the head of creek.

Photograph Addendum

Borrower	Not applicable				
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Facing south from Subject dock.



**View of Subject residence from dock.
Raised bank with natural shoreline.**



Front view of Subject residence. All brick construction with covered porch supported by columns.



View of pergola on east side of residence.



East profile.



Pergola is weathered and shows rot.

Photograph Addendum

Borrower	Not applicable				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver				



North east profile.



View of unfinished brick work around French doors in master bedroom.



Lawn shows knee high grass.



North profile shows overgrown landscaping.



View of raised brick patio at the rear.



Raised brick patio

Photograph Addendum

Borrower	Not applicable				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver				



View of French doors leading family room on right and French doors leading to breezeway on left.



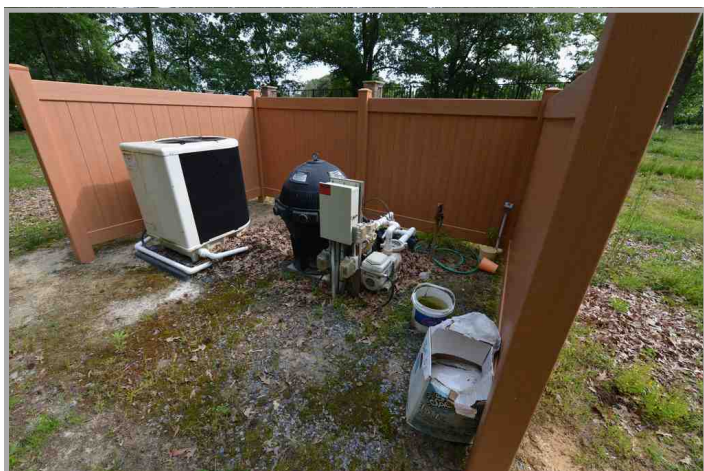
Brick fire pit.



Brick walk leading to swimming pool.



800 sf. in ground concrete waterside swimming pool with slate tile apron.



View of swimming pool heat pump.



View of two car attached garage with brick apron.

Photograph Addendum

Borrower	Not applicable				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver				



South west profile.



View of basement window. Exterior wood surfaces show peeling paint.



Frieze Board shows age.



Pergola is weathered and shows a lack of general maintenance.



Exterior view of French doors to master bedroom. Doors show missing bricks along door jamb and header.



Exterior view of French doors in family room. Doors show missing hardware and trim work.

Photograph Addendum

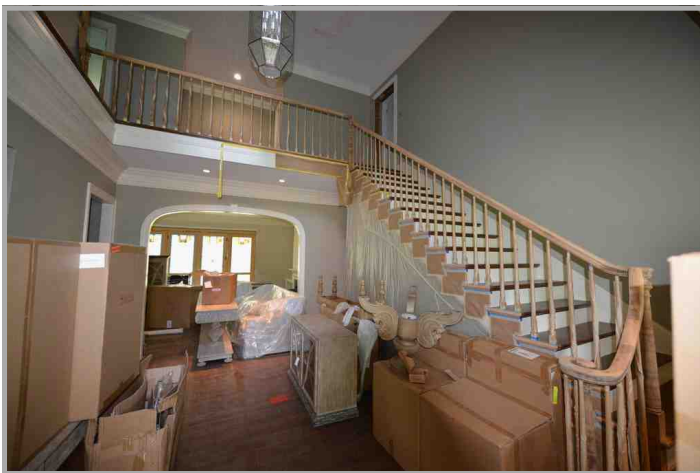
Borrower	Not applicable				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver				



Exterior wood shows peeling paint.



Exterior of breezeway shows unfinished new construction.



Large two story foyer with wood floor.



Half bath off foyer. Half bay shows missing sink and mirror.



Closet in foyer shows missing door.



Living room showing wide ceiling moldings, fireplace, built ins, and recessed lights.

Borrower	Not applicable				
Property Address	27776 Sharp Rd				
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Living room shows French doors missing hardware, door jamb and trim work.



Formal dining room with wide ceiling molding and wood floor.



View of hallway.



Family room showing custom built ins, fireplace, wide ceiling molding and ceiling fan. French doors show missing trim and hardware.



View of kitchen to the left and stairs to second floor sitting room from family room.



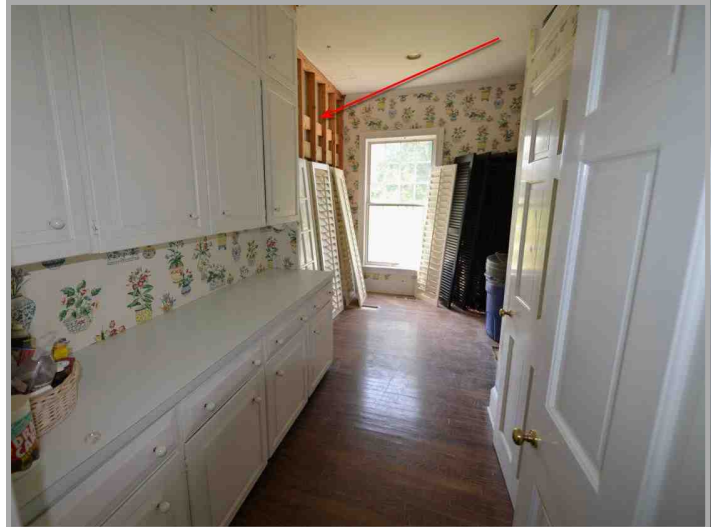
Kitchen showing quality moldings, cabinets and fixtures. High end stainless Viking gas stove. Kitchen appears functional.

Photograph Addendum

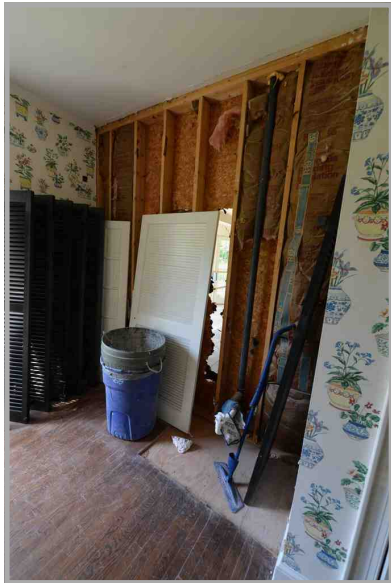
Borrower	Not applicable				
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Viking stainless gas stove with hood and tile back splash.



Entrance to separate laundry room.



Laundry room shows missing insulation, wall board and washer/dryer.



View of breezeway to garage. Breezeway is heated and cooled space, and included in estimating GLA.



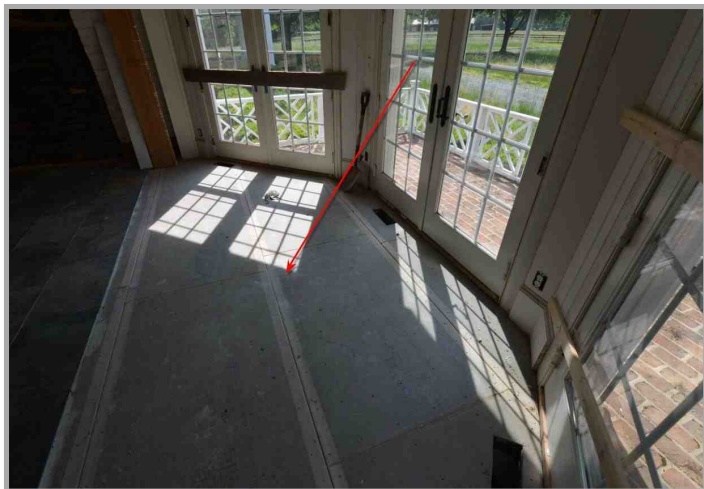
Slate tile floor with vaulted ceiling and ceiling fan. Top right shows open wall to living area over garage.



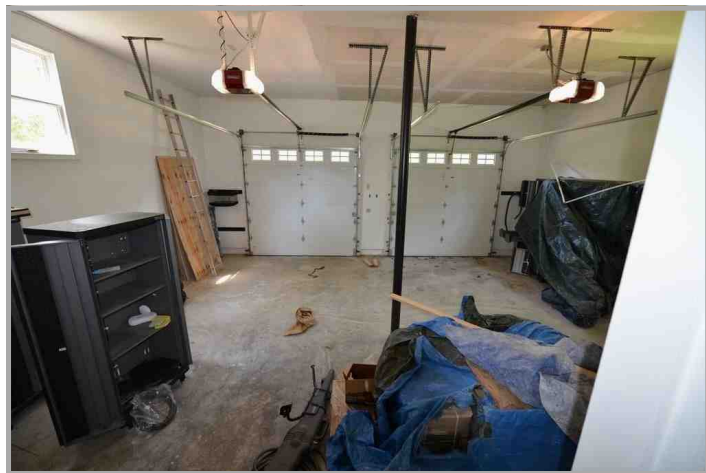
Breezeway is under construction showing exposed laundry room to the right, missing floor lower right, missing register lower left and open wall to living area over garage.

Photograph Addendum

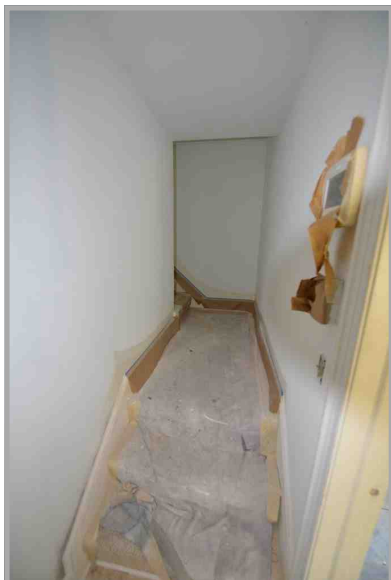
Borrower	Not applicable				
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City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver				



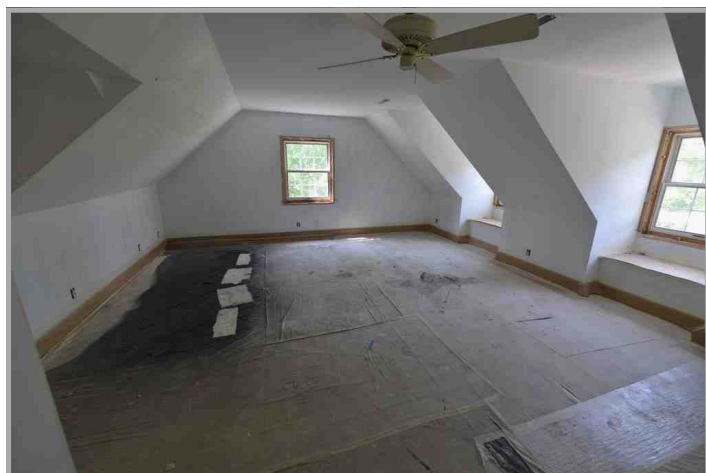
Close view of new construction showing missing floor.



Interior view of attached garage.



View of stairs leading to living space over garage.



View of unfinished living space over garage.



View of missing window jamb and light switch plates.



View of bathroom under construction.

Photograph Addendum

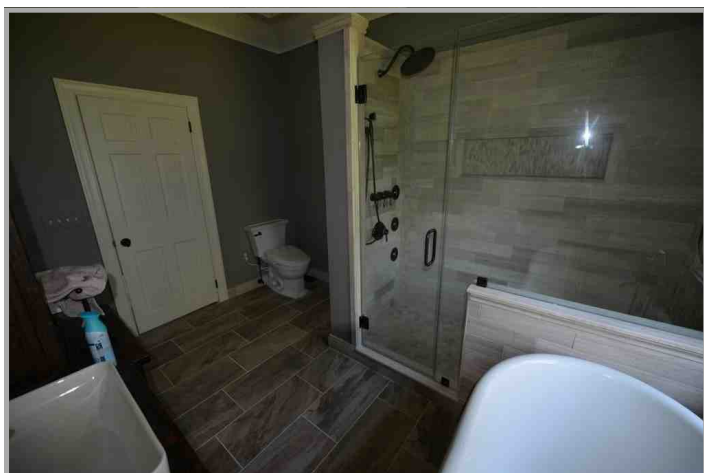
Borrower	Not applicable				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver				



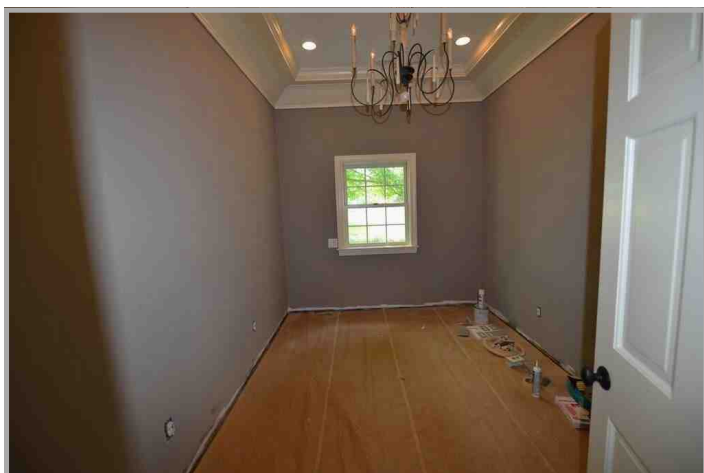
View of wall cut out.



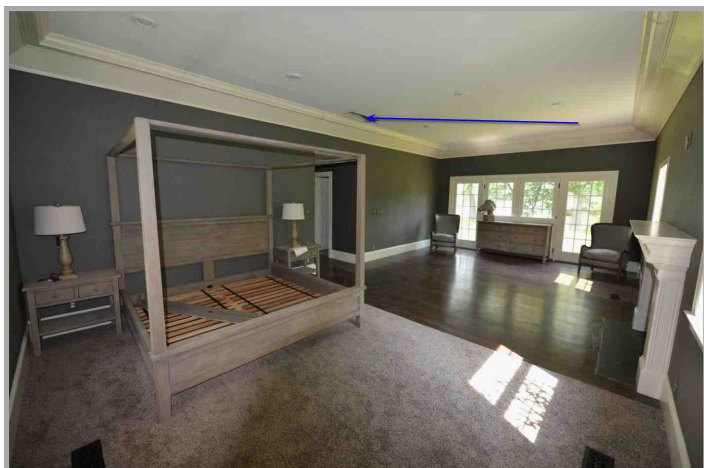
First floor master bath with slate tile floor and separate tub and shower.



Step in shower has tile surround. Bathroom has high quality fixtures and finish. This is only finished bath - no water to test



Large walk in closet off master bedroom. Trey ceiling with wide molding and recessed lights. Picture shows missing base molding, switch plates and flooring.



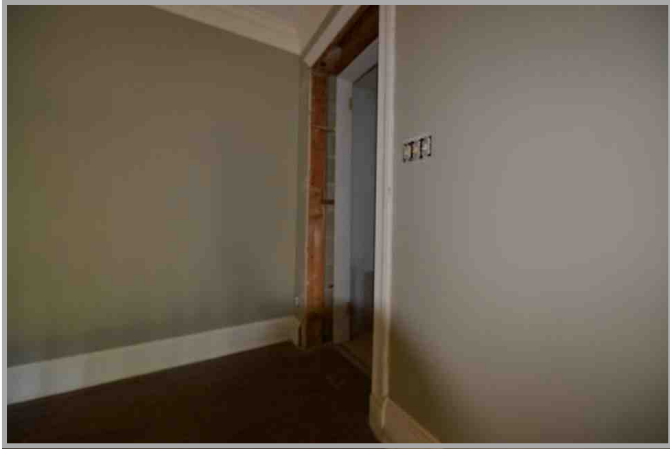
Master bedroom with wood floor, wide crown molding and recessed lights. Picture shows missing ceiling register.



Master bedroom with wood floor and fireplace.

Photograph Addendum

Borrower	Not applicable				
Property Address	27776 Sharp Rd				
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Second floor shows missing door jamb.



Unfinished second floor bedroom.



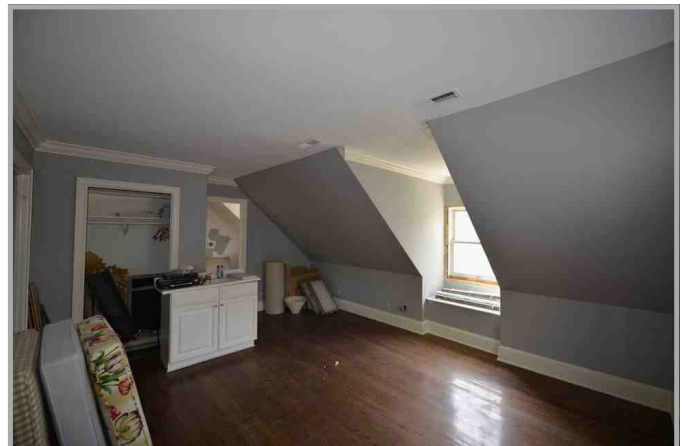
Unfinished bathroom in unfinished bedroom.



Bedroom with wainscot and built in window seat.



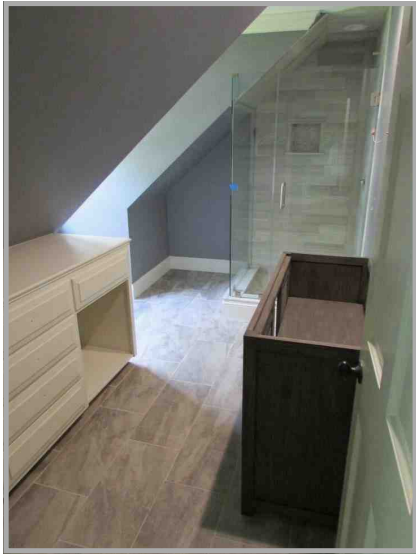
Bedroom with built in book shelves and window seat.



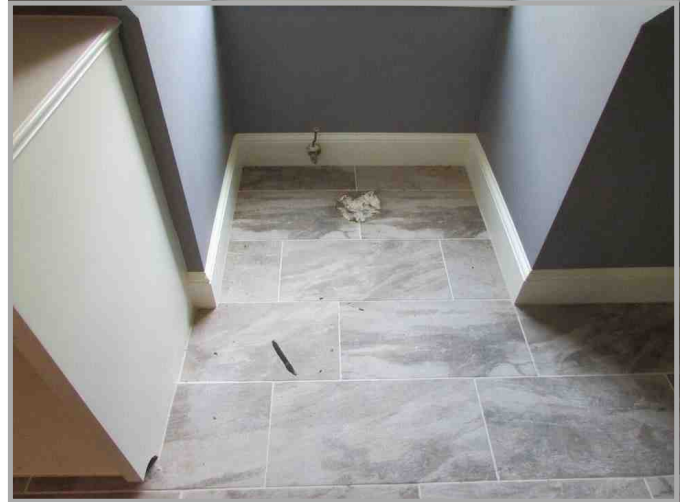
Second floor bedroom.

Photograph Addendum

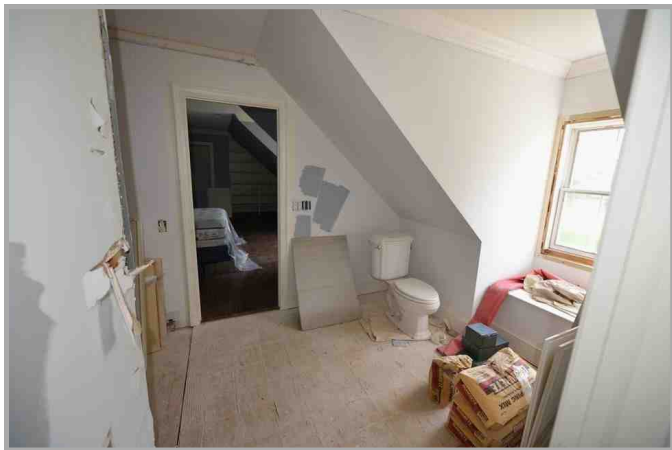
Borrower	Not applicable				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver				



View of bathroom under construction.



View of missing toilet.



Unfinished Jack & Jill bathroom



Unfinished Jack & Jill bathroom



Unfinished Jack & Jill bathroom



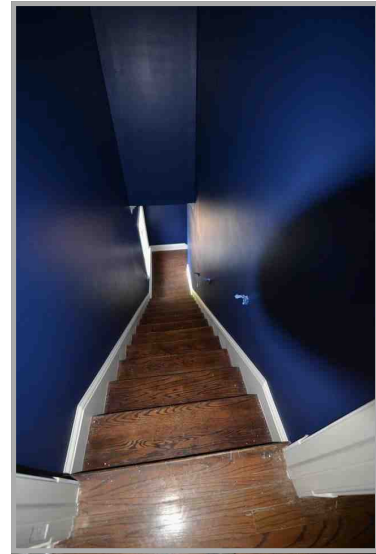
Second floor sitting room with fireplace, wood floor and window seat.

Photograph Addendum

Borrower	Not applicable				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver				



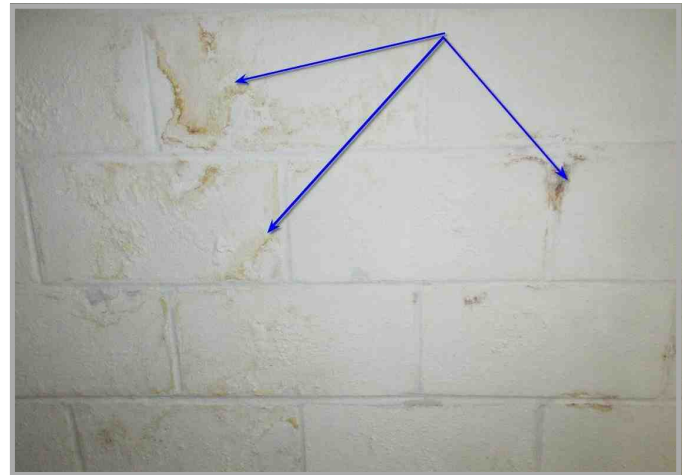
Sitting room has custom built book shelves and recessed lights.



Stairs leading from second floor sitting room to family room.



30 x 36 (1,080 sf.), unfinished basement.



Basement wall show water penetration.



Sump pump in basement.



30 x 72 four bay out building of all metal construction.

Photograph Addendum

Borrower	Not applicable				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver				



Out building is in good condition and well maintained.



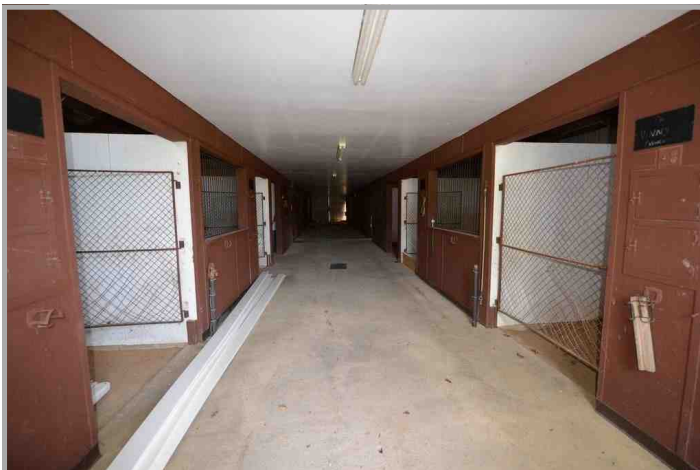
Concrete floor, electric service and shop area.



View of 99 x 42 horse stable. All metal construction with eleven stalls, office, kitchen and wash down room.



Front of horse stable with sliding barn door. Building in good condition and well maintained.



Interior view.



Typical stall.

Photograph Addendum

Borrower	Not applicable		
Property Address	27776 Sharp Rd		
City	Easton	County	Talbot
		State	MD
		Zip Code	21601
Lender/Client	Gregory S. Milligan, Receiver		



Kitchen/office/wash room.



Wash down stall.



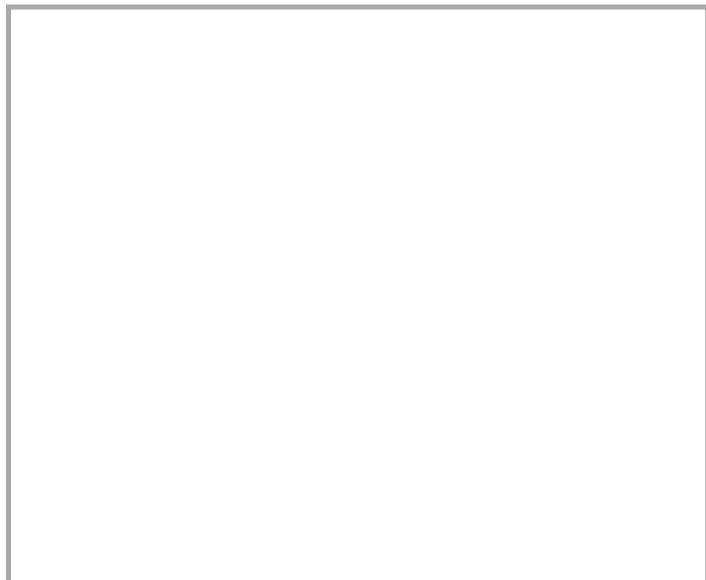
View from horse stable of one of six pastures.



View of run in shed. Pastures are surrounded by wood fencing. Sections of fence show needed repair.



Blank



Blank

Photograph Addendum

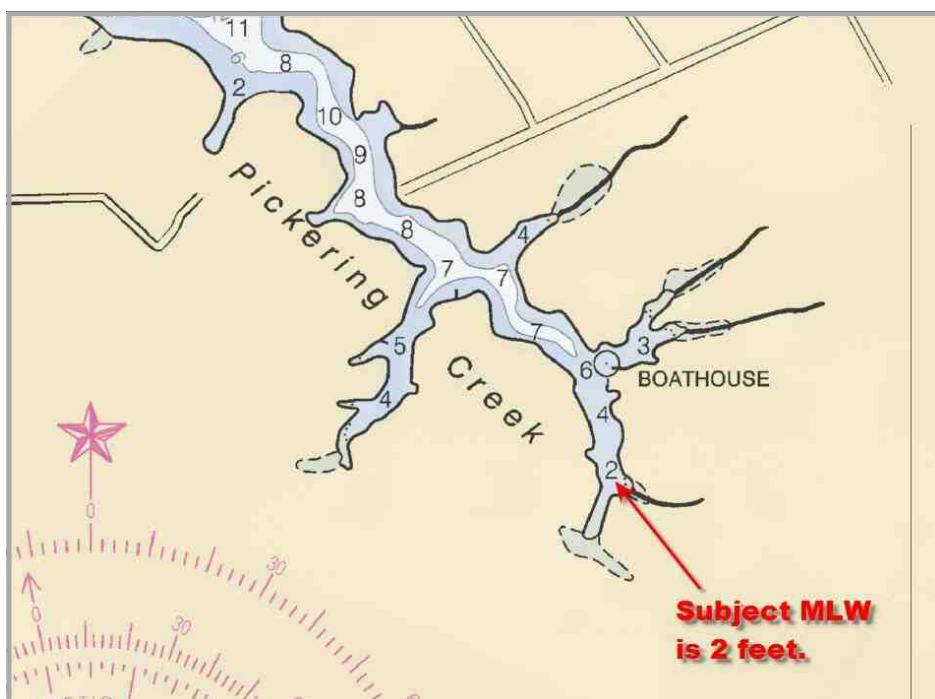
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Property Address	27776 Sharp Rd		
City	Easton	County	Talbot State MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver		



Over head view of Subject site showing the location of the improvements, location of the waterfront and pond. Subject has a very private location with shared driveway access off Sharp Road.



View of zoning map and location of Subject. Subject is zoned Resource Conservation (RC). Agricultural/residential use in Critical Area.



Location of Subject on NOAA Map. Subject is located at the head of Pickering Creek. MLW is 2+ feet.

Borrower	Not applicable	File No. Milligan 27776 Sharp Rd		
Property Address	27776 Sharp Rd			
City	Easton	County	Talbot	State MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver			

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

- Appraisal Report (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- Restricted Appraisal Report (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

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

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

Reasonable Exposure Time

(USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)

My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 3-12 months.
 A reasonable estimate of 'Exposure Time' for a waterfront property of similar quality and condition, would be in the range of 3-12 months. However, due to overall condition of Subject property, the buyer pool will be narrow and marketing time may take longer.

Comments on Appraisal and Report Identification

Note any USPAP-related issues requiring disclosure and any state mandated requirements:

Scope of the Appraisal:
 The appraisers have researched many different resources in the completion of this report. Current zoning and ownership data was obtained from public records. The Subject property was inspected. Comparable sales and listing data was obtained and verified by public records and inspected from the street.

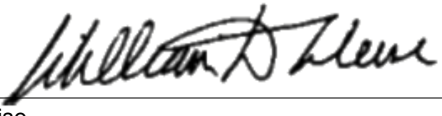
This Appraisal Report which is intended to comply with the reporting requirements under the Standard 2-2(a)(b) and (c) of the Uniform Standards of Professional Appraisal Practice for Appraisal Reports. It represents only summary discussions of the data, reasoning and analysis that were used in the appraisal process to develop the Appraiser's opinion of value. Supporting documentation concerning data, reasoning and analysis is retained in the appraiser's files. The depth of the discussion contained in this report is specific to the needs of the client and for the use stated in this report. To develop the opinion of value, the appraiser's performed a complete appraisal process, as defined by the Uniform Standards of Professional Appraisal Practice.

We have not appraised this property within the past three years.

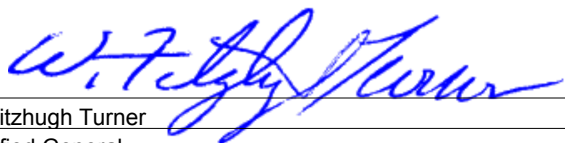
The intended use of this appraisal is to assist the client, Gregory S. Milligan CTP, in estimating market value of Subject property in it's current condition for disposition.

Subject has been vacant for a period of time. The appraiser's have assumed only observable unfinished remodeling issues and do not assume any hidden problems. Water was not on, we do not know status of plumbing systems, assumed functional as to finished items.

APPRAISER:

Signature: 
 Name: William D. Weise
 Licensed Appraiser
 State Certification #: _____
 or State License #: 12993
 State: MD Expiration Date of Certification or License: 11/06/2019
 Date of Signature and Report: 06/05/2019
 Effective Date of Appraisal: 05/23/2019
 Inspection of Subject: None Interior and Exterior Exterior-Only
 Date of Inspection (if applicable): 05/23/2019

SUPERVISORY or CO-APPRAISER (if applicable):

Signature: 
 Name: W. Fitzhugh Turner
 Certified General
 State Certification #: 40000298 Certified General
 or State License #: _____
 State: MD Expiration Date of Certification or License: 12/31/2021
 Date of Signature: 06/05/2019
 Inspection of Subject: None Interior and Exterior Exterior-Only
 Date of Inspection (if applicable): 05/23/2019

Comparable Photo Page

Borrower	Not applicable				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver				



Comparable 1

3212 Bennett Point Rd
 Prox. to Subject 5.22 miles W
 Sale Price 715,000
 Gross Living Area 5,482
 Total Rooms 9
 Total Bedrooms 5
 Total Bathrooms 4.0
 Location Queenstown
 View Eastern Bay 3 ft.
 Site 5.50 Acres
 Quality Above Standard
 Age 42



Comparable 2

26980 Holly Harbor Ct
 Prox. to Subject 12.96 miles S
 Sale Price 1,350,000
 Gross Living Area 4,097
 Total Rooms 10
 Total Bedrooms 3
 Total Bathrooms 3.1
 Location Oxford
 View Island Creek 4+
 Site 43.06 ac
 Quality Above Standard
 Age 47



Comparable 3

9199 New Rd
 Prox. to Subject 10.84 miles SW
 Sale Price 995,000
 Gross Living Area 3,893
 Total Rooms 9
 Total Bedrooms 4
 Total Bathrooms 4.2
 Location Wittman
 View Harris Creek 4 ft.
 Site 20.61 ac
 Quality Above Standard
 Age 18

Comparable Photo Page

Borrower	Not applicable				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver				



Comparable 4

405 Waterside Farm Ln
 Prox. to Subject 12.43 miles N
 Sale Price 1,599,000
 Gross Living Area 3,096
 Total Rooms 8
 Total Bedrooms 4
 Total Bathrooms 3.0
 Location Centreville
 View Reed Creek 2+
 Site 26.45 Acres
 Quality Above Standard
 Age 11



Comparable 5

27047 Presquile Rd
 Prox. to Subject 1.85 miles W
 Sale Price 1,050,000
 Gross Living Area 6,374
 Total Rooms 10
 Total Bedrooms 4
 Total Bathrooms 3.0
 Location Easton
 View Gross Creek 4+
 Site 20.00 Acres
 Quality Above Standard
 Age 49



Comparable 6

172 Blue Ribbon Ln
 Prox. to Subject 6.73 miles NW
 Sale Price 650,000
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location Grasonville
 View Greenwood Creek
 Site 28.39 Acres
 Quality Good/TextVinyl
 Age 10

RESIDENTIAL APPRAISAL REPORT

File No.: Milligan 27776 Sharp Rd

SUBJECT	Property Address: 27776 Sharp Rd		City: Easton		State: MD		Zip Code: 21601																																																												
	County: Talbot		Legal Description: 37.0645 AC N/S Forest Landing RD NR Longwoods																																																																
			Assessor's Parcel #: 04.151992																																																																
	Tax Year: 2019		R.E. Taxes: \$ 14,531		Special Assessments: \$ 0		Borrower (if applicable): Not applicable																																																												
ASSIGNMENT	Current Owner of Record: Kevin B. & Amanda M. Merrill		Occupant: <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant		<input type="checkbox"/> Manufactured Housing																																																														
	Project Type: <input type="checkbox"/> PUD <input type="checkbox"/> Condominium <input type="checkbox"/> Cooperative <input type="checkbox"/> Other (describe)		HOA: \$		<input type="checkbox"/> per year <input type="checkbox"/> per month																																																														
	Market Area Name: Chesapeake Tributaires, Eastern Shore MD -WF		Map Reference: 20660		Census Tract: 9601.00																																																														
	The purpose of this appraisal is to develop an opinion of: <input checked="" type="checkbox"/> Market Value (as defined), or <input type="checkbox"/> other type of value (describe)																																																																		
MARKET AREA DESCRIPTION	This report reflects the following value (if not Current, see comments): <input checked="" type="checkbox"/> Current (the Inspection Date is the Effective Date) <input type="checkbox"/> Retrospective <input type="checkbox"/> Prospective																																																																		
	Approaches developed for this appraisal: <input checked="" type="checkbox"/> Sales Comparison Approach <input type="checkbox"/> Cost Approach <input type="checkbox"/> Income Approach (See Reconciliation Comments and Scope of Work)																																																																		
	Property Rights Appraised: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Leased Fee <input type="checkbox"/> Other (describe)																																																																		
	Intended Use: Estimate market value of Subject property "as is", with an Effective Date of 05/23/2019, for possible disposition.																																																																		
SITE DESCRIPTION	Intended User(s) (by name or type): Gregory S. Milligan CTP, the Courts, the parties to the litigation and their council.																																																																		
	Client: Gregory S. Milligan, Receiver		Address: P.O. Box 90099, Austin, TX 78709-0099																																																																
	Appraiser: William D. Weise		Address: 1102 Butterworth Court, STE 200, Stevensville, MD 21666																																																																
	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>Location: <input type="checkbox"/> Urban <input type="checkbox"/> Suburban <input checked="" type="checkbox"/> Rural</td> <td rowspan="4" style="text-align: center; vertical-align: middle;">Predominant Occupancy</td> <td colspan="2" style="text-align: center;">One-Unit Housing</td> <td colspan="2" style="text-align: center;">Present Land Use</td> <td colspan="2" style="text-align: center;">Change in Land Use</td> </tr> <tr> <td>Built up: <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%</td> <td style="text-align: center;">PRICE</td> <td style="text-align: center;">AGE</td> <td colspan="2" style="text-align: center;">One-Unit 75 %</td> <td colspan="2" style="text-align: center;"><input checked="" type="checkbox"/> Not Likely</td> </tr> <tr> <td>Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input checked="" type="checkbox"/> Slow</td> <td style="text-align: center;">\$ (000)</td> <td style="text-align: center;">(yrs)</td> <td colspan="2" style="text-align: center;">2-4 Unit 0 %</td> <td colspan="2" style="text-align: center;"><input type="checkbox"/> Likely * <input type="checkbox"/> In Process *</td> </tr> <tr> <td>Property values: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining</td> <td style="text-align: center;">95</td> <td></td> <td colspan="2" style="text-align: center;">Multi-Unit 0 %</td> <td colspan="2"></td> </tr> <tr> <td>Demand/supply: <input type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input checked="" type="checkbox"/> Over Supply</td> <td style="text-align: center;"><input type="checkbox"/> Tenant</td> <td style="text-align: center;">990</td> <td style="text-align: center;">Low</td> <td style="text-align: center;">7</td> <td colspan="2" style="text-align: center;">Comm'l 0 %</td> <td></td> </tr> <tr> <td>Marketing time: <input type="checkbox"/> Under 3 Mos. <input type="checkbox"/> 3-6 Mos. <input checked="" type="checkbox"/> Over 6 Mos.</td> <td style="text-align: center;"><input checked="" type="checkbox"/> Vacant (0-5%)</td> <td style="text-align: center;">2,000</td> <td style="text-align: center;">High</td> <td style="text-align: center;">219</td> <td colspan="2" style="text-align: center;">Agricultural 25 %</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;"><input type="checkbox"/> Vacant (>5%)</td> <td style="text-align: center;">1,350</td> <td style="text-align: center;">Pred</td> <td style="text-align: center;">52</td> <td colspan="2"></td> <td></td> </tr> </table>								Location: <input type="checkbox"/> Urban <input type="checkbox"/> Suburban <input checked="" type="checkbox"/> Rural	Predominant Occupancy	One-Unit Housing		Present Land Use		Change in Land Use		Built up: <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	PRICE	AGE	One-Unit 75 %		<input checked="" type="checkbox"/> Not Likely		Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input checked="" type="checkbox"/> Slow	\$ (000)	(yrs)	2-4 Unit 0 %		<input type="checkbox"/> Likely * <input type="checkbox"/> In Process *		Property values: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	95		Multi-Unit 0 %				Demand/supply: <input type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input checked="" type="checkbox"/> Over Supply	<input type="checkbox"/> Tenant	990	Low	7	Comm'l 0 %			Marketing time: <input type="checkbox"/> Under 3 Mos. <input type="checkbox"/> 3-6 Mos. <input checked="" type="checkbox"/> Over 6 Mos.	<input checked="" type="checkbox"/> Vacant (0-5%)	2,000	High	219	Agricultural 25 %				<input type="checkbox"/> Vacant (>5%)	1,350	Pred	52									
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Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends): Neighborhood is waterfront in Talbot and Queen Anne's Counties. Chesapeake Bay west, The Choptank River south, The Chester River north and the town of Centreville east. Waterfront quality drives this market followed by the quality of construction and condition of the improvements. Most sold properties have been renovated and STAGED. The better properties have deep water, extensive shoreline. Long distant water view sell for the most, and properties with point of land shape and newer modern homes sell at the very top. Neighborhood is a mix of above standard quality to very high quality homes on large sites built close to the water, taking advantage of waterfront and view. Buyers in this market look for properties have been updated over time or completely renovated. See attached addenda.																																																																			
Dimensions: Irregular shape/Follows curve of the shoreline. Plat attached in addenda. Site Area: 37.06 Acres																																																																			
Zoning Classification: RC - Resource Conservation Dist. Description: Residential/Agricultural/Critical Area																																																																			
Zoning Compliance: <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal nonconforming (grandfathered) <input type="checkbox"/> Illegal <input type="checkbox"/> No zoning																																																																			
Are CC&Rs applicable? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown Have the documents been reviewed? <input type="checkbox"/> Yes <input type="checkbox"/> No Ground Rent (if applicable) \$ /																																																																			
Highest & Best Use as improved: <input type="checkbox"/> Present use, or <input checked="" type="checkbox"/> Other use (explain) Restart renovation work. Complete using high quality fixtures, finish and workmanship. Nearly every room needs work, exterior window are not sealed from weather, all but one bath are unfinished.																																																																			
Actual Use as of Effective Date: Single Family Residence Use as appraised in this report: Single Family Residence																																																																			
Summary of Highest & Best Use: Restart renovation work using better to high quality fixtures, finish and workmanship. Its as if every thing was started but nothing finished, a possible buyer will fear what is not visible with the extent work not completed. There will be those who suggest this is a tear down, but it is this appraiser's opinion that most of the finish needed is cosmetic, trim, tile, flooring and fixtures, and cut the grass, weed and fix landscape.																																																																			
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>Utilities</td> <td>Public</td> <td>Other</td> <td>Provider/Description</td> <td>Off-site Improvements</td> <td>Type</td> <td>Public</td> <td>Private</td> <td>Topography</td> <td>Basically level draining toward the water.</td> </tr> <tr> <td>Electricity</td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td>Public Utility</td> <td>Street</td> <td>Gravel</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td>Size</td> <td>37.06 Acres</td> </tr> <tr> <td>Gas</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td>Propane</td> <td>Curb/Gutter</td> <td>None</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td>Shape</td> <td>Irregular (see plat in addenda)</td> </tr> <tr> <td>Water</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td>Private Well</td> <td>Sidewalk</td> <td>None</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td>Drainage</td> <td>Natural/Appears well drained.</td> </tr> <tr> <td>Sanitary Sewer</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td>Private Septic</td> <td>Street Lights</td> <td>None</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td>View</td> <td>Pickering Creek</td> </tr> <tr> <td>Storm Sewer</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td>None Noted</td> <td>Alley</td> <td>None</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td></td> <td></td> </tr> </table>								Utilities	Public	Other	Provider/Description	Off-site Improvements	Type	Public	Private	Topography	Basically level draining toward the water.	Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Public Utility	Street	Gravel	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Size	37.06 Acres	Gas	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Propane	Curb/Gutter	None	<input type="checkbox"/>	<input type="checkbox"/>	Shape	Irregular (see plat in addenda)	Water	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Private Well	Sidewalk	None	<input type="checkbox"/>	<input type="checkbox"/>	Drainage	Natural/Appears well drained.	Sanitary Sewer	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Private Septic	Street Lights	None	<input type="checkbox"/>	<input type="checkbox"/>	View	Pickering Creek	Storm Sewer	<input type="checkbox"/>	<input type="checkbox"/>	None Noted	Alley	None	<input type="checkbox"/>	<input type="checkbox"/>		
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Other site elements: <input checked="" type="checkbox"/> Inside Lot <input type="checkbox"/> Corner Lot <input type="checkbox"/> Cul de Sac <input checked="" type="checkbox"/> Underground Utilities <input type="checkbox"/> Other (describe)																																																																			
FEMA Spec'l Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No FEMA Flood Zone X FEMA Map # 24041C0180D FEMA Map Date 7/20/2016																																																																			
Site Comments: Very private location. Subject property is accessed by private road off the north side of Sharp Road, then shared driveway. Site is large (37.06 ac) with 900+/- feet of natural shoreline at the head of Pickering Creek, and a MLW of 2+ feet. Pond, 120 foot dock with boat lift, in ground swimming pool and pastureland. Lawn and landscaping around residence shows neglect and over grown. Sections of wood fence surrounding pasture land show needed repair. Site is served by private well and septic which is typical for the neighborhood.																																																																			
DESCRIPTION OF THE IMPROVEMENTS	General Description		Exterior Description		Foundation		Basement		Heating																																																										
	# of Units 1 <input type="checkbox"/> Acc. Unit		Foundation Brick		Slab No		Area Sq. Ft. 1,080		Type Heat Pump																																																										
	# of Stories 2		Exterior Walls Brick		Crawl Space Partial		% Finished 0		Fuel Electric																																																										
	Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/>		Roof Surface Composite		Basement 1,080 sf.		Ceiling Floor joist																																																												
Design (Style) Traditional		Gutters & Dwnspts. None/None		Sump Pump <input checked="" type="checkbox"/> Yes		Walls Concrete Block		Cooling Heat Pump																																																											
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Und.Cons.		Window Type Double Hung		Dampness <input type="checkbox"/> None noted		Floor Concrete		Central Central																																																											
Actual Age (Yrs.) 37		Storm/Screens Insulated/No		Settlement None Noted		Outside Entry No		Other Ceiling fans																																																											
Effective Age (Yrs.) 10				Infestation None Noted																																																															
Interior Description		Appliances		Attic <input type="checkbox"/> None		Amenities		Car Storage <input type="checkbox"/> None																																																											
Floors Hardwood/Slate Tiles		Refrigerator <input checked="" type="checkbox"/>		Stairs <input type="checkbox"/>		Fireplace(s) # 4		Garage # of cars (7 Tot.)																																																											
Walls Drywall		Range/Oven <input checked="" type="checkbox"/>		Drop Stair <input checked="" type="checkbox"/>		Patio Raised Brick		Attach. 2 Car																																																											
Trim/Finish Wood/Extensive		Disposal <input checked="" type="checkbox"/>		Scuttle <input type="checkbox"/>		Deck Brick/Front		Detach. _____																																																											
Bath Floor Slate Tile		Dishwasher <input checked="" type="checkbox"/>		Doorway <input type="checkbox"/>		Porch Covered Front		Blt.-In _____																																																											
Bath Wainscot Tile Surround		Fan/Hood <input checked="" type="checkbox"/>		Floor <input checked="" type="checkbox"/>		Fence 3 Board Fence		Carport _____																																																											
Doors Wood		Microwave <input checked="" type="checkbox"/>		Heated <input type="checkbox"/>		Pool In Ground		Driveway 5+ Circular																																																											
French Door French Doors		Washer/Dryer <input type="checkbox"/>		Finished <input type="checkbox"/>		Other Fire Pit		Surface Gravel																																																											
Finished area above grade contains: 11 Rooms 5 Bedrooms 5.1* Bath(s) 6,013 Square Feet of Gross Living Area Above Grade																																																																			
Additional features: Kitchen with high quality stainless appliances and cabinets, wide crown moldings, extensive built in cabinets and book shelves, recessed lights, heated/cooled breezeway with cathedral ceiling and slate floor, formal dining room, 4 fireplaces, duel staircases, window seats, raised brick patio, swimming pool, fire pit, front porch with column supports.																																																																			
Describe the condition of the property (including physical, functional and external obsolescence): *Baths, no water to determine if any baths are usable, only one bathroom complete (master suite) all the rest are missing fixtures, some missing walls, floors, shower surrounds. Subject is a large custom brick waterfront home built in 1982. Due to deferred maintenance, neglect and an interrupted renovation, Subject will appeal to a narrow range of buyers (see pictures above). The materials that are completed are of good to better quality materials and workmanship, but its as if nothing was completed. Of great concern are the exterior windows that are not finished and therefore subject to water penetration, we had no way to determine how long or what water may have seeped into the walls and crawl space, but the water penetration in the basement walls suggests that there is also negative groundwater flow and some remedial action is needed. Value estimate is as is.																																																																			

RESIDENTIAL APPRAISAL REPORT

File No.: Milligan 27776 Sharp Rd

TRANSFER HISTORY	My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.	
	Data Source(s): Deed/ MD Tax Record	
	1st Prior Subject Sale/Transfer	Analysis of sale/transfer history and/or any current agreement of sale/listing: According to Bright MLS, Subject property is not under contract or listed for sale.
	Date: 05/25/2016	
	Price: 1,560,000	
	Source(s): MD Tax Record / Deed	
	2nd Prior Subject Sale/Transfer	
	Date: 12/30/1998	
	Price: 1,403,000	
	Source(s): MD Tax Record	

SALES COMPARISON APPROACH TO VALUE (if developed) The Sales Comparison Approach was not developed for this appraisal.

FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address	27776 Sharp Rd Easton, MD 21601	3212 Bennett Point Rd Queenstown, MD 21658			26980 Holly Harbor Ct Oxford, MD 21654			9199 New Rd Wittman, MD 21676		
Proximity to Subject		5.22 miles W			12.96 miles S			10.84 miles SW		
Sale Price	\$ N/A	\$ 715,000			\$ 1,350,000			\$ 995,000		
Sale Price/GLA	\$ /sq.ft.	\$ 130.43 /sq.ft.			\$ 329.51 /sq.ft.			\$ 255.59 /sq.ft.		
Data Source(s)	Deed/MD Tax Record	MLS#1000136048 DOM 28			MLS#MDTA114026 DOM 45			MLS#1001868680 DOM 62		
Verification Source(s)	Inspection	Visual/MD Tax Record			MLS, MD Tax Record			MD Tax Record		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.	
Sales or Financing Concessions	None Noted	Cash	0	Standard Sale	0	Standard Sale	0	Standard Sale	0	
Date of Sale/Time	N/A	03/30/2018	0	03/15/2019	0	10/12/2018	0			
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple				
Location	Easton	Queenstown	0	Oxford	-100,000	Wittman	+95,000			
Site	37.06 Acres	5.50 Acres	+94,680	43.06 ac	-18,000	20.61 ac	+49,350			
View	Pickering Creek 2+	Eastern Bay 3 ft.	0	Island Creek 4+	-50,000	Harris Creek 4 ft.	-50,000			
Design (Style)	Traditional	Brick Rancher	0	Colonial	0	Colonial				
Quality of Construction	Above Standard	Above Standard		Above Standard		Above Standard				
Age	37	42	0	47	0	18	0			
Condition	NeedRepair&Finish	Needs Repair		Well Maintained	-120,260	Well Maintained	-120,260			
Above Grade	Total Bdrms Baths	Total Bdrms Baths	0	Total Bdrms Baths	0	Total Bdrms Baths	0			
Room Count	11 5 5.1*	9 5 4.0	+15,000	10 3 3.1	+20,000	9 4 4.2	0			
Gross Living Area	6,013 sq.ft.	5,482 sq.ft.	+18,585	4,097 sq.ft.	+67,060	3,893 sq.ft.	+74,200			
Basement & Finished Rooms Below Grade	1080 sf./Unfinished 0	1,107 sf/Studs 0	0	None 0	+10,800	None 0	+10,800			
Functional Utility	Unfinished rooms	Partially Gutted	0	Finished rooms	-80,000	Finished Rooms	-80,000			
Heating/Cooling	H.P./CAC	Oil/CAC	0	Gas/CAC	0	FWA/CAC	0			
Energy Efficient Items	Well Insulated	Well Insulated		Well Insulated		Well Insulated				
Garage/Carport	2 Car Attached	3 Car Detached	-10,000	2 Car Attached		2 Car Attached				
Porch/Patio/Deck	Raised Porches	Deck/Screen Porch	0	ScrnPorch/Patio	0	Porch/Patio	0			
Swimming Pool	Swimming Pool	Swimming Pool		Swimming Pool		Swimming Pool/House				
Out Building/Barn	Out Building/Barn	None	+54,000	60x40 Morton Build	0	Tenant House	0			
Extra Amenities	Horse Stalls	None	+110,000	None	+110,000	Horse Stalls				
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 282,265	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -160,400	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -20,910			
Adjusted Sale Price of Comparables		Net 39.5 %	\$ 997,265	Net 11.9 %	\$ 1,189,600	Net 2.1 %	\$ 974,090			
		Gross 42.3 %		Gross 42.7 %		Gross 48.2 %				

Summary of Sales Comparison Approach Sale 1 has been selected due to its condition. Major renovations are required to make this sale habitable and therefore it is a good indicator of the adverse impact that the subject "condition" will have on marketing subject. I have compared this parcel that needed renovation with a house with similar west view at 311 Whistling Way, a 5,100 sf two story with 5.2 baths, pier, and two car garage that sold 3/4/2019 for \$1,272,000; having similar other amenities to Sale 1, the difference suggests the cost to cure at over \$500,000. This represents the cost to cure, and functional obsolescence for the unknown conditions that you cannot see, but may be necessary and overage when the repair builder tells the owner that some original work must be ripped out and redone. I have applied a cost of \$120,000 to complete the repairs as they mostly appear cosmetic, but also added a functionality adjustment of \$80,000 for the unknown conditions that may arise.

Sale 2 - agent description: Stunning Oxford farmette on 43+/- acres. This rare opportunity offers hunting, farming, horses, etc. with many outbuildings including a 60x40 Morton building. The interior has been beautifully maintained with a wide open floor plan, first floor master and views of Island Creek from nearly every room. With a waterside pool, mooring with 8'MLW and manicured landscaping

Sale 3 - agent description: WATERFRONT ESTATE , 20 AC , VIEWS OF HARRIS CREEK. 4 BR, 2.5 BA, WOOD & CERAMIC FLOORS, FIREPLACE, 32X12 BRICK PATIO,IN-GROUND HEATED POOL W/JACUZZI, POOL HOUSE, FISH POND AND DOCK W/BOAT LIFT. 2 BEDROOM COTTAGE INCLUDED, BARN W/6 STALLS, TACK ROOM , FENCED PASTURES. COMPLETELY FENCED DOG KENNEL WITH RUNS , VACATION RENTAL W/ HIGH PRODUCTION

See further comments below on Sales 4-6... ending with the value estimate: Given the current condition of subject with so much unfinished I have fallen to the lower end of the adjusted range closest to Sale 5 while, as explained no weight to Sales 1 and 6, small weight to Sale 4 and more weight to Sales 2 and 3, most weight to sale 5.

Indicated Value by Sales Comparison Approach \$ 900,000

ADDITIONAL COMPARABLE SALES

File No.: Milligan 27776 Sharp Rd

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address	27776 Sharp Rd Easton, MD 21601	405 Waterside Farm Ln Centreville, MD 21617			27047 Presquile Rd Easton, MD 21601			172 Blue Ribbon Ln Grasonville, MD 21638		
Proximity to Subject		12.43 miles N			1.85 miles W			6.73 miles NW		
Sale Price	\$ N/A	\$ 1,599,000			\$ 1,050,000			\$ 650,000		
Sale Price/GLA	\$ /sq.ft.	\$ 516.47 /sq.ft.			\$ 164.73 /sq.ft.			\$ /sq.ft.		
Data Source(s)	Deed/MD Tax Record	MLS#1000285690 DOM 22			MLS#1000142168 DOM 26			MLS#1008221766 DOM 274		
Verification Source(s)	Inspection	MD Tax Record			Doc#2534-407			MD Tax Record /Deed 2815/280		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.	
Sales or Financing Concessions	None Noted	Conventional	0	ArmLth	0	ArmLth	0	None Noted		
Date of Sale/Time	N/A	06/18/2018	0	04/30/2018	0	11/30/2017				
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple				
Location	Easton	Centreville	0	Easton		Grasonville				
Site	37.06 Acres	26.45 Acres	+31,830	20.00 Acres	+51,180	28.39 Acres	-320,000			
View	Pickering Creek 2+	Reed Creek 2+	0	Gross Creek 4+	-50,000	Greenwood Creek				
Design (Style)	Traditional	Farm House	0	Rambler	0	EquestrianCntr				
Quality of Construction	Above Standard	Above Standard		Above Standard		Good/TextVinyl				
Age	37	11	0	49	0	10				
Condition	NeedRepair&Finish	Almost New	-150,325	Well Maintained	-120,260	No house/farm bld				
Above Grade	Total Bdrms Baths	Total Bdrms Baths	0	Total Bdrms Baths	0	Total Bdrms Baths				
Room Count	11 5 5.1*	8 4 3.0	+25,000	10 4 3.0	+25,000					
Gross Living Area	6,013 sq.ft.	3,096 sq.ft.	+102,095	6,374 sq.ft.	0	sq.ft.				
Basement & Finished Rooms Below Grade	1080 sf./Unfinished	1,028 sf./Finished	0	None	+10,800	None				
Functional Utility	Unfinished rooms	Finished rooms	-80,000	Finished rooms	-80,000	Average				
Heating/Cooling	H.P./CAC	FWA/CAC	0	H.P./CAC		None				
Energy Efficient Items	Well Insulated	Well Insulated		Well Insulated		None				
Garage/Carport	2 Car Attached	2 Car Detached	0	2 Car Attached		None				
Porch/Patio/Deck	Raised Porches	ScrnPor/Bal/Patio	0	Porch/Patio	0	None				
Swimming Pool	Swimming Pool	None	+20,000	None	+20,000	17 stall barn				
Out Building/Barn	Out Building/Barn	Out Building/Part Finish	0	1,132 sf. Workshop	0	84x198 arena				
Extra Amenities	Horse Stalls	None	+110,000	2 Tenant Houses	-40,000	Horse Stalls				
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 48,600	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -183,280	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -320,000			
Adjusted Sale Price of Comparables		Net 3.0 %		Net 17.5 %		Net 49.2 %				
		Gross 33.1 %	\$ 1,647,600	Gross 37.8 %	\$ 866,720	Gross 49.2 %	\$ 330,000			

SALES COMPARISON APPROACH

Summary of Sales Comparison Approach Sale 4 - agent description: Gorgeous, waterfront year-round weekend family retreat located on Reed Creek, nearly 27 acres of privacy, nature, 10-foot beamed ceilings, gourmet kit/w island, main level BR/full BA, finished lower level fam. room, storage rm., 2-car garage, working barn w/ guest BR/BA, designed by award winning architect - 1:15 h drive from DC and Baltimore, 2h drive from Philadelphia, hunting, fishing boating. The property is at the head of Reed Creek and has quite shallow water, kayak and the owner had a flat bottom skiff and would row in the creek. Often filled with wildlife and due to the shallow nature of the water, it is great for crabbing and little boat traffic.

Sale 5 - was on the market for some time. This property location is quite similar to subject, being on the south side of the area known as Presquile, with the subject on the north side, the area is defined somewhat by the subject and sale creeks. The agent description: Court Farm is located on Gross Creek off the Wye River, on twenty acres and improved by a four bedroom, single floor home, two tenant houses, a grand work-shop, dock and boat lift. The approach is shaded with mature willow oak trees down a paved driveway with the house at an appropriate remove from the road providing privacy and a country setting with pasture, waterfront and proximity to town.

Sale 6 is included to assist the reader in understanding the added contribution of the fencing and stables. This parcel is at the head of Greenwood Creek, quite shallow, it is one of four lots of approximately 15 acres each. This parcel was developed with stables and barn and had no dwelling. The adjacent lots sold for about \$320,000 each indicating that the horse buildings and fencing contributed approximately \$320,000 to the land. The buildings on this sale are larger with 17 stall barn, higher grade and quality, as subject barn/car shed, and stable are low cost metal buildings. I have offered an adjustment to the sales based upon their comparison with subject and the improvements found on this sale.

Final analysis: Sale 1 was considered for its current adverse conditions and need for major repairs and assisted in determining that there is physical and functional obsolescence. The subject appears to be in much better condition than Sale 1 but the sale assisted with determining a reasonable adjustment to the improved sale, but adjusting for condition and for functional inutility. Sale 6 is sale of a residential lot with some water, primarily with horse facilities and no residence. This sale was included to assist with determining the contribution of the extensive fencing and the low cost stables and car shed to the overall property values. Sales 1 and 6 are given no weight, but were used to assist with adjustments to Sales 2-5.

Sales 2-5 have been given considerable weight. Sale 4 is the highest sale with acreage, it is a smaller house cause for large size adjustment, the biggest factor is its age being only 11 years and modern. It would seem that if subject were completed, and in good condition with everything working and lawns and grounds kept, subject would compete in this price range, but subject has too many adverse conditions, and little weight to this sale. Sales 2 and 3 have similar water depth, the difference between these to is the appeal of the Oxford location, versus Wittman being a long distance below St. Michaels. Upward adjustment 10% to Wittman and 10% downward for proximity to Oxford. Subject has an appealing point of land sticking out into Pickering Creek, it is adjacent to wildlife preserves, has extensive waterfowl hunting and upland game. It is the most similar to Sale 5 on Gross Creek, although Sale 5 water has less depth and therefore inferior for boating the house is the closest in size, the location is the most similar for access to town and Sale 5 is given considerable weight. Given the current condition of subject with so much unfinished I have fallen to the lower end of the range of the adjusted sales while still giving some weight to Sales 2 and 3, most weight to sale 5.



Supplemental Addendum

File No. Milligan 27776 Sharp Rd

Borrower	Not applicable		
Property Address	27776 Sharp Rd		
City	Easton	County	Talbot
		State	MD
		Zip Code	21601
Lender/Client	Gregory S. Milligan, Receiver		

• **GP Residential: Market Area Description - Boundaries, Description, Conditions**

Neighborhood is waterfront in Talbot and Queen Anne's Counties. Harris Creek west, The Choptank River south, The Chester River north and the town of Centreville east.

Waterfront quality drives this market followed by the quality of construction and condition of the improvements.

Properties that have been renovated, have deep water, extensive shoreline and long distant water view sell for the most, and properties with point of land shape and newer modern homes sell at the very top.

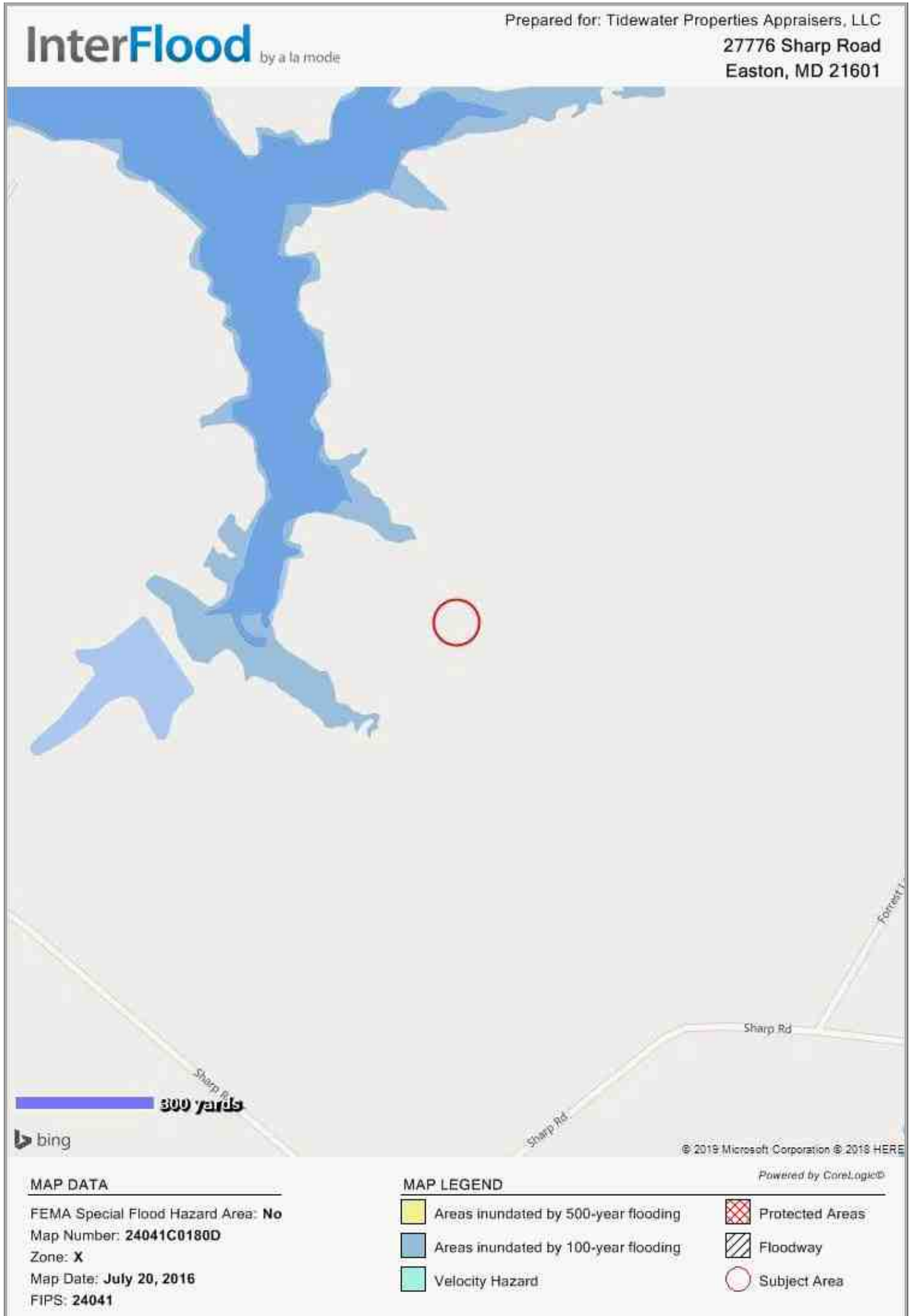
Neighborhood is a mix of above standard quality to very high quality homes on large sites built close to the water, taking advantage of waterfront and view. Buyers in this market look for properties have been updated over time or completely renovated.

Subject has been vacant for a period of time. Exterior and interior renovation work has been halted leaving residence in a semi finished state. Only one bathroom is functional, laundry room has been torn apart, interior doors removed, rooms unfinished (ex. over garage), missing baseboards, door jambs, etc. Only one sale found similar to Subject for condition (Sale 1).

There were 29 waterfront sales in Subject neighborhood in the past twelve months between 990k and 2 million. Median list price was \$1,450,000, median sold price was \$1,350,000, median DOM 194. Currently fifty active listings. Median list price is \$1,490,000, median DOM 93. More sellers than buyers. Subject will have to compete with waterfront homes in move in condition that have been renovated using high quality fixtures, finish on well landscaped sites. Broad water view and boat access seem to have more appeal than site size.

Flood Map

Borrower	Not applicable				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver				



TALBOT COUNTY FINANCE OFFICE
RECORDATION TAX
AMT: \$18,720.00
DATE: 5/5/2016
INITIALS: RL/ace
Prop ID: 04-151992

CERTIFICATION IS MADE THAT ALL TAXES
DUE ON THE PROPERTY INDICATED IN
THIS DEED HAVE BEEN PAID.
FINANCE OFFICER OF TALBOT COUNTY
R ANDREW HOLLIS, FIN. OFFICER RL
DATE 5/5/2016 RL

EASTERN SHORE TITLE COMPANY
114 N. West Street
Easton, MD 21601
Telephone: 410-820-4426 Fax: 410-820-4429
Website: www.easternshoretitle.com
Email: info@easternshoretitle.com

This Deed, made this 28th day of April, 2016, by and between NORMA M. REDELE, Maryland resident, Grantor; and KEVIN B. MERRILL and AMANDA M. MERRILL, Grantees.

- Witnesseth -

THAT FOR AND IN CONSIDERATION of the sum of One Million Five Hundred Sixty Thousand And 00/100 Dollars (\$1,560,000.00) and other good, valuable and sufficient consideration, in hand paid, the receipt of which is hereby acknowledged, the said NORMA M. REDELE does hereby grant and convey unto the said KEVIN B. MERRILL and AMANDA M. MERRILL, husband and wife, as tenants by the entireties, their assigns, the survivor of them, and the heirs, personal representatives and assigns of the survivor, forever, in fee simple, all the hereinafter described property:

ALL that piece or parcel of land, being part of "Forrest Landing" Farm, in the Fourth Election District, Talbot County, Maryland, and more particularly described as follows:

BEGINNING for the same at a Point on the easterly shore of Pickering Creek, said Point being the most westerly corner of the herein described land and the northeasterly corner of the land described in a deed from William E. Sharp, Jr., to Robert Bell & Co., Incorporated, dated October 10, 1980 and recorded among the Land Records of Talbot County, Maryland under Liber 549, folio 394, and from said Place of Beginning running by and with the mean high-water-line of said Pickering Creek and the many meanderings thereof, generally, the following three courses and distances (1) South 83 degrees 15 minutes 22 seconds East 115.90 feet; thence (2) North 15 degrees 40 minutes East 536.95 feet; thence (3) North 74 degrees 24 minutes 49 seconds East 255.16 feet to other land now or formerly of Robert Bell & Co., Incorporated (Liber 538, folio 730 and Liber 546, folio 182); thence by and with the said Bell land the following five courses and distances: (4) South 62 degrees 13 minutes 34 seconds East 37 feet, more or less, to a Steel Post; thence (5) continuing South 62 degrees 13 minutes 34 seconds East 349.33 feet to a Steel Post; thence (6) South 81 degrees 25 minutes 42 seconds East 324.26 feet to a Steel Post; thence (7) North 62 degrees 05 minutes East 211.01 feet to a Steel Post; thence (8) North 42 degrees 58 minutes 42 seconds East 34.51 feet; thence by and with a new division line between the herein described land and the reserved land now or formerly of Stephen N. Conner the following seven courses and distances: (9) South 56 degrees 04 minutes East 68.79 feet to the center of a 34-foot-wide-right-of-way; thence (10) continuing South 56 degrees 04 minutes East 583.83 feet to a Large Oak Tree; thence (11) South 54 degrees 20 minutes 22 seconds East 286.84 feet to a Steel Post; thence (12) South 42 degrees 02 minutes 26 seconds West 351.60 feet to a Steel Post; thence (13) South 51 degrees 23 minutes 54 seconds West 484.45 feet to a Steel Post; thence (14) South 68 degrees 25 minutes 19 seconds West 305.93 feet to a Steel Post; thence (15) North 72 degrees 34 minutes 11 seconds West 226.51 feet to a Large Beech Tree and the aforementioned land of Robert Bell & Co., Incorporated; thence by and with the said Bell land the following two courses and distances: (16) North

LIBER 2349 FOLIO 362

TALBOT COUNTY CIRCUIT COURT (Land Records) MAS 2349, p. 0362, MSA_CE91_2288. Date available 05/10/2016. Printed 05/21/2019.

57 degrees 05 minutes 20 seconds West 1141.65 feet to a Notched Oak Post; thence (17) continuing North 57 degrees 05 minutes 20 seconds West 95 feet, more or less, to the Place of Beginning, containing 37.0645 Acres of Land, more or less.

THE above described parcel being more particularly shown on a certain Plat entitled: "PLAT SHOWING A 37.0645 ACRE TRACT, BEING PART OF 'FOREST LANDING' FARM 4TH ELECTION DISTRICT, TALBOT COUNTY, MD", as prepared by McCrone, Inc., dated November, 1980 and recorded among the Plat Records of Talbot County, Maryland in in Plat Liber No. 57, folio 41.

TOGETHER WITH AND SUBJECT TO an Agreement dated July 6, 1988 by and between The First National Bank of Maryland and Richard W. Graham, III, Co-Trustees under the Will of R. Walter Graham, Jr. and Robert Bell by Sidney S. Campen, Jr., his Attorney-in-Fact, and Robert Bell & Company, Incorporated, and recorded among the Land Records of Talbot County, Maryland in Liber No. 653, folio 962.

ALSO TOGETHER WITH AND FURTHER SUBJECT TO a Right of Way Agreement dated December 5, 1996 by and between Robert C. Springborn and The First National Bank of Maryland and Richard W. Graham, III, and recorded among the aforesaid Land Records in Liber No. 847, folio 281; said Right of Way being more particularly described by metes and bounds in a Confirmatory Right of Way Agreement dated December 22, 1998 and recorded among the aforesaid Land Records in Liber No. 914, folio 697.

BEING the same property conveyed unto JULIEN G. REDELE and NORMA M. REDELE, as tenants by the entireties, from THE FIRST NATIONAL BANK OF MARYLAND AND RICHARD W. GRAHAM, III, CO-TRUSTEES UNDER WILL OF R. WALTER GRAHAM, JR., by Deed dated December 22, 1998, and recorded among the Land Records of Talbot County, Maryland in Liber No. 914, folio 702; the said JULIEN G. REDELE having departed this life on or about November 24, 2003, thereby vesting title in the said NORMA M. REDELE, as surviving Tenant by the entirety.

Together with the buildings and improvements thereon erected, made or being; and all and every, the rights, alleys, ways, waters, privileges, appurtenances and advantages to the same belonging, or in anywise appertaining.

To Have and To Hold the said tract of ground and premises above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining unto and to the proper use and benefit of the said KEVIN B. MERRILL and AMANDA M. MERRILL, husband and wife, as tenants by the entireties, their assigns, the survivor of them, and the heirs, personal representatives and assigns of the survivor, forever, in fee simple.

And the said Grantor does hereby covenant that she has not done or suffered to be done any act, matter or thing whatsoever, to encumber the property hereby conveyed; that she will warrant specially the property hereby conveyed; and that she will execute such other and further assurances of the same, as may be requisite.

As Witness the hand and seal of said Grantor, the day and year first above written.

LIBER 2349 FOLIO 363

TALBOT COUNTY CIRCUIT COURT (Land Records) MAS 2349, p. 0363, MSA_CEP1_2288, Date available 05/10/2016. Printed 05/21/2019.

WITNESS:

Melinda D. Stafford

Norma M. Rebele (Seal)
NORMA M. REDELE

STATE OF MARYLAND, COUNTY OF TALBOT, to wit:

I hereby certify that on this 28th day of April, 2016, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared NORMA M. REDELE, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged the same for the purposes therein contained, and further acknowledged the foregoing Deed to be her act, and in my presence signed and sealed the same, giving oath under penalties of perjury that the consideration recited herein is correct.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Melinda D. Stafford
Notary Public

My commission expires: 9/24/2016



This document was prepared under the supervision of an attorney admitted to practice before the Court of Appeals of Maryland, or by one of the parties named in the within instrument.

Philip E.L. Dietz, Jr.
Philip E.L. Dietz, Jr., Esq.

AFTER RECORDING, PLEASE RETURN TO:
Eastern Shore Title Company
114 N. West Street
Easton, MD 21601
File No. EST-2016-19296LMM

Agricultural Transfer Tax

Amount \$ 0.00

By ANDREW HOLLIS, FIN. OFFICER
5/5/2016 al

Agricultural Transfer Tax Due in the Amount of \$ 0

David H. Ewing
Supervisory Assessments
Per D. Dior

LIBER 2349 FOLIO 364

TALBOT COUNTY CIRCUIT COURT (Land Records) MAS 2349, p. 0364, MSA_CE91_2288, Date available 05/10/2016, Printed 05/21/2019.

Mary Ann Shortall, Clerk
Circuit Court For Talbot County
11 N. Washington St., Suite 16
Easton, Maryland 21601

License and Recording
(410) 822-2611 Ext. 4

LR - Deed (w Taxes)
Recording Fee no RT 20.00

Grantor/Grantee Name:
Redele/Merrill
Reference/Control #: 2349/362

LR - Deed (with Taxes)
Surcharge 40.00
LR - Deed State
Transfer Tax 7,800.00
LR - County Transfer
Tax - linked 15,600.00
LR - Non-Resident Tax
- linked 0.00

SubTotal: 23,460.00

Total: 23,460.00
05/05/2016 11:20

CC20-LL
#6081517 CC0205 -
Talbot
County/CC02.05.02 -
Register 02

TALBOT COUNTY CIRCUIT COURT (Land Records) MAS 2349, p. 0365, MSA_CE91_2288. Date available 05/10/2016. Printed 05/21/2019.

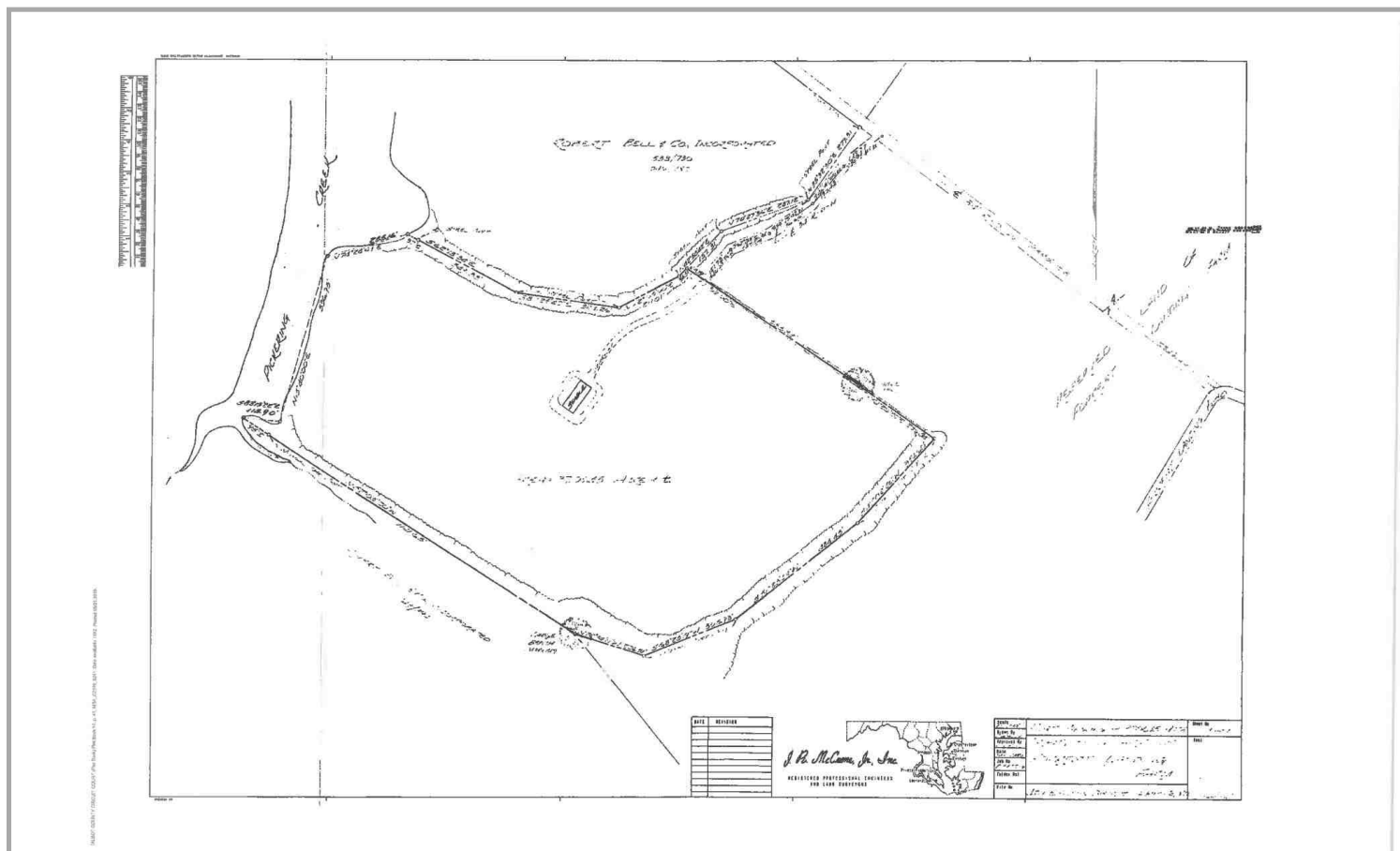
DOCUMENT VALIDATION
(excluded from page count)

LIBER2349 FOLIO365

TALBOT COUNTY CIRCUIT COURT (Land Records) MAS 2349, p. 0386, MSA_CEG1_2288, Date available 05/10/2016, Printed 05/21/2019.

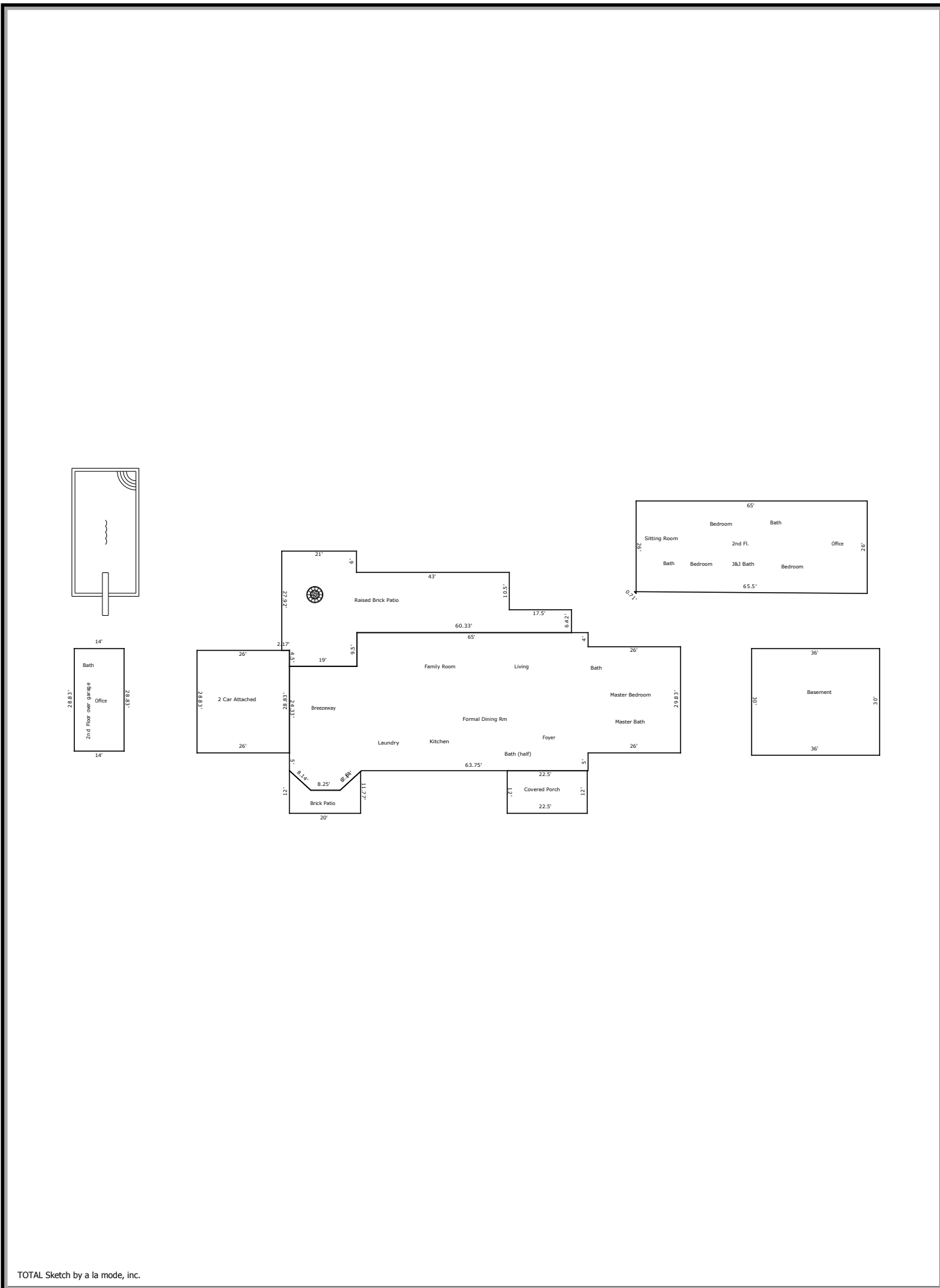
State of Maryland Land Instrument Intake Sheet																																																																														
<input type="checkbox"/> Baltimore City <input checked="" type="checkbox"/> County: <u>Talbot</u> Information provided is for the use of the Clerk's Office, State Department of Assessments and Taxation, and County Finance Office Only. (Type or Print in Black Ink Only—All Copies Must Be Legible)																																																																														
1 Type(s) of Instruments <input type="checkbox"/> Check Box if addendum Intake Form is Attached.																																																																														
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2 Conveyance Type Check Box <input checked="" type="checkbox"/> Improved Sale Arms-Length [1] <input type="checkbox"/> Unimproved Sale Arms-Length [2] <input type="checkbox"/> Multiple Accounts Arms-Length [3] <input type="checkbox"/> Not an Arms-Length Sale [9]																																																																														
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11 Assessment Information IMPORTANT: BOTH THE ORIGINAL DEED AND A PHOTOCOPY MUST ACCOMPANY EACH TRANSFER <table border="1"> <tr> <td>Yes</td> <td><input checked="" type="checkbox"/> No</td> <td>Will the property being conveyed be the grantee's principal residence?</td> </tr> <tr> <td>Yes</td> <td><input checked="" type="checkbox"/> No</td> <td>Does transfer include personal property? If yes, identify:</td> </tr> <tr> <td>Yes</td> <td><input checked="" type="checkbox"/> No</td> <td>Was property surveyed? If yes, attach copy of survey (if recorded, no copy required).</td> </tr> </table>							Yes	<input checked="" type="checkbox"/> No	Will the property being conveyed be the grantee's principal residence?	Yes	<input checked="" type="checkbox"/> No	Does transfer include personal property? If yes, identify:	Yes	<input checked="" type="checkbox"/> No	Was property surveyed? If yes, attach copy of survey (if recorded, no copy required).																																																															
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REMARKS:																																																																														

Plat showing Subject site



Building Sketch (Page - 1)

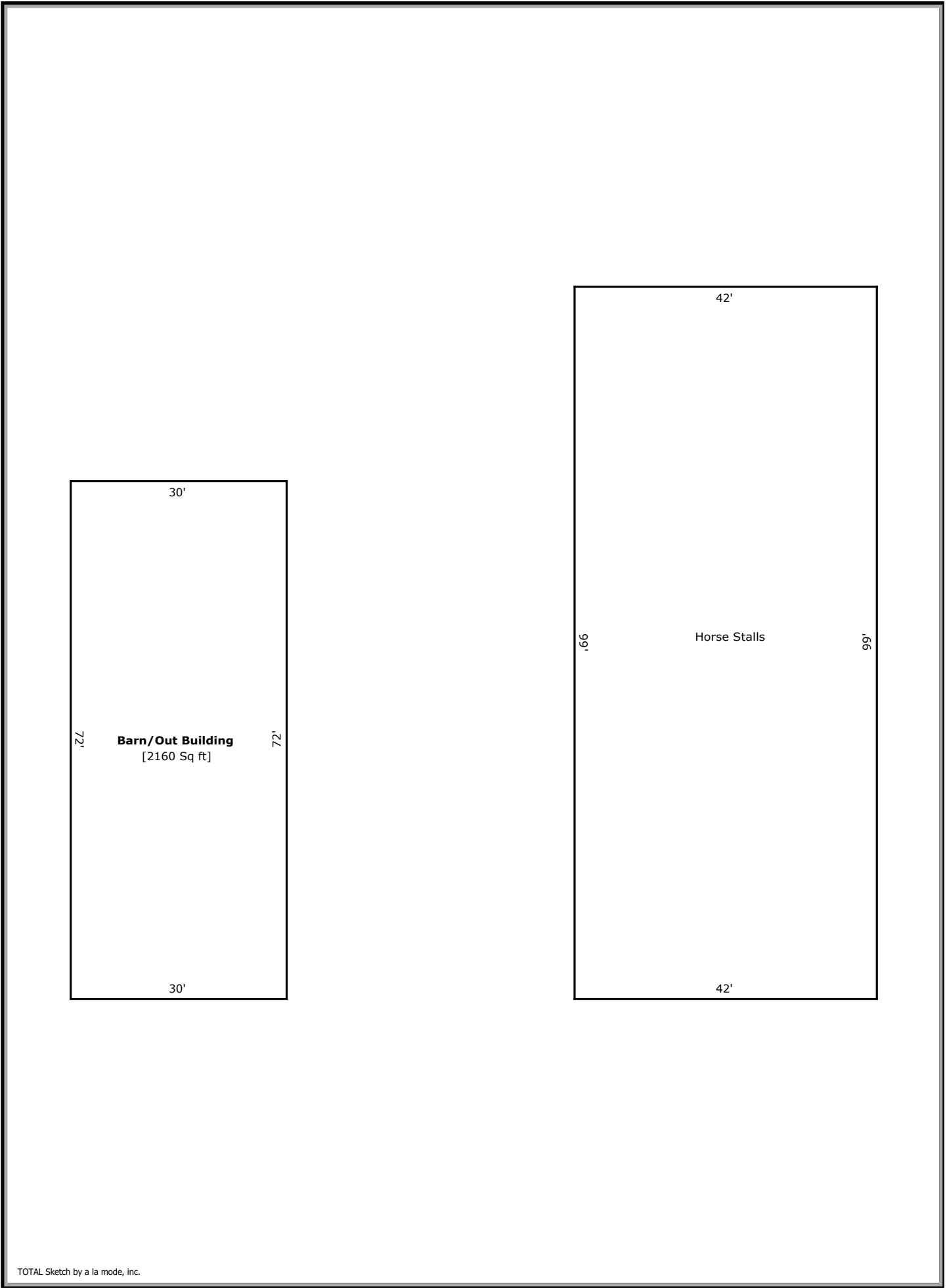
Borrower	Not applicable		
Property Address	27776 Sharp Rd		
City	Easton	County Talbot	State MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver		



TOTAL Sketch by a la mode, inc.

Building Sketch (Page - 2)

Borrower	Not applicable		
Property Address	27776 Sharp Rd		
City	Easton	County	Talbot
		State	MD
		Zip Code	21601
Lender/Client	Gregory S. Milligan, Receiver		



TOTAL Sketch by a la mode, inc.

Building Sketch (Page - 3)

Borrower	Not applicable		
Property Address	27776 Sharp Rd		
City	Easton	County	Talbot
		State	MD
		Zip Code	21601
Lender/Client	Gregory S. Milligan, Receiver		

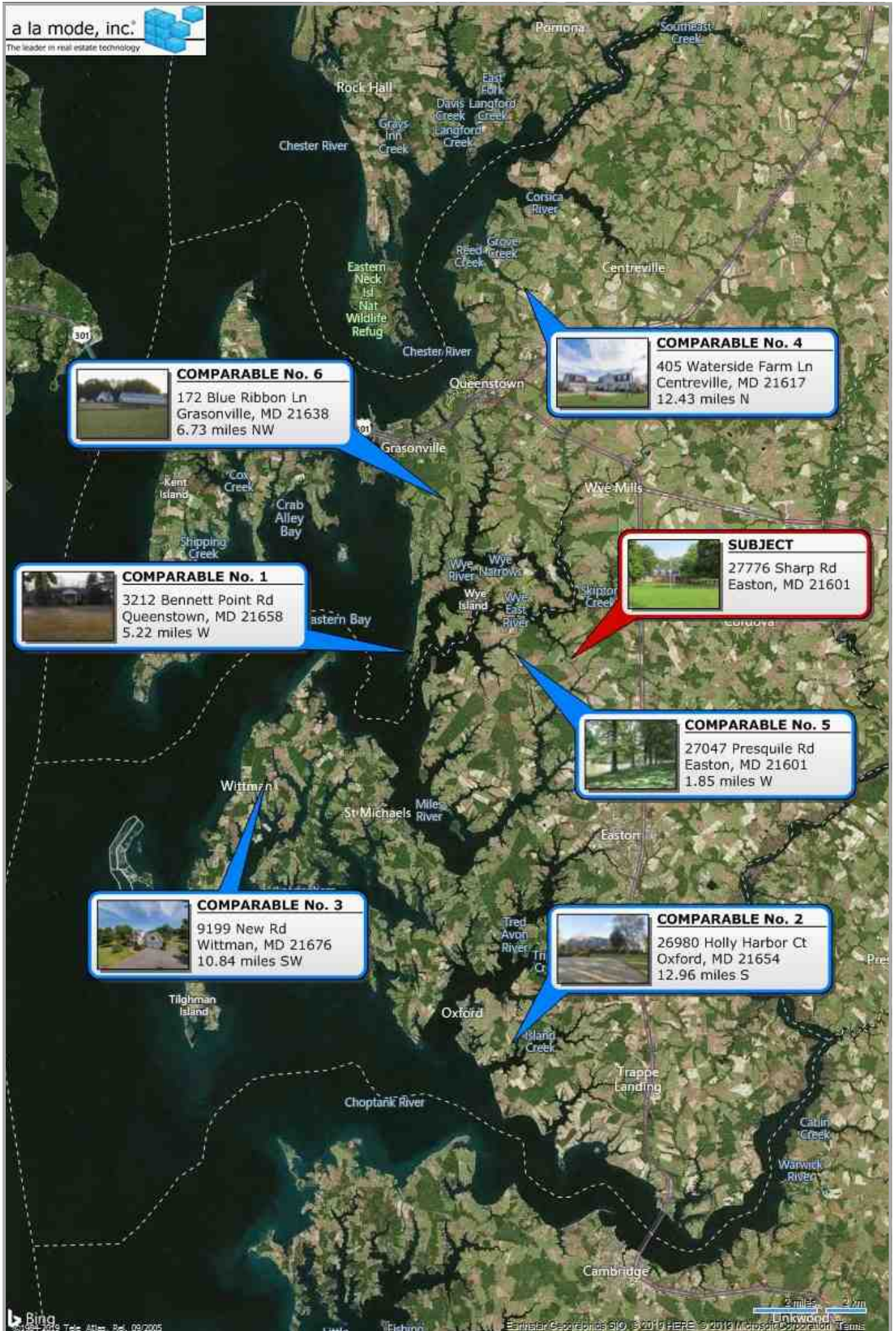
TOTAL Sketch by a la mode, inc.

Area Calculations Summary

Living Area		Calculation Details	
First Floor	3935.54 Sq ft	0.5 × 6 × 5.5 =	16.5
		0.5 × 5.5 × 6 =	16.5
		8.25 × 5.5 =	45.38
		29.83 × 26 =	775.67
		29.33 × 19 =	557.33
		65 × 38.83 =	2524.16
Second Floor	1673.75 Sq ft	65 × 26 =	1690
		0.5 × 65 × 0.5 =	16.25
Third Floor	403.67 Sq ft	14 × 28.83 =	403.67
Total Living Area (Rounded):	6013 Sq ft		
Non-living Area			
Concrete Patio	161.65 Sq ft	20 × 6.5 =	130
		0.5 × 5.75 × 5.27 =	15.15
		0.5 × 6 × 5.5 =	16.5
Concrete Patio	1512.29 Sq ft	6.42 × 17.5 =	112.29
		16.92 × 42.83 =	724.6
		21 × 6 =	126
		21.17 × 21.92 =	463.9
		19 × 4.5 =	85.5
Open Porch	270 Sq ft	22.5 × 12 =	270
2 Car Attached	749.67 Sq ft	28.83 × 26 =	749.67
Undefined Area	1080 Sq ft	30 × 36 =	1080
Barn/Out Building	2160 Sq ft	72 × 30 =	2160
Undefined Area	4158 Sq ft	99 × 42 =	4158


Location Map

Borrower	Not applicable				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client	Gregory S. Milligan, Receiver				



License

THIS DOCUMENT IS VOID WITHOUT BLUE BACKGROUND. CONTAINS COPY VOID FEATURE & ARTIFICIAL WATERMARK ON THE BACK.



STATE OF MARYLAND
DLLR
DEPARTMENT OF LABOR, LICENSING AND REGULATION

LICENSE * REGISTRATION * CERTIFICATION * PERMIT

STATE OF MARYLAND

DEPARTMENT OF LABOR, LICENSING AND REGULATION

COMMISSION OF RE APPRAISERS & HOME INSPECTORS

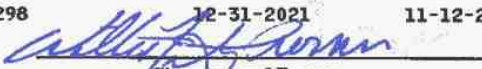

CERTIFIES THAT:
WILLIAM FITZHUGH TURNER

Lawrence J. Hogan, Jr.
Governor

Boyd K. Rutherford
Lt. Governor

Kelly M. Schulz
Secretary

IS AN AUTHORIZED: 04 - CERTIFIED GENERAL

<u>LIC/REG/CERT</u>	<u>EXPIRATION</u>	<u>EFFECTIVE</u>	<u>CONTROL NO</u>	
298	12-31-2021	11-12-2018	5262694	
 Signature of Bearer			 Secretary DLLR	

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

ResumeW. Fitzhugh TurnerAppraisal Qualifications

Tidewater Properties Appraisers, Owner - 1102 Butterworth Ct, STE 200, Stevensville, MD 21666;
Phone: 410-827-8878; Direct: 410-310-7707

Email: Fitz@FitzTurner.com Website at: www.TWPRA.com

Certified General Real Estate Appraiser - MD #04-298 (Exp 12/31/2021)

Real Estate Salesperson - MD #56529 (Exp 11/23/2020) Tidewater Properties Real Estate: 121 Clay Drive, Queenstown, MD 21658 - 410-827-8877

The Maryland Association of Appraisers, Inc. #11841, active member

Bay Area Association of Realtors, Inc. active member

Accredited Green Appraiser (AGA: Earth Advantage Institute (Certified 4/21/2016;3/7/2018))

EDUCATION

Rochester Institute of Technology, Rochester, N.Y., AAS,BFA

Chesapeake Community College, Wye Mills, Maryland (Real Estate Principals and Practices)

Guild Mortgage Corporation - San Diego, California (Mortgage Loan Officer Training Program)

AIREA (Appraisal Institute)-1A-1 Real Estate Appraisal Principals, passed exam; 1A-2 Real Estate Valuation, passed exam;

Capitalization & Theory (A&B), passed exams; Case Studies in Real Estate Valuation, passed exam;

Lecture, R-41C by Douglas D. Lovell; Report Writing and Valuation Analysis, passed; Appraisal Institute-Standards of Professional Practice 15 hr.

National USPAP Course, 12/1/2006; Numerous courses and continuing education to meet and exceed the USPAP requirements. Recent: The Dirty Dozen -

problems in appraisal; Appraising the Oddball - unusual properties; The Art of Residential Appraisal Review; Developing and Growing an Appraisal

Practice; **YELLOW BOOK**: Appraisal Institute's #746 - Uniform Standards for Federal Land Acquisitions, 1/29/2007-1/30/2007; Mentoring The Trainee;

GRI 300 series; Valuation of Conservation Easements by LTA, ASA, ASFMR, AI, 9/29/2008-10/2/2008 passed. USPAP Uniform Standard of

Professional Practice (MAA) 2/23/10. Business Practices and Ethics (AI) 10/1/2010. Conservation Easements - Legal and Financial Aspects MD

Environmental Trust 3/20/12. Fair Housing, Ethics, Rural Development Loans, BARR Realtor Expo 4/13/12. USPAP Continuing Ed McKissock 4/25/12.

FHA(MAA) 11/19/12; Mastering Unique & Complex Properties (MAA) 12/6/2012. USPAP 2014/15 Regulations: McKissock, 7 hours 11/7/2013.

Webinars: Appraisal Institute: Valuation of Conservation Easements 11/18/2013; Appraising Cell Towers 12/5/2013. Maryland Land Conservation

Conference: Important Lessons To Be Learned from Recent Federal Tax Cases, Karin Gross, Supervisory Attorney, IRS Office of Chief Counsel, 4/3/2014.

IRS Valuation Summit -October 21, 2014 among the presenters: Honorable Mark V. Holmes - Judge, United States Tax Court Edward J. McCaffery, Of

Counsel; Ross Nager, CPA; Honorable James S. Halpern - Judge, United States Tax Court; John P. Barrie; David Bradt, CPA; Russ Shay - Director of

Public Policy, Land Institute; Lance Hall - President, FMV Opinions; Craig Janes CPA; Espen Robak - President, Phuris Valuation Advisors LLC; Michael

Zarefsky Esq. - Attorney at Law; James Schmidt - Manager, Engineering & Valuation Group 1845, IRS; Howard Kanter - Lead Appraiser, Engineering

Territory 9, IRS; Ken Baker - Appraiser, IRS; Deena Devereaux - Office of Chief Counsel, IRS; Karin Gross - Supervisory Attorney, Office of Chief

Counsel, IRS; MAA - Supervisor/Trainee Class 10/22/2014; An overview of Manufactured and Modular Housing, 10/20/15; Residential Appraiser Site

Valuation and Cost Approach (CE) 11/12/2015; Dealing with Distressed Properties 11/17/2015; USPAP Update for 2016/17 (CE)11/19/2015; MAA-

Appraising Green Homes (Construction Methods and Trends, Valuation Techniques, Advanced Applications) (21CE)

4/21/2016. CE for Real Estate License renewal 11/22/2016; USPAP Update for 2018/19 (CE)12/15/2017; Re-certified AGA

3/7/2018; Understanding MD Historic Treasures (MAA 5/9/2018 -7hr)

REAL ESTATE EXPERIENCE - currently up to date on Continuing education for license renewal 11/18/2018

1977-1984 - Charles C. Powell, Inc. Realtors, Cambridge, MD; Licensed Real Estate Salesman

February 1984-June 1984 - Guild Mortgage Corp., Suitland, MD; Mortgage Loan Officer

June 1984-January 1985 - Mount Vernon Mortgage Co., Alexandria, VA. Mortgage Loan Officer

January 1985-Present - Licenced Agent with Tidewater Properties Real Estate. 2018 continuing ed: Code of Ethics, Legislative Update,

MD Fair Housing, MREC Required Supervision, MREC Agency Residential, Architectural Styles.

MD Fair Housing, MREC Required Supervision, MREC Agency Residential, Architectural Styles.

APPRAISAL EXPERIENCE

September 1984-7/1/2011 - Tidewater Properties, Queenstown, MD; Partner (2004) Real Estate Appraiser

July 1, 2011 to present - Tidewater Properties Appraisers LLC, Queenstown Md; Owner Real Estate Appraiser

Expert Witness - Queen Anne's Circuit Court, District Court, Talbot County Circuit Court, Kent County Circuit

Court, Caroline County Circuit Court, Dorchester County Circuit Court, Federal Bankruptcy Court -

Baltimore; Fairfax County, Va. Circuit Court; Maryland Tax Court representing properties in Talbot,

Kent and Queen Anne's Counties; Property Review Boards, Zone Appeals Boards, County

Commissioner and Zoning public meetings and hearings: Talbot, Queen Anne's, Caroline, Kent,

Dorchester, Wicomico, St. Mary's Counties.

(Partial List of Clients)

Maryland Dept General Services, Department of Natural Resources, Food Center Authority, Delmarva Power, Maryland Environmental

Trust, Maryland Historic Trust, Eastern Shore Land Conservancy, Nature Conservancy, The Trust for Public Land, Federal Aviation

Admin., US Post Office, Mellon Bank, The Corp, Talbot County Commissioners, Mid Atlantic Farm Credit, Kent County Parks and

Recreation, Shore United Bank, Chesapeake Bank and Trust, Queenstown Bank, Queen Anne's County Commissioners, PNC, Peoples

Bank of Kent County, Town of Easton, Town of Denton, Town of St. Michaels, Town of Ridgely, Maryland, Maryland State Highway

Admin., Friends of the Nanticoke, Verizon Wireless, Queen Anne Conservation,

Numerous:

Builders, Developers and Conservationists; Farms, Property Management, Governmental Agencies, Residential & Condominiums,

Condemnation, Commercial Real Estate Sales, Law & Accounting Firms, Special Use Appraisals, Feasibility Studies, Real Estate Firms,

Marinas, Development Consulting, Business & Corporations, Before and After Easements, Anti-development Consulting, Individuals &

Investor, State Appraisals, Highest and Best Use Analysis, Municipalities, Commercial & Industrial, Yellowbook Standards, Appraisals for

Federal Tax Purposes, Qualified Appraisals for Federal Tax Purposes including Gifts and Discounting; et al

I especially enjoy considerations into valuation of various ownership interests including, easements,

rights of way, condemnation and other odd considerations to the bundle of rights and the evaluation of the many

potentials of a property.

DLLR
DEPARTMENT OF LABOR, LICENSING AND REGULATION

LICENSE * REGISTRATION * CERTIFICATION * PERMIT

STATE OF MARYLAND

DEPARTMENT OF LABOR, LICENSING AND REGULATION

COMMISSION OF RE APPRAISERS & HOME INSPECTORS
CERTIFIES THAT:

WILLIAM WEISE

IS AN AUTHORIZED: **02 - LICENSED APPRAISER**

LIC/REG/CERT	EXPIRATION	EFFECTIVE	CONTROL NO
12993	11-06-2019	10-12-2016	4913927

William Weise
Signature of Bearer

Kelly M. Schulz
Secretary DLLR

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

COPY VOID FEATURE & ARTIFICIAL WATERMARK ON THE BACK

Lawrence J. Hogan, Jr.
Governor

Boyd K. Rutherford
Lt. Governor

Kelly M. Schulz
Secretary

EXHIBIT 3

Borrower	N/A	File No.	1905272A
Property Address	27776 Sharp Rd		
City	Easton	County	Talbot
		State	MD
		Zip Code	21601
Lender/Client			

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SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	27776 Sharp Rd
	Legal Description	37.0645 AC N/S FOREST LANDING R NR LONGWOODS
	City	Easton
	County	Talbot
	State	MD
	Zip Code	21601
	Census Tract	9601.00
	Map Reference	TA6H4
SALES PRICE	Sale Price	\$
	Date of Sale	
CLIENT	Borrower	N/A
	Lender/Client	
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	6,980
	Price per Square Foot	\$
	Location	Longwoods
	Age	37
	Condition	C4
	Total Rooms	13
	Bedrooms	5
	Baths	5.1
APPRAISER	Appraiser	Adam J. Bolling
	Date of Appraised Value	05/24/2019
VALUE	Opinion of Value	\$ 1,489,000

Gregory Milligan

Re: Property: 27776 Sharp Rd
Easton, MD 21601
Owner: Kevin B & Amanda M Merrill
File No.:

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.


The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,



Adam J. Bolling
Certified Residential Appraiser
ajb

RESIDENTIAL APPRAISAL REPORT

File No.: 1905272A

Property Address: 27776 Sharp Rd	City: Easton	State: MD	Zip Code: 21601
County: Talbot	Legal Description: 37.0645 AC N/S FOREST LANDING R NR LONGWOODS		
Assessor's Parcel #: 151992			
Tax Year: 2019	R.E. Taxes: \$ 14,531	Special Assessments: \$ 0	Borrower (if applicable): N/A
Current Owner of Record: Kevin B & Amanda M Merrill		Occupant: <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant <input type="checkbox"/> Manufactured Housing	
Project Type: <input type="checkbox"/> PUD <input type="checkbox"/> Condominium <input type="checkbox"/> Cooperative <input type="checkbox"/> Other (describe)		HOA: \$ 0 <input type="checkbox"/> per year <input type="checkbox"/> per month	
Market Area Name: Longwoods		Map Reference: TA6H4 Census Tract: 9601.00	

The purpose of this appraisal is to develop an opinion of: <input checked="" type="checkbox"/> Market Value (as defined), or <input type="checkbox"/> other type of value (describe)			
This report reflects the following value (if not Current, see comments): <input checked="" type="checkbox"/> Current (the Inspection Date is the Effective Date) <input type="checkbox"/> Retrospective <input type="checkbox"/> Prospective			
Approaches developed for this appraisal: <input checked="" type="checkbox"/> Sales Comparison Approach <input type="checkbox"/> Cost Approach <input type="checkbox"/> Income Approach (See Reconciliation Comments and Scope of Work)			
Property Rights Appraised: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Leased Fee <input type="checkbox"/> Other (describe)			
Intended Use: This intended use of this appraisal to ascertain market value as of the effective date of this appraisal.			
Intended User(s) (by name or type): Gregory Milligan, Receiver			
Client: Gregory Milligan		Address: P.O. Box 90099, Austin, Texas 78709	
Appraiser: Adam J. Bolling		Address: 8120 Armiger Drive, Pasadena, MD 21122	

Location: <input type="checkbox"/> Urban <input type="checkbox"/> Suburban <input checked="" type="checkbox"/> Rural	Predominant Occupancy	One-Unit Housing	Present Land Use	Change in Land Use
Built up: <input type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input checked="" type="checkbox"/> Under 25%				
Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	<input checked="" type="checkbox"/> Owner 95	PRICE AGE	One-Unit 50 %	<input checked="" type="checkbox"/> Not Likely
Property values: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Tenant 2	\$ (000) (yrs)	2-4 Unit 0 %	<input type="checkbox"/> Likely * <input type="checkbox"/> In Process *
Demand/supply: <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	<input checked="" type="checkbox"/> Vacant (0-5%)	1,000 Low 0	Multi-Unit 0 %	* To: _____
Marketing time: <input type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos.	<input type="checkbox"/> Vacant (>5%)	1,900 High 200	Comm'l 2 %	
		1,489 Pred 50	Vacant 48 %	

Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends): See Attached Addendum:

Neighborhood Market Conditions

North: Wye River; East: MD Rt. 50; South: MD Rt. 322; West: Eastern Bay

Dimensions: Plat not provided to the appraiser.	Site Area: 1,614,530		
Zoning Classification: Residential	Description: Residential		
Zoning Compliance: <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal nonconforming (grandfathered) <input type="checkbox"/> Illegal <input type="checkbox"/> No zoning			
Are CC&Rs applicable? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unknown		Have the documents been reviewed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Ground Rent (if applicable): \$ 0/0			
Highest & Best Use as improved: <input type="checkbox"/> Present use, or <input type="checkbox"/> Other use (explain) <u>The highest and best use of the subject is the present usage. All four highest and best use factors were met.</u>			
Actual Use as of Effective Date: Residential - Single Family		Use as appraised in this report: Residential - Single Family	
Summary of Highest & Best Use: <u>The highest and best use of the subject property is the current usage which meets all four Highest and Best Use factors.</u>			

Utilities	Public	Other	Provider/Description	Off-site Improvements	Type	Public	Private	Topography	Level
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Street	Macadam	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Size	Typical
Gas	<input type="checkbox"/>	<input type="checkbox"/>		Curb/Gutter	None	<input type="checkbox"/>	<input type="checkbox"/>	Shape	Irregular
Water	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Well(Typical)	Sidewalk	None	<input type="checkbox"/>	<input type="checkbox"/>	Drainage	Appears Adequate
Sanitary Sewer	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Septic (Community)	Street Lights	None	<input type="checkbox"/>	<input type="checkbox"/>	View	Waterfront
Storm Sewer	<input type="checkbox"/>	<input type="checkbox"/>		Alley	None	<input type="checkbox"/>	<input type="checkbox"/>		

Other site elements: Inside Lot Corner Lot Cul de Sac Underground Utilities Other (describe)

FEMA Spec'l Flood Hazard Area: Yes No **FEMA Flood Zone:** X **FEMA Map #:** 24041C0180D **FEMA Map Date:** 7/20/2016

Site Comments: See Attached Addendum: Adverse Site Conditions

General Description	Exterior Description	Foundation	Basement	Heating
# of Units: 1 <input type="checkbox"/> Acc. Unit	Foundation: ConBlock/Good	Slab: N/A	Area Sq. Ft.: 1,216	Type: Geothermal
# of Stories: 2	Exterior Walls: Brick / Good	Crawl Space: Partial	% Finished: 0	Fuel: Geothermal
Type: <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/>	Roof Surface: CompSh/Good	Basement: Partial	Ceiling: Open	
Design (Style): Colonial	Gutters & Dwnspts.: Aluminum/Good	Sump Pump: <input checked="" type="checkbox"/>	Walls: Con Block	Cooling: Geothermal
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Und.Cons.	Window Type: DblHung/Good	Dampness: <input checked="" type="checkbox"/> Foyer Cing	Floor: Concrete	Central: Geothermal
Actual Age (Yrs.): 37	Storm/Screens: Yes/Yes/Good	Settlement: None Noted	Outside Entry: None	Other: _____
Effective Age (Yrs.): 15		Infestation: None Noted		
Interior Description	Appliances	Attic: <input type="checkbox"/> None	Amenities	Car Storage <input type="checkbox"/> None
Floors: Hdwd/Slate/Good	Refrigerator: <input checked="" type="checkbox"/>	Stairs: <input type="checkbox"/>	Fireplace(s) #: 5	Garage # of cars (16 Tot.):
Walls: Drywall / Good	Range/Oven: <input checked="" type="checkbox"/>	Drop Stair: <input type="checkbox"/>	Woodstove(s) #: 0	Attach.: 2
Trim/Finish: Wood / Good	Disposal: <input checked="" type="checkbox"/>	Scuttle: <input checked="" type="checkbox"/>	Large Patio: _____	Detach.: 4
Bath Floor: Tile / Good	Dishwasher: <input checked="" type="checkbox"/>	Doorway: <input type="checkbox"/>	None: _____	Blt.-In: _____
Bath Wainscot: Tile / Good	Fan/Hood: <input checked="" type="checkbox"/>	Floor: <input type="checkbox"/>	CovPch, Pch: _____	Carport: _____
Doors: Wood / Good	Microwave: <input checked="" type="checkbox"/>	Fence: <input type="checkbox"/>	None: _____	Driveway: 10
	Washer/Dryer: <input checked="" type="checkbox"/>	Pool: <input type="checkbox"/>	Inground: _____	Surface: Gravel
	Finished: <input type="checkbox"/>	Other: <input type="checkbox"/>	Pier: _____	

Finished area above grade contains: 13 Rooms 5 Bedrooms 5.1 Bath(s) 6,980 Square Feet of Gross Living Area Above Grade

Additional features: The subject's additional features include: a remodeled kitchen, 5 fireplaces, a large patio, covered porch, porch, inground pool, and a pier.

Describe the condition of the property (including physical, functional and external obsolescence): C4;The subject appears to be well maintained and in Good condition. No functional or external obsolescence was noted upon the inspection. The actual age and the effective age of the subject vary more than ten years due to periodic maintenance and updating.



RESIDENTIAL APPRAISAL REPORT

File No.: 1905272A

COST APPROACH	COST APPROACH TO VALUE (if developed) <input checked="" type="checkbox"/> The Cost Approach was not developed for this appraisal.			
	Provide adequate information for replication of the following cost figures and calculations.			
	Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value):			
	ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW		OPINION OF SITE VALUE ----- = \$	
	Source of cost data:		DWELLING Sq.Ft. @ \$ ----- = \$	
	Quality rating from cost service: Effective date of cost data:		Sq.Ft. @ \$ ----- = \$	
	Comments on Cost Approach (gross living area calculations, depreciation, etc.):		Sq.Ft. @ \$ ----- = \$	
			Sq.Ft. @ \$ ----- = \$	
			Sq.Ft. @ \$ ----- = \$	
			Sq.Ft. @ \$ ----- = \$	
			Sq.Ft. @ \$ ----- = \$	
			Sq.Ft. @ \$ ----- = \$	
	Garage/Carport Sq.Ft. @ \$ ----- = \$		Total Estimate of Cost-New ----- = \$	
Less Physical Functional External		Depreciation ----- = \$()		
Depreciated Cost of Improvements ----- = \$		"As-is" Value of Site Improvements ----- = \$		
		----- = \$		
		----- = \$		
Estimated Remaining Economic Life (if required): Years		INDICATED VALUE BY COST APPROACH ----- = \$ 0		


INCOME APPROACH	INCOME APPROACH TO VALUE (if developed) <input checked="" type="checkbox"/> The Income Approach was not developed for this appraisal.			
	Estimated Monthly Market Rent \$ <u>0</u>	X Gross Rent Multiplier <u>0</u>	= \$ <u>0</u>	Indicated Value by Income Approach
	Summary of Income Approach (including support for market rent and GRM): <u>Income Approach not developed due to lack of data for proper development of GRM. See Addenda #3.</u>			

PUD	PROJECT INFORMATION FOR PUDs (if applicable) <input type="checkbox"/> The Subject is part of a Planned Unit Development.			
	Legal Name of Project:			
	Describe common elements and recreational facilities:			

RECONCILIATION	Indicated Value by: Sales Comparison Approach \$ 1,489,000 Cost Approach (if developed) \$ 0 Income Approach (if developed) \$ 0			
	Final Reconciliation <u>All weight is given to Sales Comparison Analysis as it best reflects values in the eyes of the typical buyer. Income Approach not developed due to lack of data for proper development of GRM. See Addenda #3.</u>			
	This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, <input type="checkbox"/> subject to the following required inspection based on the Extraordinary Assumption that the condition or deficiency does not require alteration or repair:			

ATTACHMENTS	<input checked="" type="checkbox"/> This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.			
	Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ <u>1,489,000</u> , as of: <u>05/24/2019</u> , which is the effective date of this appraisal. If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.			
	A true and complete copy of this report contains <u>29</u> pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.			

SIGNATURES	Attached Exhibits:			
	<input checked="" type="checkbox"/> Scope of Work	<input checked="" type="checkbox"/> Limiting Cond./Certifications	<input checked="" type="checkbox"/> Narrative Addendum	<input checked="" type="checkbox"/> Photograph Addenda
	<input checked="" type="checkbox"/> Map Addenda	<input type="checkbox"/> Additional Sales	<input type="checkbox"/> Cost Addendum	<input checked="" type="checkbox"/> Flood Addendum

Client Contact: _____ Client Name: <u>Gregory Milligan</u>	
E-Mail: _____ Address: <u>P.O. Box 90099, Austin, Texas 78709</u>	
APPRAISER  Appraiser Name: <u>Adam J. Bolling</u> Company: <u>Appraisal Concepts, Inc.</u> Phone: <u>(410) 761-5081</u> Fax: _____ E-Mail: <u>appraisalconceptsinc@gmail.com</u> Date of Report (Signature): <u>05/31/2019</u> License or Certification #: <u>30011217</u> State: <u>MD</u> Designation: <u>Certified Residential Appraiser</u> Expiration Date of License or Certification: <u>11/27/2019</u> Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: <u>05/24/2019</u>	SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable) Supervisory or Co-Appraiser Name: _____ Company: _____ Phone: _____ Fax: _____ E-Mail: _____ Date of Report (Signature): _____ License or Certification #: _____ State: _____ Designation: _____ Expiration Date of License or Certification: _____ Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: _____

Supplemental Addendum

File No. 1905272A

Borrower	N/A						
Property Address	27776 Sharp Rd						
City	Easton	County	Talbot	State	MD	Zip Code	21601
Lender/Client							

APPRAISAL ADDENDA:

These addenda are designed to simplify the reporting of comments most typically required by lenders to clarify aspects of the appraisal process. The following comments are applicable to the subject property:

TYPE OF APPRAISAL REPORT:

My analyses, opinions, and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice. In accordance with the Definitions Section, Standard 1 and Standard 2 of the Uniform Standards of Professional Appraisal Practice issued by the Appraisal Standards Board of the Appraisal Foundation, this appraisal report is considered to be an "Appraisal Report". See Addendum #4.

PURPOSE OF THE APPRAISAL:

The Purpose of the Appraisal is to estimate the market value of the subject property for market valuation purposes. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or approval of a loan.

SCOPE OF THE APPRAISAL:

The scope of the appraisal consisted of an analysis of the relevant market data in the market area of the subject property, an exterior and interior inspection of the subject property or an examination of the plans and specifications for a proposed property, an exterior inspection of the comparable sales utilized in the sales comparison analysis, and the application of the relevant approaches to value in order to reach a value conclusion. Cost estimates were developed from the Marshall and Swift Residential Cost Handbook and verified by local sources and appraiser's files. Depreciation is based on the Age/Life Method.

The appraisal is based on information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood, and selection of comparable sales within the subject's market area. The original source of the comparables is shown first in the Data Source section of the market grid along with the source of confirmation, if available. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable has been used. Data believed to be unreliable was not included in the report nor used as a basis for the value conclusion.

EXCLUSIVE/ INTENDED USE

This appraisal report has been prepared for the exclusive benefit of **Gregory Milligan, Receiver**. This appraisal report is intended for the use of the lender/client and/or their assigns for market valuation purposes only. This report is not intended for any other use. No other party may use or rely on any information in this report, without the preparer's written consent. Neither all nor any part of the contents of this report shall be conveyed to any person or entity, other than the appraiser's or firm's client, through advertising, solicitation materials, public relations, news, sales or other media, without the written consent and approval of the authors, particularly as to valuation conclusion, the identity of the appraiser or firm with which the appraiser is connected, or any reference to affiliation with any professional appraisal organization or designation. Further, the appraiser or firm assumes no obligation, liability, or accountability to any third party. If this report is placed in the hands of anyone but the client, client shall make such party aware of all the assumptions and limiting conditions of the assignment.

DIGITAL SIGNATURE CERTIFICATION:

The electronic signatures that appear on this report are a true and accurate replica of the appraiser's actual signatures. Security measures, (in the form of passwords), are in place to preserve the integrity of the report, and to ensure that each appraiser can apply his or her own signature to an appraisal.

DIGITAL PHOTOGRAPH CERTIFICATION:

The photographs used in this appraisal report were produced with digital imaging technology. The digital photographs of the subject property in this report are original photographs that were taken at the time of the inspection and have not been altered or enhanced in any way. The appraiser personally inspected and photographed the comparable sales used in the appraisal report; however, some of the photographs of the comparable sales may have been downloaded from an on-line provider since these images better depict the comparable at the time of sale. The photographs used in this appraisal report are a true and correct representation of the subject property and the comparable sales.

FLOOD MAP DATA / MAP REFERENCE DATA

The flood map and flood panel information in this appraisal report are provided by a third party and cannot be altered in anyway. The lender should have a flood certification performed. The data provided in the flood section of this report is provided for information purposes only and is beyond the scope of an appraisal report. **All map references were obtained using ADC maps.**

APPRAISER INDEPENDENCE STATEMENT

No employee, director, officer, or agent of the lender, or any other third party acting as a joint venture partner, independent contractor, appraisal management company, or partner on behalf of the lender has influenced or attempted to influence the development, reporting, instruction, inducement, intimidation, bribery or in any other manner. I have not been contacted by anyone other than the intended user (lender/client as identified on the first page of the report), borrower, or designated contact to make an appointment to enter the property. I agree to immediately report any unauthorized contacts either personally by phone or electronically to **the proper authorities**.

USPAP DISCLOSURE

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

APPRAISER COMPETENCY

The subject property is located **40 + / -** miles from my office. This assignment requires geographic competency as part of the scope of work. I have spent sufficient time in the subjects market and understand the nuances of the local market and the supply and demand factors relating to the specific property type and the location involved. Such understanding will not be imparted solely from a consideration of specific data such as demographics, costs, sales and rentals. The necessary understanding of local market conditions provides the bridge between a sale and a comparable sale or a rental and a comparable rental.

Supplemental Addendum

File No. 1905272A

Borrower	N/A						
Property Address	27776 Sharp Rd						
City	Easton	County	Talbot	State	MD	Zip Code	21601
Lender/Client							

Neighborhood Market Conditions

Sales in the last year have been steady. Interest rates and terms remain attractive. In reviewing the market data, the appraiser finds supply / demand levels are in balance at the time of the appraisal inspection. Market influences in the general area are considered typical and stable. MLS records indicate a typical market exposure time of 3-6 months. The median sales price was researched for sales in a 20 mile radius for the first 6 months and the most recent 6 months prior to the date of the appraisal. The first 6 months of the year the median sales price was found to be \$1,500,000. The most recent 6 months were researched and the median sales price was found to be \$1,482,500. Based on the calculated information the median sales price of homes similar to the subject in the market area were found to be stable at the time of the inspection. At the time of the inspection the subjects future marketability should not be affected.

In 2008 the Country faced its most serious financial crisis since the great depression. As record high home prices in the Baltimore Washington corridor turned decisively downward in 2007, the entire U.S financial sector began to crumble. The "Great Recession" would take a toll on real estate prices for the next several years. In recent years home prices in the mid-atlantic area have continued to remain stable or increase as the availability of credit coupled with the low interest rates and high demand fuel a sellers market. Base Realignment and Closure (BRAC) has also brought willing and active buyers into various military installations in the Baltimore / Washington corridor. At the present time property values in this area of Talbot County continue to remain stable. Sales concessions of up to 6 percent in points or closing costs are common in this area.

The median sales price data was obtained from the bright MLS and is deemed reliable, but is not guaranteed by bright or the appraiser. This information is considered to be secondary data obtained by the appraiser. Outliers to the data set are often omitted from the data above and only "comparable sales" contribute to the data set.

Adverse Site Conditions

Normal utility easements exist for electric, telephone, etc. There are no apparent adverse easements, encroachments, or other apparent adverse conditions. Refer to title for any easements of record.

Regarding GLA and Basement Measurements

All measurements for the subject property were made by the appraiser at the time of the appraisal inspection in accordance to Fannie Mae, HUD, and ANSI Z765 guidelines. Only finished areas were considered on the above grade area and the basement was included on the basement & finished line of the sales grid. Were applicable the subject was measured on the exterior of the dwelling. The interior was measured when the exterior was unable to be measured or determined. The subject has sloping walls or dormers on the second floor the width or length of the second floor was measured to the height of the 5ft and the additional space was excluded from the GLA calculations. All measurements were performed in strict accordance to industry standards. The GLA of the subject differs from that of the tax records. The appraiser is unable to determine the exact cause of the GLA difference. Future marketability should not be affected.

Regarding Adjustments Utilized In Sales Comparison

All adjustments utilized in the sales grid were derived from the paired sales analysis. The Government Sponsored Enterprises (GSE) do not have specific limitations or guidelines associated with net or gross adjustments. The number and/or amount of the dollar adjustments must not be the sole determinant in the acceptability of a comparable. Ideally, the best and most appropriate comparable would require no adjustment; however this is rarely the case as typically no two properties or transaction details are identical. Some adjustments were determined using the sales provided in the report. However, other sales from the market area were utilized and were not included in the report. They were used to determine the amount of the adjustment. To make sure the comparison was apples to apples and as accurate as possible the appraiser first removed all other factors of value besides the adjustment in question. The remainder left over became the adjustment utilized on the sales grid. By removing the additional influences of value the appraiser attempted to extract the data from an otherwise weak indicator of market value to gain perspective on market reaction. **In the Sales Comparison Approach below the appraiser discloses the adjustment rationale utilized by the field and Paired Sales, Extracted Market Data, or N/A.**

The quality and condition ratings for the subject and comparables are based upon my personal inspection of the subject, and my interpretation of the photos and comments for comparable sales from the MLS, and how they compare to the subject. They fall under the same adjustment rationale utilized above. The appraiser also relies upon the Core Logic Smart Exchange which allows peer data to be viewed by the appraiser. The peer data as considered, but not always accurate due to the data being considered dated or contradictory to MLS photos or primary data obtained by the appraiser. The appraiser does not have knowledge or information regarding the adjustment methods utilized by appraiser's peers. See the comment above (Regarding GLA and Basement Adjustments) for an explanation of how the measurements of the subject were performed.

Sales Comparison Analysis - Summary of Sales Comparison Approach / Adjustment Rationale

Proximity to Subject - Extracted Data - Comps 1 - 3 exceed one mile. Every effort was made to locate waterfront comparables within the typical one mile underwriting guideline; however, due to the lack of settled sales the search was expanded beyond one mile to homes of varying design offering similar GLA, function, and utility. Adjustments were not warranted for differences in design or location.

Financing - N/A - Adjustments for differences in financing (FHA, VA, Conventional, and Cash) were not considered. The market does not warrant differences in the type of financing.

Concessions - N/A - Seller concessions of up to 6% are typical for the market area and deemed acceptable. The concessions of comp 3 did not appear to impact the sale of the properties. Therefore, an adjustment for concessions below 6% was not warranted.

Date of Sale / Time - N/A - It was noted that comps 3 and 4 settled in excess of six months prior to the inspection of the subject; however, they settled within the typical one year underwriting requirement and were the best available. Comp 4 settled in excess on one year, but was among the most accurate indicators of value available at the time of the appraisal.

- Every effort was made to locate 2 comps that settled within the 90 days prior to the inspection. However, due to the lack of settled sales the search was expanded to dated comparables. Time adjustments were considered; however, they were not utilized as the subjects neighborhood was found to be stable at the time of the inspection.

Supplemental Addendum

File No. 1905272A

Borrower	N/A						
Property Address	27776 Sharp Rd						
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Lender/Client							

Form of Ownership - N/A - Per SDAT (MDAT) the subject is currently owned in Fee Simple form of ownership.

Site - Extracted Data - Adjustments were made for significant differences in site size at a rate of \$10,000 per acre or \$.46 per square foot for differences over \$1,000. The subjects site size is typical for the market area and the future marketability of the subject should not be affected.

View - Extracted Data - The subjects view rating is considered to be Residential and Waterfront. An adjustment for differences in view were not made.

Actual Age - N/A - Adjustments for significant differences in chronological age were not made. Rather, the age was considered on the condition line of the sales grid using agent remarks, interior, and exterior photos from the MLS (MRIS).

Quality of Construction - N/A - Adjustments for differences in quality of construction were not made to the comps. The exterior of the subject property, like the comparables is typical for the market area and did not warrant an adjustment.

Condition - Extracted Data - The appraiser judged the subject to be in C4 condition. The subject has several recommended repairs and incomplete renovations. They were considered on the condition line of the grid and the condition adjustment was larger than typical. They can be found on the extra photo page. Agents reported comps 1, 2, and 3 to be in C3 condition: therefore, an adjustment was made to the comps for differences in condition based on their recent updates and upgrades such as the kitchens, flooring, and bathrooms. A larger than typical condition adjustment was applied to this field to reflect the markets reaction. The appraiser is not a licensed contractor, but provided a cost to cure for the repairs and renovations required in the subjects property. They were lumped into the condition adjustment. A qualified professional should inspect the subject to determine a more accurate figure of the required or recommended repairs. **The appraiser uses the extraordinary assumption that the condition adjustment applied is sufficient based on the extracted data in the report; however, in the event that a different figure is provided by a qualified professional the appraiser reserves the right to alter or amend the report.**

Room Count - N/A - Adjustments for differences in overall room count as well as bedroom count were not made on the sales grid. Rather the adjustment was considered on the Gross Living Area (GLA) line of the sales grid. Adjustments for differences in bathroom count were made at a rate of \$10,000.

- Adjustments were made for significant differences in gross living area between the subject and the comps at a rate of \$75 per square foot.

Basement & Finished - Extracted Data - Adjustments for differences in basement square footage was not made on the sales grid; rather, the adjustment was considered on the rooms below grade line of the sales grid. Differences in finished rooms were not considered and each room was given equal value on the grid. Laundry and Utility rooms were not considered to be finished rooms and did not receive value.

Heating / Cooling - Extracted Data - Adjustments for differences in heating and cooling was not considered. An adjustment was warranted for differences in recently updated or upgraded systems as well as geothermal units which are much more costly to install.

Energy Efficient Items - Paired Sales 1 - 3 - Adjustments for differences in energy efficient items (windows) were not considered unless recently updated. The type of window (casement, slide, double hung or single hung) does not warrant an adjustment in the subjects market area.

Garage / Carport - Extracted Data - Differences in garage spaces were made on the sales grid at a rate of \$10,000 each. The driveway number of cars on page 1 denotes width and not total car storage or off street parking. Adjustments for differences in driveway width were not considered on the sales grid due a lack of market data and the inability to match pair an adjustment.

Porch/Patio/Deck, Etc. - Extracted Data - Deck or Patio adjustments were made at a rate of \$10,000, Large Patio, Covered Porch \$12,500, Uncovered Porch \$5,000, and a Balcony \$5,000.

Fireplace, Etc. - Extracted Data - Fireplace adjustments were made at a rate of \$10,000 each and an Irrigation System \$5,000.

Fence, Pool, Etc. - Paired Sales 2 - Fence adjustments were made at a rate of \$5,000, In-Ground Pool \$20,000, Boat Lift \$5,000, and Barn \$20,000.

Features - Paired Sales 1 - 3 - The Uniform Appraisal Dataset (UAD) definitions speak heavily towards overall condition and building components. While kitchens may fall under building components this appraiser utilizes the blank line at the bottom of the sales grid to denote kitchen finishes (ie. granite, Corian, Silestone, upgraded cabinets, upgraded appliances, upgraded fixtures, etc.) This adjustment is in lieu of a larger condition adjustment on the sales grid which often confuses the reader as they are unable to determine the exact cause for the adjustment. By separating the adjustments it allows the reader a better overall sense of the kitchen finishes of the subject property versus the comparable sales utilized. Because kitchens are such a large factor in the resale of a property they are adjusted for separately on the grid. The factors considered on the condition line of the grid under overall condition and building components then becomes effective age, the remaining life of the roofing materials, flooring components, and the level of deferred maintenance (curable and incurable).

Typical Underwriting Criteria

- Across the board adjustments were made for differences in amenities and are typical for that line of the appraisal grid. An extensive search of the MLS (bright) failed to yield comps to bracket the subject with similar amenities. The future marketability of the subject should not be affected due to its amenities. A search in time and outside of the market area across board

- Sheds were considered to be personal property and due to a lack of sufficient market data were not given value in this appraisal report.

- The percentage of land marked "other" on the present land use section of page 1 of the URAR denotes vacant land.

- The rooms marked other on the rooms below grade section of the sales grid indicate Dens, Theater Rooms, etc. Laundry

Supplemental Addendum

File No. 1905272A

Borrower	N/A						
Property Address	27776 Sharp Rd						
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Lender/Client							

rooms, storage rooms, and furnace rooms are considered to be unfinished rooms and not given value in this appraisal report.

- All GLA for the comparable sales is estimated on the sales grid. Unless indicated the appraiser has not physically measured the comparable sales. The subject was measured at the time of the inspection in accordance to ANSI Z765.

- The date listed on the date of sale / time line of comps 1 - 3 is the settle date of those comps.

- Carbon Monoxide and Smoke Detectors were present and operable at the time of the appraisal.

- MLS (MRIS) records indicate a typical market exposure time of 3-6 months. The average marketing time is 3-6 months; however, if the comps are not priced correctly the when listed for sale the marketing time may exceed 3 months.

- Every effort was made to bracket (Larger, Smaller, Equal) the subject in GLA, age, site size, and other features on the sales grid; however, due to the lack of settled sales the subject was unable to be bracketed. Across the board adjustments are typical on these lines of the grid.

- Comps in the subjects market area are typically selling for 98% of the Listing Price. The additional 2% was subtracted from the active listings at the lenders request. The list to sales price ratio is not applied to Contract sales as the may settle at their current contract price. The list to sale price ratio is derived from the 1004MC. The average marketing time is 3-6 months; however, if the comps are not priced correctly the when listed for sale the marketing time may exceed 3 months. Sales concessions of up to 6% are typical for the market area and an adjustment was not warranted.

- At the time of the appraisal although a few were noted, foreclosures were not prevalent in the subjects neighborhood or market area due to the large number of state and federal government jobs available. At the present time or in the near future foreclosures should not affect the subjects future marketability.

- The prior transfers of the subject and the comps is obtained using the MLS (bright), SDAT (MDAT), and DataMaster USA. The subject or the comparables sales utilized in this report may have transferred; however, they may not have been recorded in the fore mentioned sites until post delivery of this appraisal. The appraiser has individually examined each sale to determine if the property has transferred in the year prior to the effective date of the appraisal report.

- The value range provided on the top of page 2 in the URAR form is the value range of "comparable sales" for the past year and "comparable listings" in the subjects neighborhood or market area. These homes may compete with the subject in the eyes of a willing buyer if marketed against each other in the future. For this reason they were considered "comparable" and noted in the appraisal report.

- It was noted that the land value may exceed 30% of the subjects appraised value; however, the land to value ratio is typical in the market area and is in line with the assessed values and comparable sales within the subjects neighborhood. Moreover, the land to value ratio is due to positive locational factors and does not have an adverse impact on market ability.

- All utilities were not operable at the time of the appraisal inspection. The water was not operable. The appliances were present and operable. The range, dishwasher, disposal, and microwave are considered to be real property. The refrigerator is considered to be personal property.

- All sales prices utilized in this appraisal report were obtained using the MLS (bright). Once recorded, the sales priced may reflect a different figure due to clerical errors or additional cost associated (back taxes, HOA dues, liens, Etc.) with the purchase of the comparable. The listing agent is considered to be the most accurate source of secondary data available to the appraiser.

- The single line adjustment of comps 1, 2, and 3 exceeds the 10% typical underwriting criteria. This was unable to be avoided due to the lack of comparable settled sales. The subject is not considered to be an over or under improvement to the market area and future marketability should not be affected.

- The gross adjustment of comps 1, 2, and 3 exceeds the 25% typical underwriting criteria. This was unable to be avoided due to the lack of comparable settled sales. The subject is not considered to be an over or under improvement to the market area and future marketability should not be affected.

- The net adjustment of comp 1 exceeds the 15% typical underwriting criteria. This was unable to be avoided due to the lack of settled sales.

Final Reconciliation

The following weight and explanation for the amount was placed on the comps is as follows:

Comp 1 - 50% - This comparable had the most recent settle dates and best reflected the subject at the time of the appraisal.

Comp 2 - 25% - This comparable was provided to demonstrate stability in the market in the several months prior tot he date of the appraisal.

Comp 3 - 25% - This comparable is a dated sale which settled in excess on one year prior to the date of the appraisal. This sale was among the most accurate indicators of market value available at the time of the appraisal.

Cost Approach Comments

All weight was placed on the Sales Comparison Analysis as it better reflects values in the eyes of a willing and active buyer. The site value was obtained using the extraction method by gridding a comparable sale on the cost approach. Since we know the recent transfer price of a comparable sale it was added to the cost approach in an effort to arrive at a land value. This was performed using a cost index and builders price per square foot for above grade area, plus a price per square foot for the basement area, plus amenities (defined under Comments on the Sales Comparison Approach), plus garage or carport square footage, less depreciation based on the effective age based on a lifespan of 65 years. The "As Is" site improvements are added to this figure to arrive at a total without the land value added. The differences between the sales price and the total sum of the fore mentioned items will be the land value. Once a comparable sale tallied on the cost approach the subject can be added to arrive at a cost approach value. Because land value in the Baltimore Washington corridor is at a premium due to the high build up of the area the cost approach is not considered a reliable method to value and all weight was placed on the sale comparison approach as it best reflects the subject in the eyes of a willing and active buyer.

Supplemental Addendum

File No. 1905272A

Borrower	N/A						
Property Address	27776 Sharp Rd						
City	Easton	County	Talbot	State	MD	Zip Code	21601
Lender/Client							

Dampness

The subject has water spots on the foyer ceiling. This does not appear to be actively leaking; however, the cause and extent of the damage is beyond the scope of an appraiser and should be inspected by a qualified professional.

ENDING ADDENDA:

1. The addenda and exhibits with this appraisal are integral parts of the appraisal and may not be used separately. Nor, may any single part of this appraisal be used to indicate value without the entire appraisal. This appraisal is meant to estimate value as of the appraisal date only. It is "a snapshot in time", and the value may change with changes in the condition of the subject property, with changes in the real estate market and with changes in general economic conditions.
2. As directed by FNMA guidelines, the room count and gross living area are computed only on those rooms that are totally above grade. Also, as directed by and FNMA guidelines, any finished rooms (i. e., recreation rooms, bathrooms, clubrooms, etc.) that are located part or fully below grade are treated as basement rooms provided they are totally finished.
3. Statistics in the subject's marketing area have been researched in order to complete a (GRM) Gross Rent Multiplier Analysis. In this area, typically single family dwellings are used as primary residences. Insufficient data was available to develop a reliable Gross Rent Multiplier due to few transactions of comparable homes that were rented at the time of their sale. Thus, the Income Approach, which utilizes a Gross Rent Multiplier, was considered but was not used in this appraisal.
4. Unless otherwise noted, no value for personal property, other than what is typical for the area, is included in the value of the property.
5. Property taxes are from the Talbot County tax computer and were the most recent available to the appraiser.
6. The reported predominant value is typical of this market area.
7. The location map in this report is included to assist anyone reading this report. Unless otherwise noted, on map or elsewhere in this report, the top of the exhibit page indicates the northerly direction in relation to the subject property.
8. A reasonable marketing period for the subject property is 3-6 months, if properly priced. Marketing time is projected for the subject based on supply and demand factors noted in the neighborhood section of the report. Days on Market (DOM), which is shown on the market grid for each comparable sale, represents information provided from the listing card from the Multiple Listing Service. This information pertains to the most recent listing card and does not take into consideration any prior listings, either from the broker or as a private sale (i.e., for sale by owner).
9. The market at this time does not warrant any adjustments between FHA, VA, and Conventional financing.
10. The appraiser was not aware, nor made aware of hazardous material, toxic waste, contaminated soil and/or landfill, or any other environmental hazards in the immediate area of the subject property. However, appraiser does not warrant that no environmental hazards exist in the immediate area. Any testing for such substances or identification of those materials is beyond the scope of this appraisal and the qualifications of the appraiser.
11. Radon gas, as a potential health hazard, can only be detected by sophisticated, scientific procedures beyond the scope of this appraisal and the qualifications of the appraiser. Therefore, the presence of radon, or lack thereof, was not a factor considered in the estimated market value of the subject property. If radon gas is present, the market value would be affected by the extent of the infiltration of this gas and its ability to be cured. A radon gas test is recommended.
12. No liability is assumed for structural or mechanical elements (plumbing, electrical or heating/central air systems, roof, appliances, etc.) or insulation factors or adequacy. It is assumed that, unless otherwise noted, all appliances, systems, and mechanical and structural elements are sound and in good working order. Any insulation factors used in this appraisal were provided by the owner and/or builder of the property. No warranty of the appraised property is implied or given. If there is any question about any of the above items, it is the client's responsibility to order the appropriate inspection by an appropriate expert. The appraiser is not an expert in the inspection of any of the individual components of any property.
13. Unless indicated in the improvements section of this appraisal report, there was no visible evidence of dampness or unusual settlement observed during the inspection, nor was there visible termite infestation. However, termite inspection goes beyond the scope of this appraisal. The appraiser is not trained to detect termites or any other wood boring insects and a termite inspection is recommended.
14. Unless otherwise noted on the main URAR appraisal report or an attached addendum, no significant functional or external obsolescence was noted upon inspection.
15. The appraiser/appraisers assume no responsibility for the existence of potentially hazardous material, such as UFFI insulation, asbestos, lead or lead based products, etc., used in the construction or maintenance of the building. NOTE: Buildings built before January 1, 1979 may contain lead paint and, therefore, may present a lead paint poisoning hazard. No liability is assumed for the possible presence of defective fire retardant plywood, (that may deteriorate prematurely) that may have been used in roof construction of this building. Any testing for such substances or identification of those materials is beyond the scope of this appraisal and, if found through such testing or inspection, might adversely affect the value of the property or void the value indicated on the appraisal. Inspection and/or testing for all these potentially hazardous materials by a qualified professional is recommended when there is any doubt about their existence.
16. Site value is based on review of recent land sales, site to value ratios, and land records. It was noted that the land value may exceed 30% of the subjects appraised value; however, the land to value ratio is typical in the market area and is in line with the assessed values and comparable sales within the subjects neighborhood. Moreover, the land to value ratio is due to positive locational factors and does not have an adverse impact on market ability.
17. Floor area calculations are approximate. Square footage figures used in this appraisal are based on the best available sources. Floor plan drawings may not be drawn to scale, and are not meant to be precise, but are used to help visualize the property. For a more detailed floor plan, the reader of this report should obtain blue prints from the architect or builder of the property. Any minor deviations in measurements do not have a significant effect on final value.
18. No adjustments were made on the market grid for total room count or bedrooms. The differences are considered in the

Supplemental Addendum

File No. 1905272A

Borrower	N/A						
Property Address	27776 Sharp Rd						
City	Easton	County	Talbot	State	MD	Zip Code	21601
Lender/Client							

adjustment for gross living area. Bathrooms are given dollar adjustments for differences in utility and due to the expense incurred in their construction.

19. All comparables represent settled sales, to the best of the appraiser's knowledge, unless otherwise noted. Verification is with land records, Realtors, MLS (bright) information, sellers or buyers. Every effort has been made to comply with FNMA guidelines.

20. Since not every subject property can be compared to "ideal" comparable sales, the appraiser has chosen the best comparables available from the subject's market which meet the investor underwriting standards and the guidelines established by appraisal organizations with which the appraiser is affiliated.

21. The price per square foot of living area (URAR, Sales price / Gross Living Area) varies more than \$10.00 due to differences in the amenities and/or condition of the comparables.

22. The appraiser is currently a Certified Residential Appraiser in the State of Maryland, License # 03-11217, expiration date 11/27/2019, and is qualified to appraise all residential Real Estate. The appraiser is also listed on the Lender Select Roster of Appraisers (Roster) in the Baltimore HUD office and in the Washington DC HUD office and is, therefore, qualified to do FHA Direct Endorsement appraisals for the Department of Housing and Urban Development.

Borrower	N/A				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client					



Subject Front

27776 Sharp Rd
Sales Price
Gross Living Area 6,980
Total Rooms 13
Total Bedrooms 5
Total Bathrooms 5.1
Location Longwoods
View Pstrl/Waterfront
Site 37.06
Quality Q3
Age 37



Subject Rear



Subject Street

Borrower	N/A				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client					



Pond



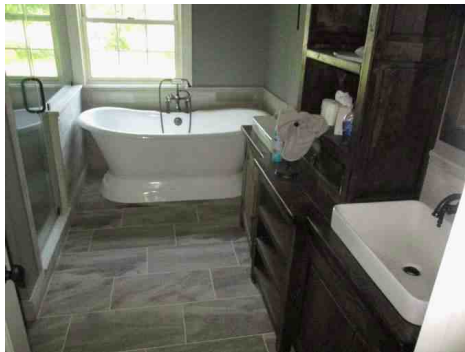
Pasture



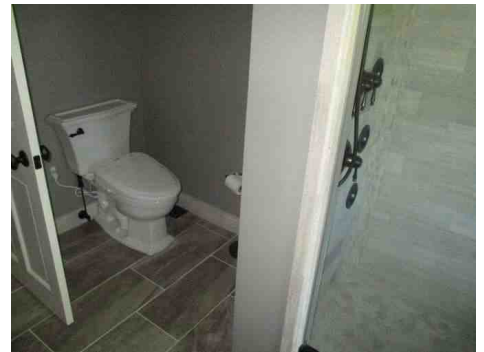
Barn / Garage



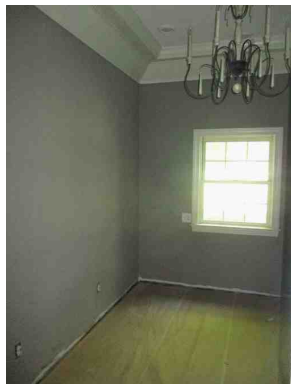
Bedroom



Bathroom 1



Bathroom 1 Toilet



Den



Half Bathroom



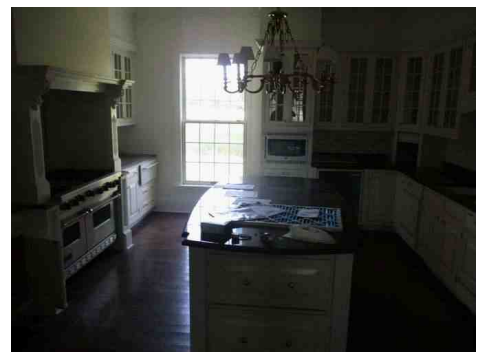
Dining Room



Family Room



Living Room



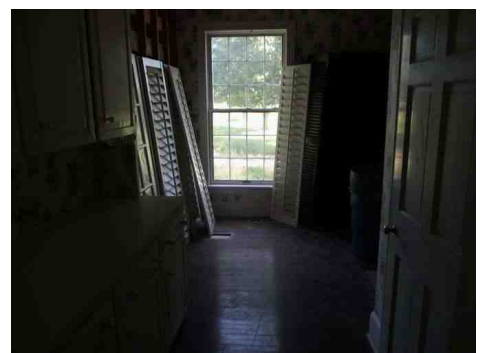
Kitchen



Kitchen (View 2)



Dining Room (View 2)

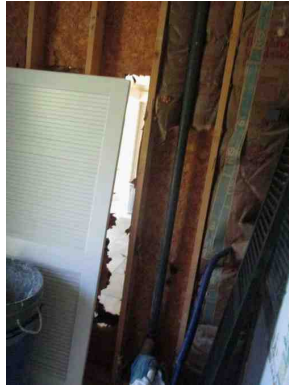


Laundry Room

Borrower	N/A				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client					



Damaged Wall



Damaged Wall



Sun Room



Unfinished Work



Garage



Bedroom - Unfinished



Bathroom 2 (Unfinished)



Den - Unfinished



Bathroom 3 (Unfinished)



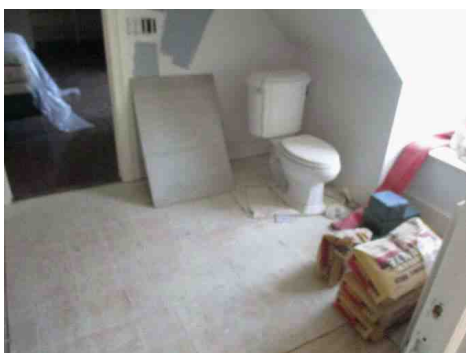
Bathroom 3 Tub (Unfinished)



Family Room



Bedroom



Bathroom 4 (Unfinished)



Bathroom 4 (Unfinished)



Bathroom 4 (Unfinished)

Borrower	N/A				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client					



Bedroom



Bedroom



Bathroom 5



Smoke / CO Detector



Possible Water Damage



Unfinished Door Frame



Fire Pit (No Value)



Patio



In-Ground Pool



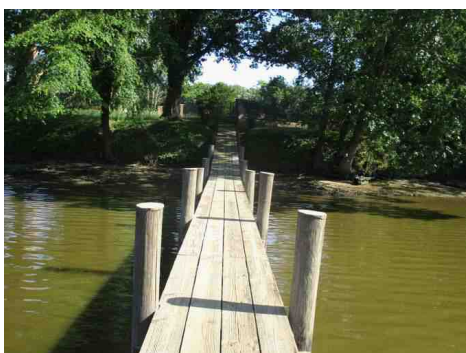
Pier



Boat Lift



Water View



Pier



Left Side



Right Side

Borrower	N/A				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client					



Basement



Geothermal Unit



Water Heaters



Barn



4 Car Garage

Comparable Photo Page

Borrower	N/A				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client					



Comparable 1

201 Fantasy Ln
 Prox. to Subject 12.43 miles NW
 Sales Price 1,065,000
 Gross Living Area 3,979
 Total Rooms 11
 Total Bedrooms 4
 Total Bathrooms 3.1
 Location Stevensville
 View Woods/Waterfront
 Site 22.11 ac
 Quality Q3
 Age 25



Comparable 2

28300 Brick Row Dr
 Prox. to Subject 12.07 miles S
 Sales Price 1,500,000
 Gross Living Area 5,943
 Total Rooms 12
 Total Bedrooms 4
 Total Bathrooms 4.1
 Location Patricks Plains
 View Waterfront
 Site 24.73 ac
 Quality Q3
 Age 20



Comparable 3

200 Fantasy Ln
 Prox. to Subject 12.34 miles W
 Sales Price 1,230,000
 Gross Living Area 4,632
 Total Rooms 11
 Total Bedrooms 5
 Total Bathrooms 3.1
 Location Goose Point
 View Pstrl/Waterfront
 Site 25.00 ac
 Quality Q3
 Age 28

Market Conditions Addendum to the Appraisal Report

File No. 1905272A

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 27776 Sharp Rd City Easton State MD ZIP Code 21601

Borrower N/A

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

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	1	2	0	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	0.17	0.67	0	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Total # of Comparable Active Listings	6	5	9	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	36	7.5	0	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Median Comparable Sale Price	\$1,500,000	\$1,482,500	0	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	197	134	0	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	\$1,690,000	\$1,785,000	\$1,995,000	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	41	113	87	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	83.57	91.1	0	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.). The Bright MLS Listings MLS indicates there were 3 closed sales during the past 12 months and 1 of those sales contained seller concessions which is 33% of the total transactions in this market area. Prior Months 7-12: 1 Sales; 0 with concessions; 0% of sales for this period. 4-6: 2 Sales; 1 with concessions; 50% of sales for this period. 0-3: 0 Sales; 0 with concessions; 0% of sales for this period. The concessions ranged between \$200 and \$200. The median concession amount is \$200.

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

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

Cite data sources for above information. This information was obtained from the Bright MLS, Core Logic, Agents, and The Maryland Department of Assessments and Taxation. This information is deemed reliable, but is not guaranteed by MRIS or the appraiser. This information is considered to be secondary data obtained by the appraiser from an outside source.

Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions.

The information supplied in the Median Sale & List Price section above is the median and not the mean for the figures provided. The median was provided to the reader as it better depicts the market at the time of the appraisal and dismisses all outliers from the data set. Pending sales and Active Listings were not utilized to obtain any information other than the listing days on market and the comparable list price data. Withdrawn comparables did not have an influence on any of the data above. See Addendum: Neighborhood Market Conditions for a more accurate depiction of property values in the subjects market area. The data provided in that section of the appraisal report was utilized to determine the direction of the market at the time of the appraisal inspection. *****The MLS does not allow retrospective searches for active listing inventory: it is not possible to perform as absorption rate analysis for the prior periods, or to derive the median comparable list price and DOM trends for the prior period.*****

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

Project Name:

Subject Project Data	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab.Rate)				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing

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

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

Signature
 Appraiser Name Adam J. Bolling
 Company Name Appraisal Concepts, Inc.
 Company Address 8120 Armiger Drive, Pasadena, MD 21122
 State License/Certification # 30011217 State MD
 Email Address appraisalconceptsinc@gmail.com

Signature
 Supervisory Appraiser Name
 Company Name
 Company Address
 State License/Certification # State
 Email Address

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

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

Condition Ratings and Definitions

C1

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

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

C2

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

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

C3

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

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

C4

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

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

C5

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

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

C6

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

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

Quality Ratings and Definitions

Q1

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

Q2

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

Quality Ratings and Definitions (continued)

Q3

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

Q4

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

Q5

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

Q6

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

Definitions of Not Updated, Updated, and Remodeled

Not Updated

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

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

Updated

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

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

Remodeled

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

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

Explanation of Bathroom Count

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

Example:

3.2 indicates three full baths and two half baths.

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UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

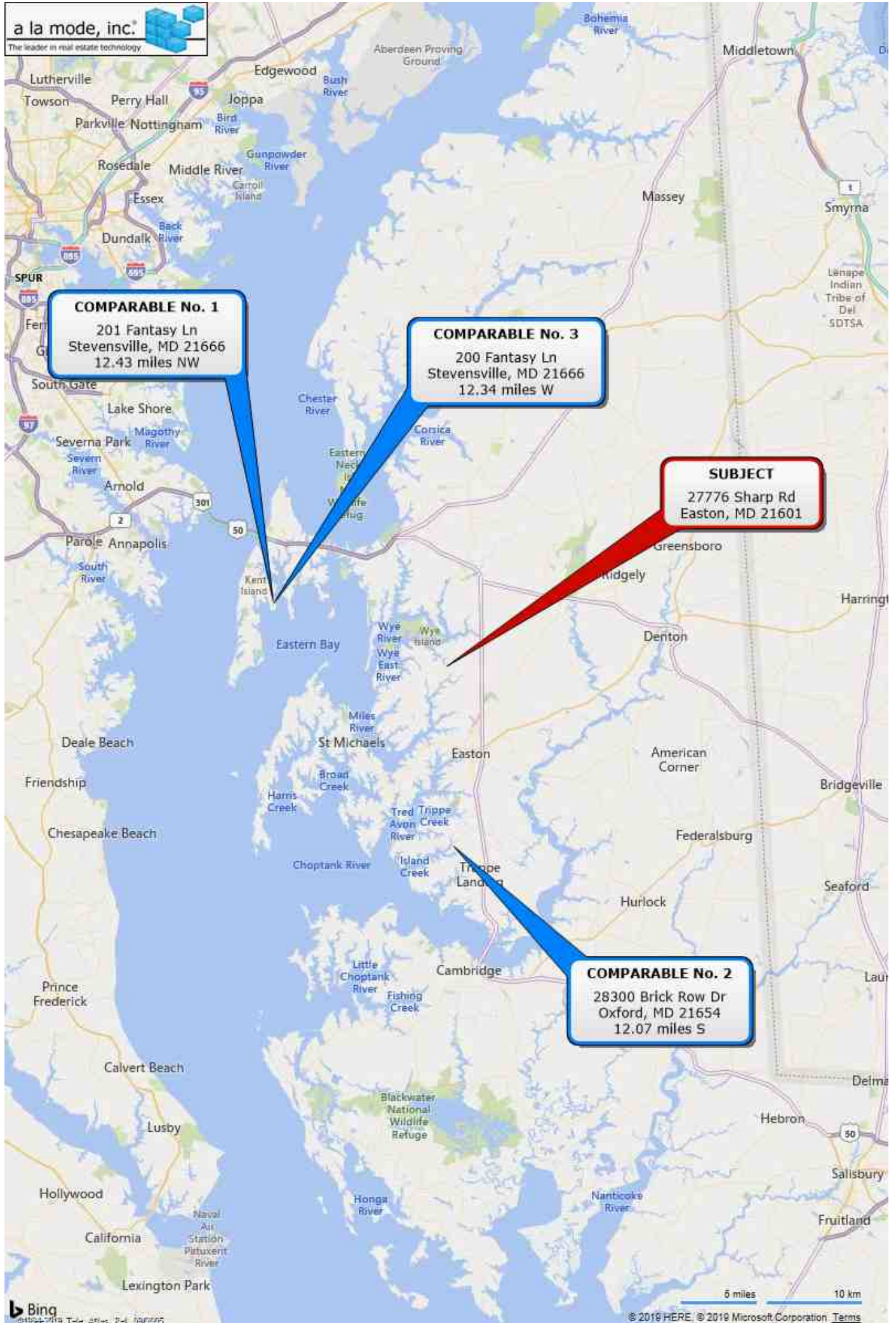
(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Abbreviations Used in Data Standardization Text

Abbreviation	Full Name	Fields Where This Abbreviation May Appear
A	Adverse	Location & View
ac	Acres	Area, Site
AdjPrk	Adjacent to Park	Location
AdjPwr	Adjacent to Power Lines	Location
Armlth	Arms Length Sale	Sale or Financing Concessions
AT	Attached Structure	Design (Style)
B	Beneficial	Location & View
ba	Bathroom(s)	Basement & Finished Rooms Below Grade
br	Bedroom	Basement & Finished Rooms Below Grade
BsyRd	Busy Road	Location
c	Contracted Date	Date of Sale/Time
Cash	Cash	Sale or Financing Concessions
Comm	Commercial Influence	Location
Conv	Conventional	Sale or Financing Concessions
cp	Carport	Garage/Carport
CrtOrd	Court Ordered Sale	Sale or Financing Concessions
CtySky	City View Skyline View	View
CtyStr	City Street View	View
cv	Covered	Garage/Carport
DOM	Days On Market	Data Sources
DT	Detached Structure	Design (Style)
dw	Driveway	Garage/Carport
e	Expiration Date	Date of Sale/Time
Estate	Estate Sale	Sale or Financing Concessions
FHA	Federal Housing Authority	Sale or Financing Concessions
g	Garage	Garage/Carport
ga	Attached Garage	Garage/Carport
gbi	Built-in Garage	Garage/Carport
gd	Detached Garage	Garage/Carport
GlfCse	Golf Course	Location
Glfvw	Golf Course View	View
GR	Garden	Design (Style)
HR	High Rise	Design (Style)
in	Interior Only Stairs	Basement & Finished Rooms Below Grade
Ind	Industrial	Location & View
Listing	Listing	Sale or Financing Concessions
Lndfl	Landfill	Location
LtdSght	Limited Sight	View
MR	Mid-rise	Design (Style)
Mtn	Mountain View	View
N	Neutral	Location & View
NonArm	Non-Arms Length Sale	Sale or Financing Concessions
o	Other	Basement & Finished Rooms Below Grade
O	Other	Design (Style)
op	Open	Garage/Carport
Prk	Park View	View
Pstrl	Pastoral View	View
PwrLn	Power Lines	View
PubTrn	Public Transportation	Location
Relo	Relocation Sale	Sale or Financing Concessions
REO	REO Sale	Sale or Financing Concessions
Res	Residential	Location & View
RH	USDA - Rural Housing	Sale or Financing Concessions
rr	Recreational (Rec) Room	Basement & Finished Rooms Below Grade
RT	Row or Townhouse	Design (Style)
s	Settlement Date	Date of Sale/Time
SD	Semi-detached Structure	Design (Style)
Short	Short Sale	Sale or Financing Concessions
sf	Square Feet	Area, Site, Basement
sqm	Square Meters	Area, Site
Unk	Unknown	Date of Sale/Time
VA	Veterans Administration	Sale or Financing Concessions
w	Withdrawn Date	Date of Sale/Time
wo	Walk Out Basement	Basement & Finished Rooms Below Grade
Woods	Woods View	View
Wtr	Water View	View
WtrFr	Water Frontage	Location
wu	Walk Up Basement	Basement & Finished Rooms Below Grade
MRIS	Metropolitan Regional Information Services	Prior Transfer Grid, URAR Page 2
SDAT	State (Maryland) Department of Assessments and Taxation or MDAT	Prior Transfer Grid, URAR Page 2
Stndrd Kitchen	Standard Kitchen - Kitchen only a range and refrigerator	Additional Features / Sales Grid
Modern Kitchen	Modern Kitchen - Kitchen with modern appliances	Additional Features / Sales Grid
Updtd Kitchen	Updated Kitchen - Modern Kitchen with newer appliances	Additional Features / Sales Grid
Rem Kitchen	Remodeled Kitchen - Updtd Kitchen w/Corian, Granite, etc	Additional Features / Sales Grid

UAD Version 9/2011 (Updated 1/2014)

Borrower	N/A				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client					

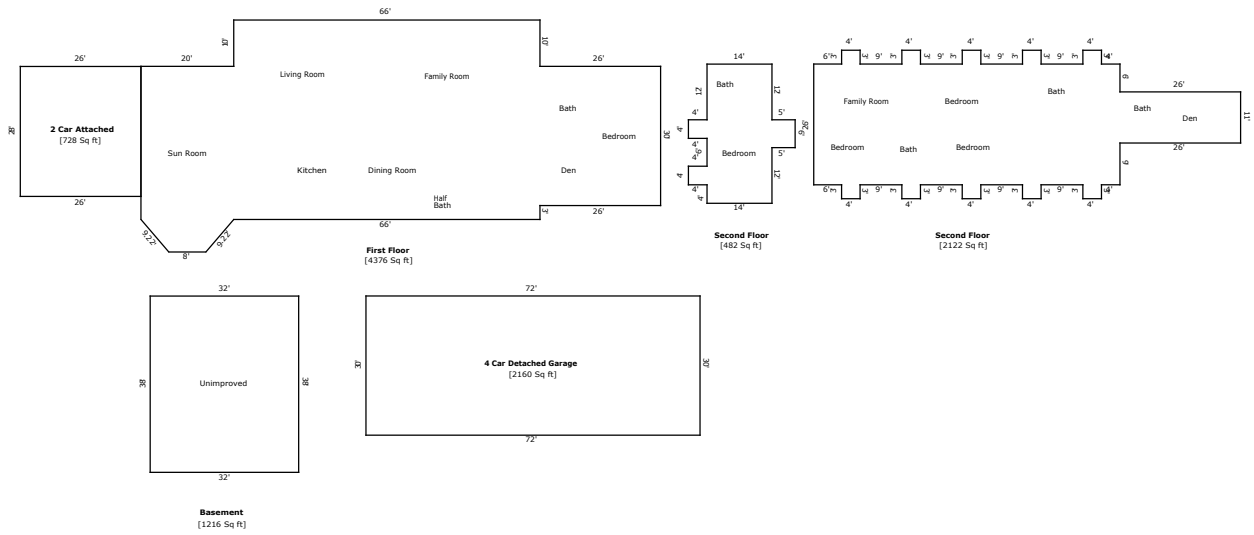


Borrower	N/A				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client					



Building Sketch (Page - 1)

Borrower	N/A				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client					



TOTAL Sketch by a la mode, inc.

Building Sketch (Page - 2)

Borrower	N/A				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client					

TOTAL Sketch by a la mode, inc.

Area Calculations Summary

Living Area		Calculation Details	
First Floor	4376 Sq ft	66 × 10 = 660	
		0.5 × 6 × 7 = 21	
		0.5 × 7 × 6 = 21	
		8 × 7 = 56	
		30 × 26 = 780	
		33 × 86 = 2838	
Second Floor	482 Sq ft	4 × 4 = 16	
		4 × 4 = 16	
		6 × 5 = 30	
		30 × 14 = 420	
Second Floor	2122 Sq ft	4 × 3 = 12	
		4 × 3 = 12	
		4 × 3 = 12	
		4 × 3 = 12	
		4 × 3 = 12	
		11 × 26 = 286	
		4 × 3 = 12	
		4 × 3 = 12	
		4 × 3 = 12	
		4 × 3 = 12	
		4 × 3 = 12	
		4 × 3 = 12	
		26 × 66 = 1716	
Total Living Area (Rounded):	6980 Sq ft		
Non-living Area			
4 Car Detached Garage	2160 Sq ft	30 × 72 = 2160	
2 Car Attached	728 Sq ft	28 × 26 = 728	
Basement	1216 Sq ft	38 × 32 = 1216	

Borrower	N/A		
Property Address	27776 Sharp Rd		
City	Easton	County	Talbot
		State	MD
		Zip Code	21601
Lender/Client			

THIS DOCUMENT IS VOID WITHOUT BLUE BACKGROUND. CONTAINS COPY VOID FEATURE & ARTIFICIAL WATERMARK ON THE BACK.

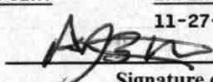
STATE OF MARYLAND
DLLR
DEPARTMENT OF LABOR, LICENSING AND REGULATION

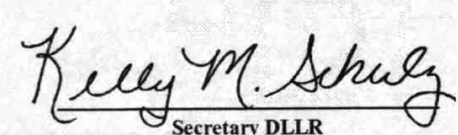
LICENSE * REGISTRATION * CERTIFICATION * PERMIT
STATE OF MARYLAND
DEPARTMENT OF LABOR, LICENSING AND REGULATION
COMMISSION OF RE APPRAISERS & HOME INSPECTORS
CERTIFIES THAT:
ADAM BOLLING

Lawrence J. Hogan, Jr
Governor
Boyd K. Rutherford
Lt. Governor
Kelly M. Schulz
Secretary

IS AN AUTHORIZED: **03 - CERTIFIED RESIDENTIAL**

<u>LIC/REG/CERT</u> 11217	<u>EXPIRATION</u> 11-27-2019	<u>EFFECTIVE</u> 11-01-2016	<u>CONTROL NO</u> 4921824
------------------------------	---------------------------------	--------------------------------	------------------------------


Signature of Bearer


Secretary DLLR

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

Borrower	N/A				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client					



301 E. Fourth Street, Cincinnati, OH 45202

DECLARATIONS
for
REAL ESTATE APPRAISERS
ERRORS & OMISSIONS INSURANCE POLICY

THIS IS BOTH A CLAIMS MADE AND REPORTED INSURANCE POLICY.

THIS POLICY APPLIES TO THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED AND REPORTED IN WRITING TO THE COMPANY DURING THE POLICY PERIOD.

Insurance is afforded by the company indicated below: (A capital stock corporation)

Great American Assurance Company

Note: The Insurance Company selected above shall herein be referred to as the **Company**.

Policy Number: **RAP4114813-19** Renewal of: **RAP4114813-18**

Program Administrator: **Herbert H. Landy Insurance Agency Inc.**
75 Second Ave Suite 410 Needham, MA 02494-2876

Item 1. **Named Insured:** **Adam J. Bolling**

Item 2. **Address:** **8120 Armiger Drive**
City, State, Zip Code: **Pasadena, MD 21122**

Item 3. **Policy Period:** From 01/03/2019 To 01/03/2020
(Month, Day, Year) (Month, Day, Year)
(Both dates at 12:01 a.m. Standard Time at the address of the **Named Insured** as stated in Item 2.)

Item 4. **Limits of Liability:**

- A. \$ 1,000,000 **Damages** Limit of Liability – Each Claim
- B. \$ 1,000,000 **Claim Expenses** Limit of Liability – Each Claim
- C. \$ 2,000,000 **Damages** Limit of Liability – Policy Aggregate
- D. \$ 2,000,000 **Claim Expenses** Limit of Liability – Policy Aggregate

Item 5. **Deductible** (Inclusive of **Claim Expenses**):

- A. \$ 0.00 Each Claim
- B. \$ 0.00 Aggregate

Item 6. **Premium:** \$ **650.00**

Item 7. **Retroactive Date** (if applicable): **01/03/2006**

Item 8. **Forms, Notices and Endorsements attached:**

D42100 (03/15) D42300 MD (10/15) IL7324 (08/12)
D42413 (06/17) D42412 (03/17) D42408 (05/13)

Authorized Representative

Borrower	N/A				
Property Address	27776 Sharp Rd				
City	Easton	County	Talbot	State	MD Zip Code 21601
Lender/Client					

Adam J Bolling

8120 Armiger Dr.

Pasadena, MD 21122

appraisalconceptsinc@gmail.com

410-761-5081

Education :

Appraisal Courses Include:

2013 - Essential Elements of Disclosures and Disclaimers

Construction Details and Trends

Introduction to the Uniform Appraisal Dataset

2010- Introduction to Legal Descriptions

2010-2011 National USPAP Update Equivalent

Risky Business: Ways to Minimize Your Liability

Residential Report Writing

Appraising FHA Today

2007- Highest & Best Use / Market Analysis

Real Estate Finance Statistics and Valuation Modeling

2006- Technology for Today's Appraiser

Construction Details and Trends

Appraising for the Secondary Market

Information Technology for Real Estate

2006 National USPAP Update Course

Developing and Growing and Appraisal Practice

Professional Experience:

2006-Present Owner/ President Appraisal Concepts, Inc.

1999-2005 Co-Owner/ Vice President A& E Appraisal Services, Inc.

Licenses:

Certified Residential Appraiser – State of Maryland- License# 11217, FHA (Federal Housing Administration) License # MD30011217

INVOICE

FROM:

Appraisal Concepts, Inc. (410)761-5081
 Appraisal Concepts, Inc. (410)761-5081
 8120 Armiger Dr
 Pasadena, MD 21122-1263

Telephone Number: (410) 761-5081 Fax Number:

INVOICE NUMBER

1905272A

DATE

05/24/2019

REFERENCE

Internal Order #: 1905272A
 Lender Case #:
 Client File #:
 Main File # on form: 1905272A
 Other File # on form:
 Federal Tax ID: 16-1744888
 Employer ID:

TO:

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

DESCRIPTION

Lender: Client: Gregory Milligan
 Purchaser/Borrower: N/A
 Property Address: 27776 Sharp Rd
 City: Easton
 County: Talbot State: MD Zip: 21601
 Legal Description: 37.0645 AC N/S FOREST LANDING R NR LONGWOODS

FEEES

AMOUNT

Market Valuation	1,300.00
SUBTOTAL	1,300.00

PAYMENTS

AMOUNT

Check #:	Date:	Description:	
Check #:	Date:	Description:	
Check #:	Date:	Description:	
SUBTOTAL			
TOTAL DUE			\$ 1,300.00

Payment due upon receipt, Thank You

EXHIBIT 4

APPRAISAL OF



LOCATED AT:

27776 Sharp Road
Easton, MD 21601

FOR:

Harney Partners
401 Congress Ave, Suite 1540
Austin, TX, 78701

BORROWER:

N/A

AS OF:

May 27, 2019

BY:

Herbert L Hosford III

Attn: Gregory S. Milligan, CTP
Harney Partners
401 Congress Ave, Suite 1540
Austin, TX, 78701

File Number: 1905136

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

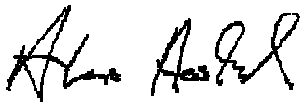
27776 Sharp Road
Easton, MD 21601

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

In my opinion, the market value of the property as of May 27, 2019 is:

\$1,450,000
One Million Four Hundred Fifty 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.



Herbert L Hosford III

Uniform Residential Appraisal Report

File No. 1905136

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 27776 Sharp Road	City Easton	State MD	Zip Code 21601
Borrower N/A	Owner of Public Record Kevin B. & Amanda M. Merrill		County Talbot
Legal Description Map 10, Parcel 10, Grid 19, District 4 / 37.0645 AC N/S Forest Landing R NR Longwoods			
Assessor's Parcel # 04-151992	Tax Year 2019	R.E. Taxes \$ 14,531	
Neighborhood Name Pickering Creek	Map Reference ADC/	Census Tract 9601.00	
Occupant <input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant	Special Assessments \$ 0	<input type="checkbox"/> PUD	HOA \$ 0 <input type="checkbox"/> per year <input type="checkbox"/> per month
Property Rights Appraised <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe) N/A			
Assignment Type <input type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input checked="" type="checkbox"/> Other (describe) Estimate of Fair Market Value			
Lender/Client Harney Partners	Address 401 Congress Ave, Suite 1540, Austin, TX 78701		
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Report data source(s) used, offering price(s), and date(s). Public Records (SDAT), MLS (Bright). The subject property has not been listed for sale or transferred in the past 12 months.			

I <input type="checkbox"/> did <input type="checkbox"/> 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? <input type="checkbox"/> Yes <input type="checkbox"/> 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? <input type="checkbox"/> Yes <input type="checkbox"/> 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 <input type="checkbox"/> Urban <input type="checkbox"/> Suburban <input checked="" type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Declining	PRICE AGE	One-Unit 75 %
Built-Up <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input checked="" type="checkbox"/> Over Supply	\$(000) (yrs)	2-4 Unit 5 %
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input checked="" type="checkbox"/> Over 6 mths	100 Low 1	Multi-Family 5 %
Neighborhood Boundaries Skipton Creek to the north, Miles River to the south, Route 50 to the east and Lloyd Creek to the west		2,850 High 249	Commercial 5 %
Neighborhood Description The subject property is located in the Easton area of Talbot County. The subject site is typical for the area and is located in a established residential neighborhood consisting of mostly single family homes with brick and/or frame construction. The area has good market appeal and employment is stable.		305 Pred. 29	Other Ld/Prk 10 %

Market Conditions (including support for the above conclusions) **General market conditions within the subject/market area reflect typical financing with no unusual points or fees noted. Sales prices are not impacted by minimal points. Supply and demand are currently in balance, resulting in typical marketing times. Current economic conditions have contributed to stable property values and growth rate.**

Dimensions Unknown	Area 37.06 ac	Shape Irregular	View B;Wtr;
Specific Zoning Classification Residential (R2)	Zoning Description Residential - Waterfront - 1.5 Story With Basement		
Zoning Compliance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe) N/A			
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe. N/A			
Utilities Public Other (describe) _____	Public Other (describe) _____	Off-site Improvements—Type Public Private _____	
Electricity <input checked="" type="checkbox"/> _____	Water <input type="checkbox"/> _____	Street Macadam/Typical	<input checked="" type="checkbox"/> _____
Gas <input type="checkbox"/> _____	Sanitary Sewer <input type="checkbox"/> _____	Alley None/Typical	<input type="checkbox"/> _____
FEMA Special Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	FEMA Flood Zone X	FEMA Map # 24041C0180D	FEMA Map Date 07/20/2016
Are the utilities and off-site improvements typical for the market area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe. N/A			
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe. An inspection of the site revealed no apparent adverse easements, encroachments or conditions. Site is subject however to typical utility and/or drainage easements which cause no adverse impact on subject marketability.			

GENERAL DESCRIPTION	FOUNDATION	EXTERIOR DESCRIPTION materials/condition	INTERIOR materials/condition
Units <input type="checkbox"/> One <input checked="" type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input checked="" type="checkbox"/> Crawl Space	Foundation Walls ConcreteBlock/Gd	Floors Hwd/Tile/Crp/Avg
# of Stories 1.5	<input type="checkbox"/> Full Basement <input checked="" type="checkbox"/> Partial Basement	Exterior Walls Brick/Avg	Walls Drywall/Avg
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 1216 sq. ft.	Roof Surface AsphaltShingle/Avg	Trim/Finish Wood/Paint/Avg
<input type="checkbox"/> Existing <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Under Const.	Basement Finish 0 %	Gutters & Downspouts Aluminum/Avg	Bath Floor Ceramic/Avg
Design (Style) CapeCod	<input type="checkbox"/> Outside Entry/Exit <input checked="" type="checkbox"/> Sump Pump	Window Type Wood D/H/Avg	Bath Wainscot Ceramic/Avg
Year Built 1982	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated Dbl.Pn/Yes/Avg	Car Storage <input type="checkbox"/> None
Effective Age (Yrs) 20	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens Yes/Avg	<input type="checkbox"/> Driveway # of Cars 0
Attic <input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities <input type="checkbox"/> WoodStove(s) # 0	Driveway Surface Gravel/Avg
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other _____ Fuel Electric/Gd	<input checked="" type="checkbox"/> Fireplace(s) # 4 <input type="checkbox"/> Fence None	<input checked="" type="checkbox"/> Garage # of Cars 6
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck Patio <input checked="" type="checkbox"/> Porch CovFront	<input type="checkbox"/> Carport # of Cars 0
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input checked="" type="checkbox"/> Other GeoThr	<input checked="" type="checkbox"/> Pool InGround <input checked="" type="checkbox"/> Other Pier/Barn	<input checked="" type="checkbox"/> Att. <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Built-in
Appliances <input checked="" type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input checked="" type="checkbox"/> Microwave <input checked="" type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe) N/A			
Finished area above grade contains: 10 Rooms 4 Bedrooms 4.1 Bath(s) 6,494 Square Feet of Gross Living Area Above Grade			
Additional features (special energy efficient items, etc.) Subject has been improved with hardwood flooring throughout first and second floor.			
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.) C4;Kitchen-remodeled-one to five years ago;Bathrooms-remodeled-one to five years ago;A physical inspection of the property revealed no functional or physical inadequacies. The floor plan is typical for this style property and the price range is acceptable to the marketplace. The subject property is of average/good construction quality and no functional or external obsolescence is noted. The improvements have been adequately maintained and are in average/good overall condition. Subject is in the process of being renovated. Unfinished work, repairs, < continued in addendum >			
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe. An exterior and interior inspection of the property revealed no adverse conditions that would affect the livability, soundness, or structural integrity of the subject property. The appraiser is not a licensed home inspector or structural engineer and would not be qualified to determine such.			
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe. The subject property generally conforms to the neighborhood in functional utility, style, condition, and construction for a single family dwelling in this marketplace.			

Uniform Residential Appraisal Report

File No. 1905136

There are **2** comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ **1,650,000** to \$ **1,699,500**
 There are **4** comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ **1,350,000** to \$ **1,770,000**

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE NO. 1		COMPARABLE SALE NO. 2		COMPARABLE SALE NO. 3	
27776 Sharp Road Address Easton, MD 21601	26546 Presquile Drive Easton, MD 21601	26210 W. Ingleton Court Easton, MD 21601		9702 Leeds Landing Circle Easton, MD 21601			
Proximity to Subject		2.99 miles NW		6.57 miles SW		4.43 miles SW	
Sale Price	\$	\$ 2,200,000		\$ 1,150,000		\$ 1,094,750	
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 280.47 sq. ft.		\$ 250.49 sq. ft.		\$ 258.26 sq. ft.	
Data Source(s)		Bright#1002253964;DOM 118		Bright#1004009007;DOM 208		Bright#1000049193;DOM 462	
Verification Source(s)		SDAT(PublicRecords)		SDAT(PublicRecords)		SDAT(PublicRecords)	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sale or Financing Concessions		ArmLth Cash;0		ArmLth Conv;17000	0	ArmLth Conv;0	
Date of Sale/Time		s01/19;c12/18		s08/18;c06/18		s07/18;c06/18	
Location	B;WtrFr;	B;WtrFr;	-440,000	B;WtrFr;	-115,000	B;WtrFr;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	37.06 ac	10.25 ac	134,050	2.94 ac	170,600	2.83 ac	171,150
View	B;Wtr;	B;Wtr;		B;Wtr;		B;Wtr;	
Design (Style)	DT1.5;CapeCod	DT1.5;CapeCod		DT1.5;CapeCod		DT1.5;CapeCod	
Quality of Construction	Q3	Q3		Q3		Q3	
Actual Age	37	219	0	53	0	50	0
Condition	C4	C3	-220,000	C4		C3	-109,475
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Room Count	10 4 4.1	12 6 5.1	-10,000	8 4 4.0	5,000	8 4 3.1	10,000
Gross Living Area	50 6,494 sq. ft.	7,844 sq. ft.	-67,500	4,591 sq. ft.	95,150	4,239 sq. ft.	112,750
Basement & Finished Rooms Below Grade	1216sf0sfin	3598sf1218sfwu 1rr0br0.0ba0o	-59,550 -25,000	0sf	30,400	0sf	30,400
Functional Utility	Good-6Bedroom	Good-6Bedroom		Good-4Bedroom	0	Good-4Bedroom	0
Heating/Cooling	HtPmp/CAC	OFWA/CAC	0	HtPmp/CAC		HtPmp/CAC	
Energy Efficient Items	Dbl.Panes/GeoT	Dbl.Panes	15,000	Dbl.Panes/GeoT		Dbl.Panes	15,000
Garage/Carport	2ga4gd	3gd4dw	30,000	2gd4dw	40,000	2ga2dw	40,000
Porch/Patio/Deck	Porch,Patio	Porch,Patio		Porch,Patio		Porch,Patio	
Other	StdKth&StdBth	StdKth&StdBth		StdKth&StdBth		StdKth&StdBth	
Fence,Pool,Pier	Pool,Pier,Barn	PL,Pr,BH,BR,GH	-75,000	Pier	50,000	Pool,Pier	25,000
Fireplace	900'	2700'	-180,000	800'	10,000	400'	50,000
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 898,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 286,150	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 344,825
Adjusted Sale Price of Comparables		Net Adj. -40.8% Gross Adj. 57.1%	\$ 1,302,000	Net Adj. 24.9% Gross Adj. 44.9%	\$ 1,436,150	Net Adj. 31.5% Gross Adj. 51.5%	\$ 1,439,575

I did did not research the sale or transfer history of the subject property and comparable sales. If not, explain **Public Records (SDAT), MLS (BRIGHT).**

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) **Public Records (SDAT), MLS (BRIGHT).**

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) **Public Records (SDAT), MLS (BRIGHT).**

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	06/24/2016	11/20/2018		05/21/1996		10/06/1988	
Price of Prior Sale/Transfer	\$1,455,000	\$0		\$499,000		\$575,000	
Data Source(s)	SDAT, MRIS	SDAT, BRIGHT		SDAT, BRIGHT		SDAT, BRIGHT	
Effective Date of Data Source(s)	05/31/2019	05/31/2019		05/31/2019		05/31/2019	

Analysis of prior sale or transfer history of the subject property and comparable sales **I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.**

Summary of Sales Comparison Approach. **See Attached Addendum**

Indicated Value by Sales Comparison Approach \$ **1,450,000**

Indicated Value by: Sales Comparison Approach \$ **1,450,000** Cost Approach (if developed) \$ **0** Income Approach (if developed) \$ **0**

See Attached Addendum

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: **No warranty of the appraised property is given or implied. No liability is assumed for structural or mechanical elements. No personal property was considered in the valuation.**

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 \$ **1,450,000** as of **05/27/2019**, which is the date of inspection and the effective date of this appraisal.

Uniform Residential Appraisal Report

File No. 1905136

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) _____

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE = \$		
Source of cost data	Dwelling	Sq. Ft. @ \$ = \$
Quality rating from cost service	Effective date of cost data	Sq. Ft. @ \$ = \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)			
	Garage/Carport	Sq. Ft. @ \$ = \$
	Total Estimate of Cost-New = \$		
	Less 70 Physical	Functional	External
	Depreciation = \$ ()		
	Depreciated Cost of Improvements = \$		
	"As-is" Value of Site Improvements = \$		
Estimated Remaining Economic Life (HUD and VA only)	50 Years	INDICATED VALUE BY COST APPROACH = \$	

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ _____ X Gross Rent Multiplier _____ = \$ _____ Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM) **Lack of current GRM & rental information due to the paucity of rentals in this marketplace deems this approach to value as ineffective. A majority of sales in this single-family marketplace are for owner occupancy.**

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

File No. 1905136

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

File No. 1905136

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

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

Uniform Residential Appraisal Report

File No. 1905136

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

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

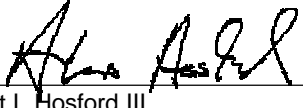
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation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

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

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

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

APPRAISER

Signature 
 Name Herbert L. Hosford III
 Company Name Four Corners Appraisal
 Company Address P. O. Box 133
Phoenix, MD 21131
 Telephone Number 410-952-1391
 Email Address larshosford@verizon.net
 Date of Signature and Report 05/31/2019
 Effective Date of Appraisal 05/27/2019
 State Certification # 30013038
 or State License # _____
 or Other (describe) _____ State # _____
 State MD
 Expiration Date of Certification or License 08/19/2019

ADDRESS OF PROPERTY APPRAISED
27776 Sharp Road
Easton, MD 21601

APPRAISED VALUE OF SUBJECT PROPERTY \$ 1,450,000

LENDER/CLIENT
 Name Attn: Gregory S. Milligan, CTP
 Company Name Harney Partners
 Company Address 401 Congress Ave, Suite 1540
Austin, TX 78701
 Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

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

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

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

Uniform Residential Appraisal Report

File No. 1905136

FEATURE	SUBJECT	COMPARABLE SALE NO. 4			COMPARABLE SALE NO. 5			COMPARABLE SALE NO. 6					
27776 Sharp Road Address Easton, MD 21601		9729 Fairview Point Lane Easton, MD 21601			25969 Marengo Road Easton, MD 21601								
Proximity to Subject		4.92 miles SW			5.67 miles SW								
Sale Price	\$	\$ 2,100,000			\$ 2,549,000			\$					
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 333.60 sq. ft.			\$ 394.22 sq. ft.			\$ sq. ft.					
Data Source(s)		Bright#1003751873;DOM 36			Bright#MDTA100086;DOM 207								
Verification Source(s)		SDAT(PublicRecords)			SDAT(PublicRecords)								
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION		+	(-) \$ Adjustment	DESCRIPTION		+	(-) \$ Adjustment	DESCRIPTION		+	(-) \$ Adjustment
Sale or Financing Concessions		ArmLth Cash;0				Listing ;0			-254,900				
Date of Sale/Time		s07/17;c07/17			-210,000	Active							
Location	B;WtrFr;	B;WtrFr;			-420,000	B;WtrFr;			-254,900				
Leasehold/Fee Simple	Fee Simple	Fee Simple				Fee Simple							
Site	37.06 ac	35.66 ac			0	30.69 ac			0				
View	B;Wtr;	B;Wtr;				B;Wtr;							
Design (Style)	DT1.5;CapeCod	DT2;Dutch			0	DT1;Craftsman			0				
Quality of Construction	Q3	Q3				Q3							
Actual Age	37	219			0	45			0				
Condition	C4	C4				C3			-254,900				
Above Grade	Total Bdrms Baths	Total Bdrms Baths				Total Bdrms Baths				Total Bdrms Baths			
Room Count	10 4 4.1	9 6 5.2			-15,000	10 4 6.0			-15,000				
Gross Living Area	50 6,494 sq. ft.	6,295 sq. ft.			9,950	6,466 sq. ft.			0				sq. ft.
Basement & Finished Rooms Below Grade	1216sf0sfin	0sf			30,400	0sf			30,400				
Functional Utility	Good-6Bedroom	Good-6Bedroom				Good-4Bedroom			0				
Heating/Cooling	HtPmp/CAC	None/None			25,000	HtPmp/CAC							
Energy Efficient Items	Dbl.Panes/GeoT	Dbl.Panes			25,000	Dbl.Panes/GeoT							
Garage/Carport	2ga4gd	3gd4dw			30,000	2ga2dw			40,000				
Porch/Patio/Deck	Porch,Patio	Porch,Patio				Porch,Patio							
Other	StdKth&StdBth	StdKth&StdBth				ModKth&ModBth			-75,000				
Fence,Pool,Pier	Pool,Pier,Barn	PL,PH,Pr,BN			-25,000	PL,GH,Pr,3BN			-100,000				
Fireplace	900'	1000'			-10,000	2000'			-110,000				
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -			\$ 559,650	<input type="checkbox"/> + <input checked="" type="checkbox"/> -			\$ 994,300	<input type="checkbox"/> + <input type="checkbox"/> -			\$
Adjusted Sale Price of Comparables		Net Adj. -26.7%			\$ 1,540,350	Net Adj. -39.0%			\$ 1,554,700	Net Adj. %			\$
		Gross Adj. 38.1%				Gross Adj. 44.5%				Gross Adj. %			\$
ITEM	SUBJECT	COMPARABLE SALE NO. 4			COMPARABLE SALE NO. 5			COMPARABLE SALE NO. 6					
Date of Prior Sale/Transfer	06/24/2016	06/03/2008			04/18/2012								
Price of Prior Sale/Transfer	\$1,455,000	\$3,485,000			\$2,100,000								
Data Source(s)	SDAT, MRIS	SDAT, BRIGHT			SDAT, BRIGHT								
Effective Date of Data Source(s)	05/31/2019	05/31/2019			05/31/2019								
Summary of Sales Comparison Approach A 90% sale to list price adjustment was made for comp. #5 being currently listed for sale. Gross, net and single line adjustments that exceed 25%, 15% and 10% respectively are due primarily to large adjustments for time, location, acreage, condition and list to sales price. While these parameters and size differential adjustments exceed Fannie Mae guidelines, these comparables chosen are still considered the best available indicators of market value for the subject. Other sales analyzed would have required less desirable adjustments and were not used for that reason.													

Uniform Appraisal Dataset Definitions

File No. 1905136

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.

Borrower: N/A

File No.: 1995135

Property Address: 27776 Sharp Road

Case No.:

City: Easton

State: MD

Zip: 21601

Lender: Harney Partners

Condition of the Property

Continued from Condition of the Property: renovation needed has been accounted for in the overall condition rating of the subject property and adjusted accordingly in comparison to the comparable sales used.

Comments on Sales Comparison

The comps. are similar in age, size, location, construction quality, utility, style, and marketability. \$50/Sq.Ft. was used for size adjustments. \$5,000/Acre was used for lot size adjustment.

Adjustments are made/based on your appraiser's experience and familiarity with the neighborhood and reflect typical buyer actions within the subject's market area. Most and equal emphasis was given to comps. #2 and #3. Least and equal emphasis was given to comps. #1 and #4. Comp. #5 (active) lends additional support. . No particular methodology (averaging, mean, median, mode, and/or particular emphasis) was used to reach the opinion of value.

Gross, net and single line adjustments that exceed 25%, 15% and 10% respectively are due primarily to large adjustments for time, location, acreage, condition and list to sales price. While these parameters and size differential adjustments exceed Fannie Mae guidelines, these comparables chosen are still considered the best available indicators of market value for the subject. Other sales analyzed would have required less desirable adjustments and were not used for that reason.

Basement adjustments are as follows: \$50,000/rec room, \$5,000 for bedrooms, full bathrooms and other, and \$2,500 for half bathrooms. An adjustment of \$50,000 was made for differences in kitchen upgrades and a \$25,000 for differences in bathroom upgrades. Individual adjustments have been made for differences in kitchen and bathrooms. The condition adjustment accounts for the subject's overall condition. The adjustment for kitchen and bathrooms specifically highlights those upgrades and the condition for those specific features.

Highest and Best Use Addendum:

As noted above, based on your appraiser's analysis, the subject's highest and best use is residential. The subject is currently residential, the neighborhood is residential and the zoning permits residential.

Final Reconciliation

Emphasis on sales comparison analysis as it reflects value to a typical buyer. Cost and Income approach are not applicable. Appraisal report is intended for use by the Harney Partners for an estimate of market value only. I do not make any warranties or guarantees of any kind regarding the condition of the property, sufficiency of title, areas and boundaries, mechanical and structural conditions of the improvements and with the agreement that the appraisal represents the appraiser's opinion of value only, without any warranty that the property will actually sell for the appraised value.

USPAP ADDENDUM

File No. 1905136

Borrower: N/A
 Property Address: 27776 Sharp Road
 City: Easton County: Talbot State: MD Zip Code: 21601
 Lender: Harney Partners

APPRAISAL AND REPORT IDENTIFICATION

This report was prepared under the following USPAP reporting option:

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

Reasonable Exposure Time
 My opinion of a reasonable exposure time for the subject property at the market value stated in this report is: 0-12 months

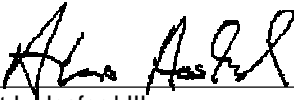
Exposure Time is the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market. Marketing Time is an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. In other words, exposure time occurs before the effective date of the appraisal, whereas marketing time occurs after the effective date. Generally, in a stable and balanced market, the results of both marketing and exposure time will reflect similar ranges. Based on statistical analysis and the examination of relevant sales history of comparable properties, the reasonable exposure time for the subject property type is 0-12 months.

Additional Certifications

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

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

Additional Comments

<p>APPRAISER:</p> <p>Signature: <u></u> Name: <u>Herbert L. Hosford III</u> Date Signed: <u>05/31/2019</u> State Certification #: <u>30013038</u> or State License #: _____ or Other (describe): _____ State #: _____ State: <u>MD</u> Expiration Date of Certification or License: <u>08/19/2019</u> Effective Date of Appraisal: <u>May 27, 2019</u></p>	<p>SUPERVISORY APPRAISER (only if required):</p> <p>Signature: _____ Name: _____ Date Signed: _____ State Certification #: _____ or State License #: _____ State: _____ Expiration Date of Certification or License: _____ Supervisory Appraiser inspection of Subject Property: <input type="checkbox"/> Did Not <input type="checkbox"/> Exterior-only from street <input type="checkbox"/> Interior and Exterior</p>
--	--

Borrower: N/A

Property Address: 27776 Sharp Road

City: Easton

Lender: Harney Partners

File No.: 1908158

Case No.:

State: MD

Zip: 21601

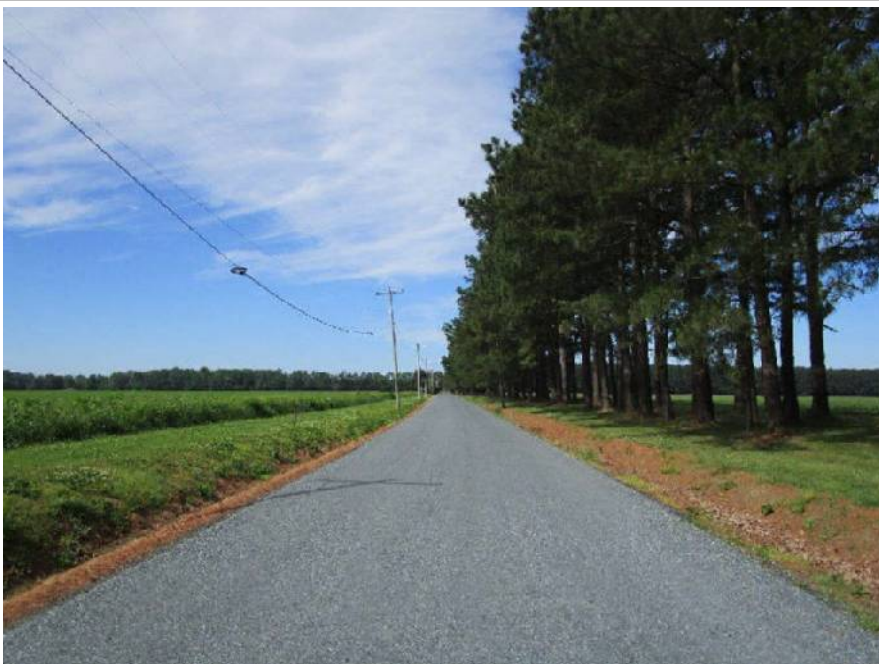


**FRONT VIEW OF
SUBJECT PROPERTY**

Appraised Date: May 27, 2019
Appraised Value: \$ 1,450,000



**REAR VIEW OF
SUBJECT PROPERTY**



STREET SCENE



Kitchen - Photo #1



Kitchen - Photo #2



Family Room - Photo #1



Family Room - Photo #2



Living Room - Photo #1



Living Room - Photo #2



Dining Room



Foyer



Half Bathroom



Sun Room - Photo #1



Sun Room - Photo #2



Master Bedroom



Sitting Room



Closet



Modern Full Bathroom #1 - Photo #1



Modern Full Bathroom #1 - Photo #2



Rec Room/Closet



Bedroom #2



Bedroom #3



Bedroom #4



Family Room - Photo #1



Family Room - Photo #2



Open Space



Modern Full Bathroom #2



Full Bathroom #3 - Photo #1



Full Bathroom #3 - Photo #2



Full Bathroom #4



Loft



Full Bathroom Rough-in



Basement - Unfinished Area



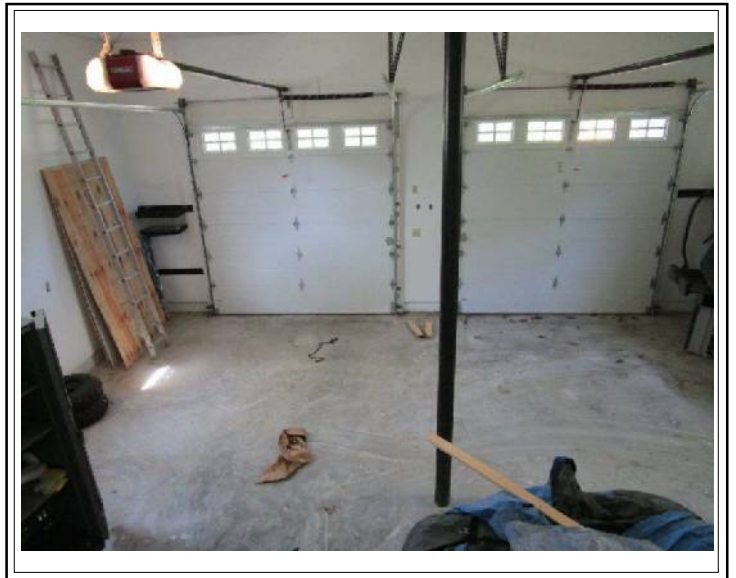
Basement - HVAC



Basement - HWH/Pressure Tanks



Basement - Electric Panels



2/Car Attached Garage



CAC Condenser



CAC Condenser



Condenser/Pool Equipment



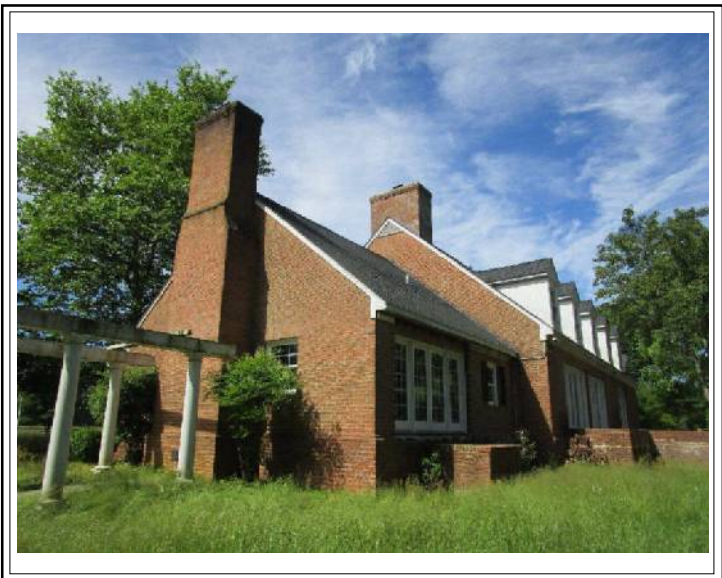
Additional Front Photo #1



Additional Front Photo #2



Additional Street View



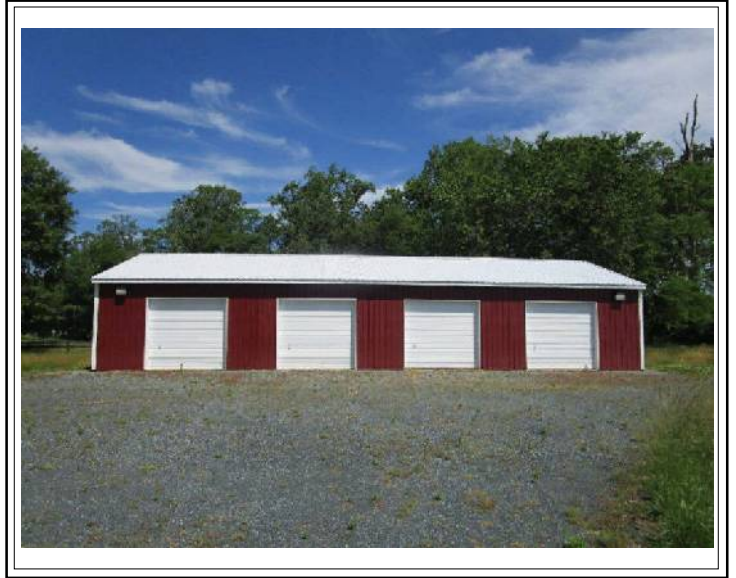
Additional Rear Photo #1



Additional Rear Photo #2



Additional Side Photo



4/Car Detached Garage - Front



4/Car Detached Garage - Rear



Barn - Front



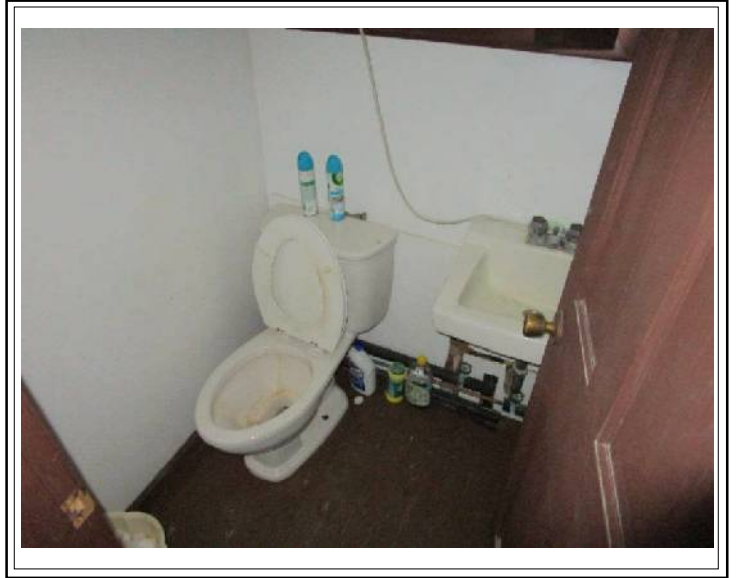
Barn - Interior



Barn - Interior



Barn - Interior



Barn - Interior



InGround Pool - Photo #1



InGround Pool - Photo #2



Pier/Water Front/View



Water Front/View



Water Front/View



Water Front/View



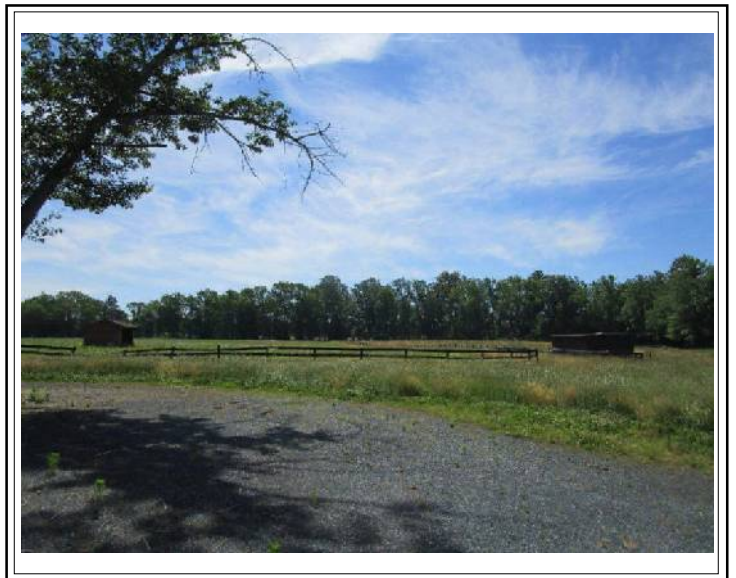
Pasture / Run-in Shed



Pasture



Pasture / Run-in Shed



Pasture / Run-in Shed

Borrower: N/A

Property Address: 27776 Sharp Road

City: Easton

Lender: Harney Partners

Case No.:

State: MD

Zip: 21601



COMPARABLE SALE #1

26546 Presquile Drive
Easton, MD 21601
Sale Date: s01/19;c12/18
Sale Price: \$ 2,200,000



COMPARABLE SALE #2

26210 W. Ingleton Court
Easton, MD 21601
Sale Date: s08/18;c06/18
Sale Price: \$ 1,150,000



COMPARABLE SALE #3

9702 Leeds Landing Circle
Easton, MD 21601
Sale Date: s07/18;c06/18
Sale Price: \$ 1,094,750

Borrower: N/A

Property Address: 27776 Sharp Road

City: Easton

Lender: Harney Partners

File No.: 1905136

Case No.:

State: MD

Zip: 21601



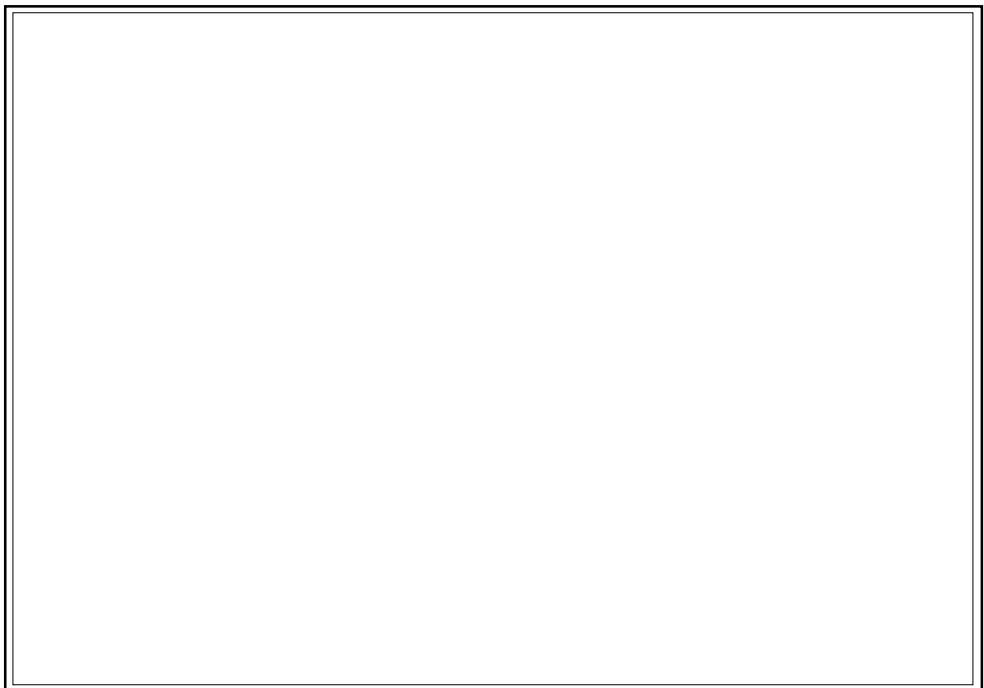
COMPARABLE SALE #4

9729 Fairview Point Lane
Easton, MD 21601
Sale Date: s07/17;c07/17
Sale Price: \$ 2,100,000



COMPARABLE SALE #5

25969 Marengo Road
Easton, MD 21601
Sale Date: Active
Sale Price: \$ 2,549,000

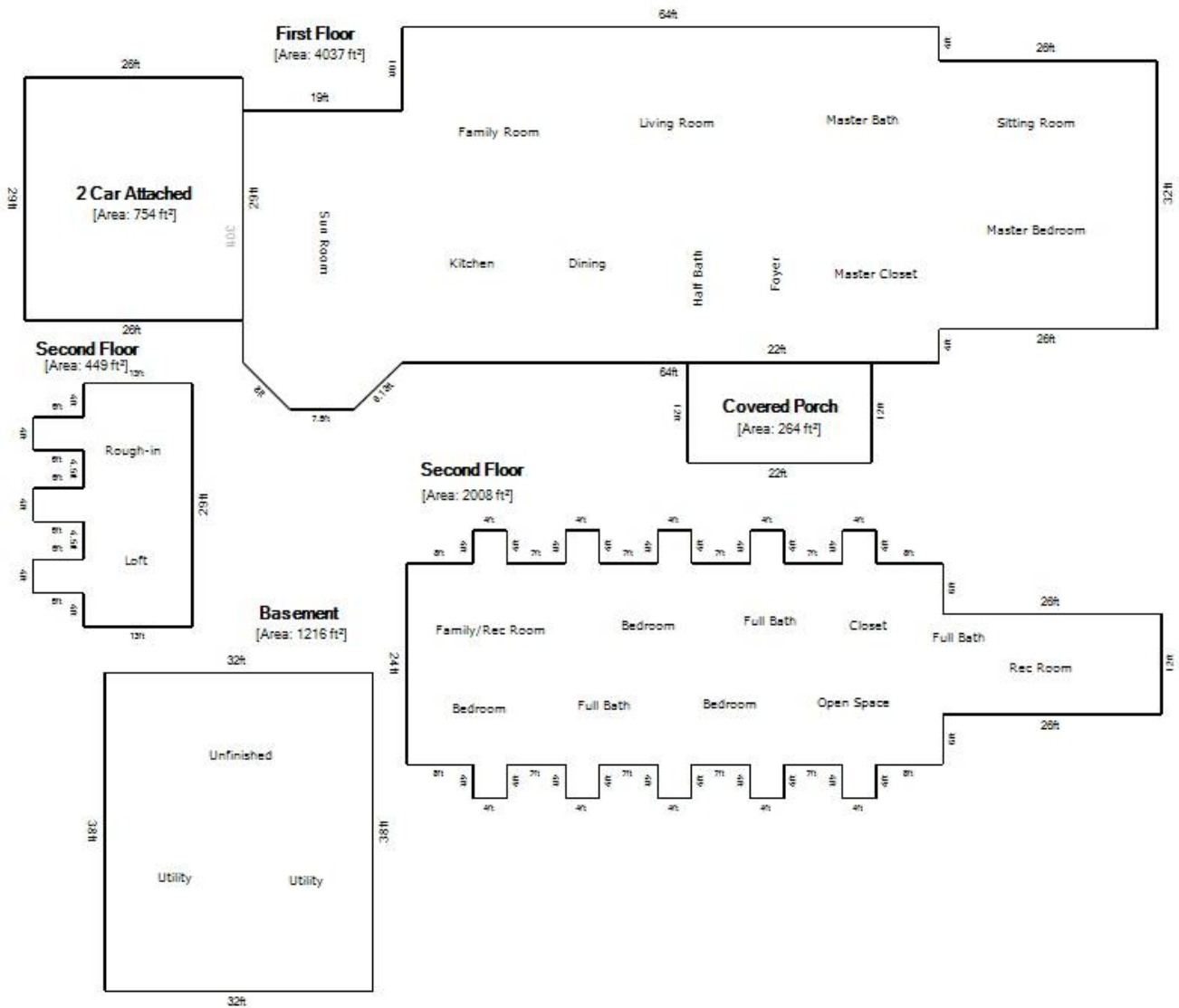


COMPARABLE SALE #6

Sale Date:
Sale Price: \$

Borrower: N/A	File No.: 1905136
Property Address: 27776 Sharp Road	Case No.:
City: Easton	State: MD Zip: 21601
Lender: Harney Partners	

Sketch

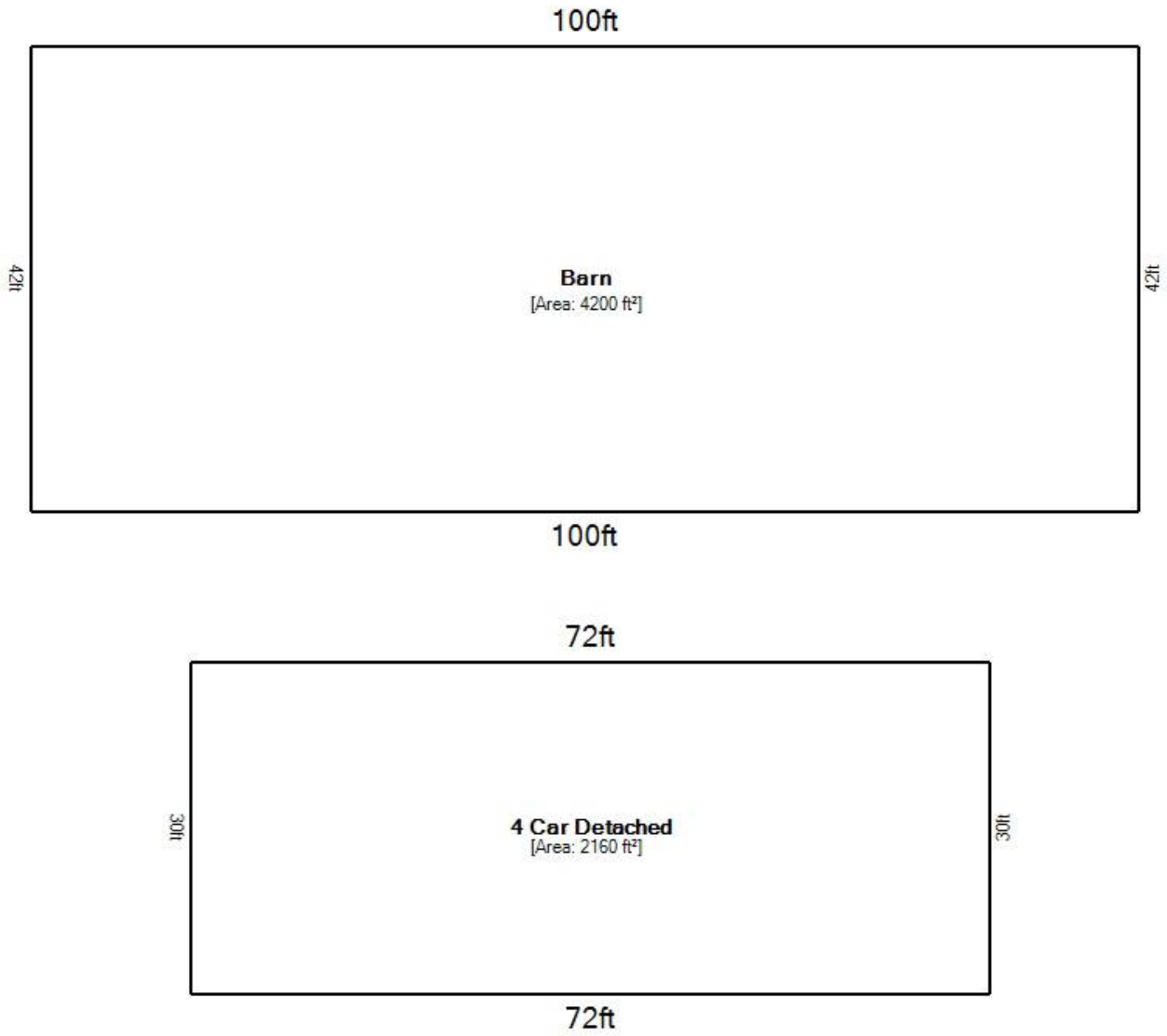


18 ft

Living Area	Nonliving Area	
Second Floor	449 ft ² Basement	1216 ft ²
First Floor	4036.95 ft ² 2 Car Attached	754 ft ²
Second Floor	2008 ft ² Covered Porch	264 ft ²
Total Living Area (rounded):	6494 ft² Total Non-Living Area (rounded):	2234 ft²

Borrower: N/A	File No.: 1905136
Property Address: 27776 Sharp Road	Case No.:
City: Easton	State: MD Zip: 21601
Lender: Harney Partners	

Sketch



14 ft

Nonliving Area	
Barn	4200 ft ²
4 Car Detached	2160 ft ²
Total Non-Living Area (rounded):	6360 ft²

Borrower: N/A

File No.: 1905136

Property Address: 27776 Sharp Road

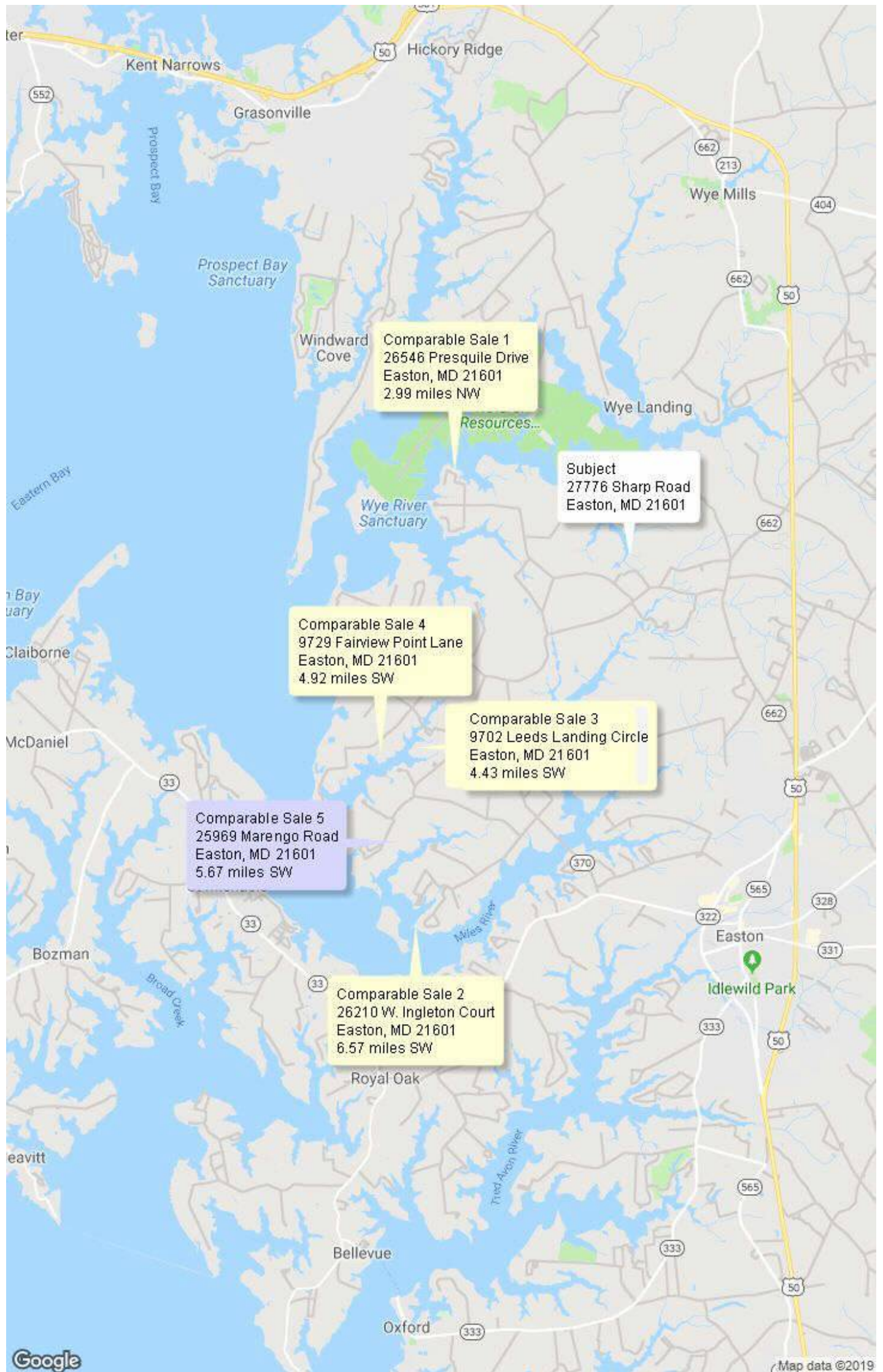
Case No.:

City: Easton

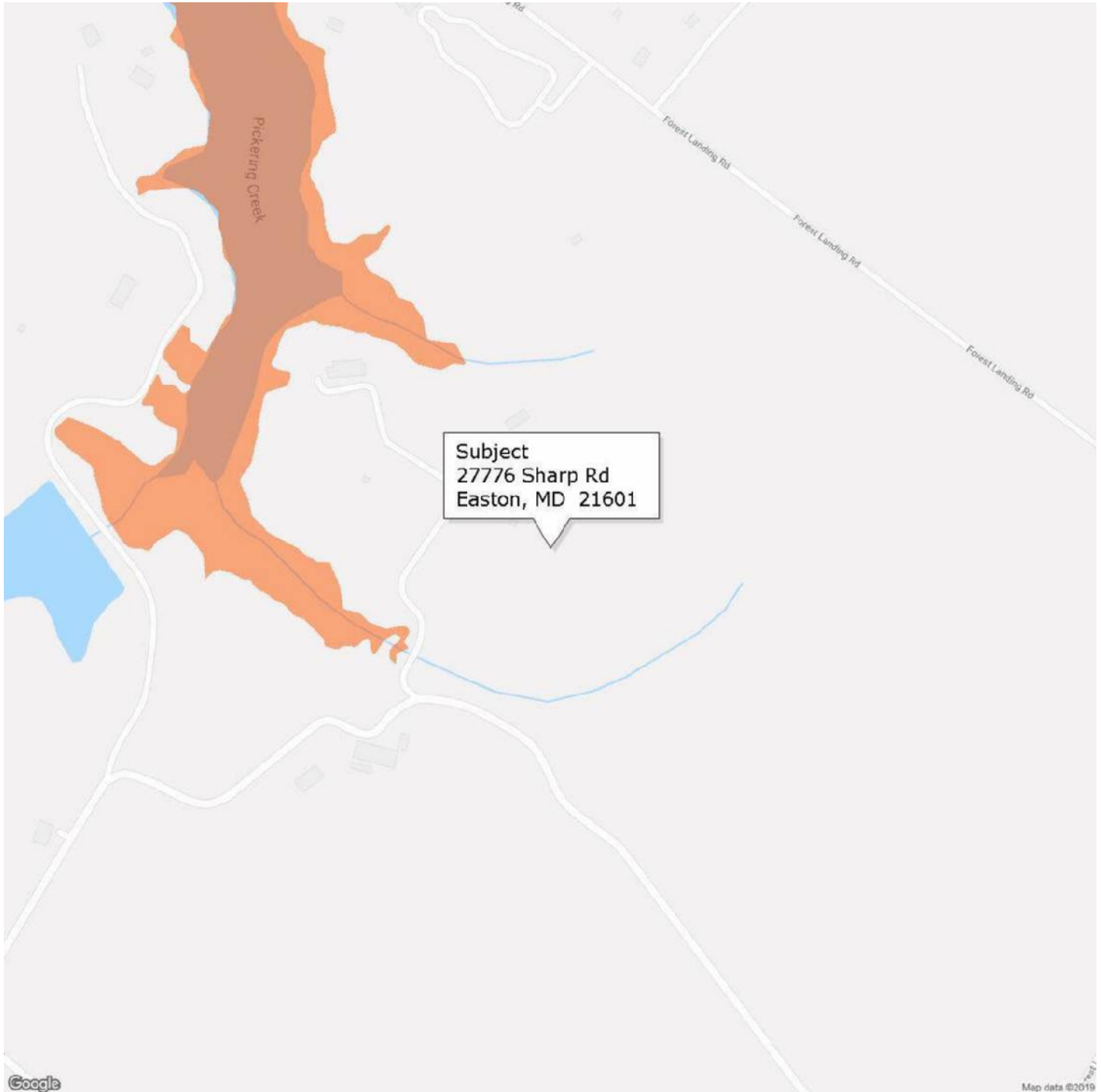
State: MD

Zip: 21601

Lender: Harney Partners



Borrower: N/A	File No.: 1905136	
Property Address: 27776 Sharp Road	Case No.:	
City: Easton	State: MD	Zip: 21601
Lender: Harney Partners		



FLOOD INFORMATION

Community: Talbot County Unincorporated Areas
Property is NOT in a FEMA Special Flood Hazard Area
Map Number: 24041C0180D
Panel: 0180D
Zone: X
Map Date: 07-20-2016
FIPS: 24041
Source: FEMA DFIRM

LEGEND

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

Sky Flood™

No representations or warranties to any party concerning the content, accuracy or completeness of this flood report, including any warranty of merchantability or fitness for a particular purpose is implied or provided. Visual scaling factors differ between map layers and are separate from flood zone information at marker location. No liability is accepted to any third party for any use or misuse of this flood map or its data.

Borrower: N/A	File No.: 1905136	
Property Address: 27776 Sharp Road	Case No.:	
City: Easton	State: MD	Zip: 21601
Lender: Harney Partners		



Borrower: N/A	File No.: 1905136
Property Address: 27776 Sharp Road	Case No.:
City: Easton	State: MD Zip: 21601
Lender: Harney Partners	

THIS DOCUMENT IS VOID WITHOUT BLUE BACKGROUND. CONTAINS COPY VOID FEATURE & ARTIFICIAL WATERMARK ON THE BACK.



LICENSE * REGISTRATION * CERTIFICATION * PERMIT

Lawrence J. Hogan, Jr.
Governor
Boyd K. Rutherford
Lt. Governor
Kelly M. Schulz
Secretary

STATE OF MARYLAND
DEPARTMENT OF LABOR, LICENSING AND REGULATION

COMMISSION OF RE APPRAISERS & HOME INSPECTORS
CERTIFIES THAT:

HERBERT L HOSFORD III

IS AN AUTHORIZED: **03 - CERTIFIED RESIDENTIAL**

LIC/REG/CERT
13038

EXPIRATION
08-19-2019

EFFECTIVE
08-14-2016

CONTROL NO.
4890409

Herbert L. Hosford III
Signature of Bearer

Kelly M. Schulz
Secretary DLLR

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

Borrower: N/A	File No.: 1905136
Property Address: 27776 Sharp Road	Case No.:
City: Easton	State: MD
Lender: Harney Partners	Zip: 21601

MARYLAND STATE COMMISSION OF REAL ESTATE APPRAISERS AND HOME INSPECTORS
ADDENDUM FOR APPRAISAL ASSISTANTS

1905136

As one of two options, the Commission requires this checklist be used when an appraisal assistant is utilized in the performance of an appraisal and does not sign the appraisal. This checklist must be signed and dated by the supervisory appraiser and included in the appraisal that is delivered to the client. It should also be retained in the appraiser's workfile. For another reporting option, please refer to the REAHI website.

This checklist is considered to meet applicable Maryland State Commission of Real Estate Appraisers and Home Inspectors requirements for acknowledgement and disclosure of significant real property appraisal assistance.

The Commission will not grant experience hours for appraisal assignments in which the appraisal assistant is not properly acknowledged in the report. This form must be referenced at the bottom of the first page of a URAR report in the "Improvements" section. For other Form Appraisal reports, it must be similarly located at the bottom of page one of the report. (e.g. "Please refer to the addendum regarding significant appraisal assistance in the preparation of this report.") This form is not required when the assisting appraiser signs the appraisal report.

Subject Property Address: 27776 Sharp Road, Easton, MD, 21601

The assistant to the supervisory real estate appraiser has contributed significant real property appraisal assistance in this appraisal assignment. Specifically, the assistant:

Yes	No	N/A	Description of Assistance
✓			Assisted in determining the scope of work of the appraisal. Assisted in gathering and entering data as follows: tax assessment information and map, flood hazard information and map, zoning information and map, location map and similar information.
	✓		Inspected the subject property?
	✓		If yes, accompanied by supervisor?
	✓		Complete interior and exterior inspection of the subject property.
	✓		Exterior only inspection of the subject property.
✓			Assisted in analyzing the highest and best use of the subject property.
✓			Assisted in the collection of data, analysis, and conclusions of the Market Analysis section of the report.
		✓	Assisted in gathering information for comparable land sales data, verified and analyzed the comparable land sales data.
		✓	Assisted in gathering data for the cost approach, including estimates of cost new and accrued depreciation.
		✓	Assisted in data and analysis for the income approach, including estimates of market rent, vacancy/expense analysis, and development of GRM or capitalization rate.
	✓		Assisted in the exterior inspection of the sales, rentals, land and/or other comparables.
✓			Assisted in sketch drawing.
✓			Assisted in entering subject and comparable data on the form and in the comment areas.
	✓		Assisted in reconciliation and final opinion of value for the subject property.
✓			Assisted in the final review of this report.
✓			Assisted in the preparation of the workfile, with all forms and general information for the appraisal.

Date of Appraisal: 05-28-2019 Number of Assistance Hours Claimed: 1.5 Hours

Printed name and license # of Assistant Appraiser: John S. West, MD Licensed Trainee # 06-33067

The supervising real estate appraiser certifies that the named individual did assist with the items checked above, and also certifies that he/she reviewed all work done by the assistant. The supervising appraiser further certifies that the person named as assistant understands the concepts and processes associated with the appraisal process.

Signature of Supervising Appraiser: Herbert L. Hosford III DocuSign by Print Name: Herbert L. Hosford III
1CA2FDBAC8D245C...

EXHIBIT 5

A. U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT SETTLEMENT STATEMENT	B. TYPE OF LOAN: 4. <input type="checkbox"/> ARM 5. <input type="checkbox"/> CONV. INS. 6. FILE NUMBER: 1253.291 7. LOAN NUMBER: 8. MORTGAGE INS CASE NUMBER:
--	--

C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "[POC]" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.
 1.0 3/98 (1253.291.PFD/1253.291/10)

D. NAME AND ADDRESS OF BORROWER: TBD	E. NAME AND ADDRESS OF SELLER: Gregory S. Milligan, Reciever	F. NAME AND ADDRESS OF LENDER:
---	---	--------------------------------

G. PROPERTY LOCATION: 27776 Sharp Road Easton, MD 21601 Talbot County, Maryland	H. SETTLEMENT AGENT: McAllister, DeTar, Showalter & Walker LLC PLACE OF SETTLEMENT 100 North West Street Easton, Maryland 21601	I. SETTLEMENT DATE: September 20, 2019
--	---	---

J. SUMMARY OF BORROWER'S TRANSACTION	
100. GROSS AMOUNT DUE FROM BORROWER:	
101. Contract Sales Price	1,600,000.00
102. Personal Property	
103. Settlement Charges to Borrower (Line 1400)	28,075.00
104.	
105.	
<i>Adjustments For Items Paid By Seller in advance</i>	
106. City/Town Taxes to	
107. County Taxes 09/21/19 to 07/01/20	11,810.11
108. Assessments to	
109.	
110.	
111.	
112.	
120. GROSS AMOUNT DUE FROM BORROWER	1,639,885.11
200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:	
201. Deposit or earnest money	50,000.00
202. Principal Amount of New Loan(s)	
203. Existing loan(s) taken subject to	
204.	
205.	
206.	
207.	
208.	
209.	
<i>Adjustments For Items Unpaid By Seller</i>	
210. City/Town Taxes to	
211. County Taxes to	
212. Assessments to	
213.	
214.	
215.	
216.	
217.	
218.	
219.	
220. TOTAL PAID BY/FOR BORROWER	50,000.00
300. CASH AT SETTLEMENT FROM/TO BORROWER:	
301. Gross Amount Due From Borrower (Line 120)	1,639,885.11
302. Less Amount Paid By/For Borrower (Line 220)	(50,000.00)
303. CASH (X FROM) (TO) BORROWER	1,589,885.11

K. SUMMARY OF SELLER'S TRANSACTION	
400. GROSS AMOUNT DUE TO SELLER:	
401. Contract Sales Price	1,600,000.00
402. Personal Property	
403.	
404.	
405.	
<i>Adjustments For Items Paid By Seller in advance</i>	
406. City/Town Taxes to	
407. County Taxes 09/21/19 to 07/01/20	11,810.11
408. Assessments to	
409.	
410.	
411.	
412.	
420. GROSS AMOUNT DUE TO SELLER	1,611,810.11
500. REDUCTIONS IN AMOUNT DUE TO SELLER:	
501. Excess Deposit (See Instructions)	
502. Settlement Charges to Seller (Line 1400)	84,880.07
503. Existing loan(s) taken subject to	
504. Payoff First Mortgage to BB&T	672,908.59
505. Payoff Second Mortgage	
506. Deposit retained by broker	48,000.00
507. (\$2,000.00 disbursed)	
508.	
509.	
<i>Adjustments For Items Unpaid By Seller</i>	
510. City/Town Taxes to	
511. County Taxes to	
512. Assessments to	
513.	
514.	
515.	
516.	
517.	
518.	
519.	
520. TOTAL REDUCTION AMOUNT DUE SELLER	805,788.66
600. CASH AT SETTLEMENT TO/FROM SELLER:	
601. Gross Amount Due To Seller (Line 420)	1,611,810.11
602. Less Reductions Due Seller (Line 520)	(805,788.66)
603. CASH (X TO) (FROM) SELLER	806,021.45

The undersigned hereby acknowledge receipt of a completed copy of pages 1&2 of this statement & any attachments referred to herein.

Borrower

Seller

TBD

Gregory S. Milligan, Reciever

L. SETTLEMENT CHARGES

700. TOTAL COMMISSION Based on Price		\$ 1,600,000.00 @ 6.0000 %	96,000.00		
<i>Division of Commissioner of Banks Case No. 17-01072844-RDB Document 199-6 Filed 08/22/19 Page 3 of 3</i>					
701.	\$ 48,000.00	to Benson and Mangold	Less Deposit Retained	48,000.00	
702.	\$ 48,000.00	to Monument Sothebys International Realty			
703.	Commission Paid at Settlement				
704.	to				48,000.00
800. ITEMS PAYABLE IN CONNECTION WITH LOAN					
801.	Loan Origination Fee	%	to		
802.	Loan Discount	%	to		
803.	Appraisal Fee		to		
804.	Credit Report		to		
805.	Lender's Inspection Fee		to		
806.	Mortgage Ins. App. Fee		to		
807.	Assumption Fee		to		
808.					
809.					
810.					
811.					
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE					
901.	Interest From	to	@ \$	/day (days %)	
902.	Mortgage Insurance Premium for	months to			
903.	Hazard Insurance Premium for	1.0 years to			
904.					
905.					
1000. RESERVES DEPOSITED WITH LENDER					
1001.	Hazard Insurance	@ \$	per		
1002.	Mortgage Insurance	@ \$	per		
1003.	City/Town Taxes	@ \$	per		
1004.	County Taxes	@ \$	per		
1005.	Assessments	@ \$	per		
1006.		@ \$	per		
1007.		@ \$	per		
1008.		@ \$	per		
1100. TITLE CHARGES					
1101.	Settlement or Closing Fee	to McAllister, DeTar, Showalter & Walker LLC		295.00	
1102.	Abstract or Title Search	to McAllister, DeTar, Showalter & Walker LLC		295.00	
1103.	Title Examination	to			
1104.	Title Insurance Binder	to McAllister, DeTar, Showalter & Walker LLC		50.00	
1105.	Document Preparation	to McAllister, DeTar, Showalter & Walker LLC		150.00	
1106.	Notary Fees	to			
1107.	Attorney's Fees	to			
	<i>(includes above item numbers:)</i>				
1108.	Title Insurance	to First American Title Insurance Company		5,625.00	
	<i>(includes above item numbers:)</i>				
1109.	Lender's Coverage	\$			
1110.	Owner's Coverage	\$ 1,600,000.00	5,625.00		
1111.	Procure Release	to McAllister, DeTar, Showalter & Walker LLC			60.00
1112.					
1113.					
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES					
1201.	Recording Fees: Deed \$	60.00; Mortgage \$		Releases \$	60.00
1202.	City/County Tax/Stamps: Transfer Tax	16,000.00; Mortgage		8,000.00	8,000.00
1203.	State Tax/Stamps: Transfer Tax	8,000.00; Mortgage		4,000.00	4,000.00
1204.	State Recordation Tax	to Clerk of Circuit Court		9,600.00	9,600.00
1205.	Real Estate Taxes	to Clerk of Circuit Court			15,220.07
1300. ADDITIONAL SETTLEMENT CHARGES					
1301.	Survey	to			
1302.	Pest Inspection	to			
1303.					
1304.					
1305.					
1400. TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)				28,075.00	84,880.07

By signing page 1 of this statement, the signatories acknowledge receipt of a completed copy of page 2 of this two page statement.

certified to be a true copy.

 McAllister, DeTar, Showalter & Walker LLC
 Settlement Agent

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

SECURITIES AND EXCHANGE)
COMMISSION,)
)
Plaintiff,)
)
v.)
)
KEVIN B. MERRILL, et al.,)
)
Defendants.)

Case No.: 1:18-cv-02844-RDB

**ORDER GRANTING RECEIVER GREGORY S. MILLIGAN’S
MOTION FOR AUTHORIZATION OF SALE OF REAL PROPERTY LOCATED AT
27776 SHARP ROAD, EASTON, MD 21601**

This matter is before the Court on the Motion for Authorization of Sale of Real Property Located at 27776 Sharp Road, Easton, MD 21601 (the “Sale Motion”) (Dkt. No. 199), filed by Receiver Gregory S. Milligan (the “Receiver”), the Court-appointed Receiver in the above-captioned case. The Court, having considered the Sale Motion and evidence submitted in support thereof, responses or objections, if any, the arguments of counsel, and the pleadings on file, finds that the Sale Motion should be, and hereby is, GRANTED.

It is therefore ORDERED that:

1. The Sale Motion is GRANTED in its entirety.
2. The Receiver is authorized to sell the real property located at 27776 Sharp Road, Easton, MD 21601 (the “Real Property”) to Mike Gowl (the “Buyer”) for \$1,600,000.00 (the “Purchase Price”) pursuant to the Residential Contract of Sale (the “Contract”) attached to the Milligan Declaration as Exhibit 1.
3. The Receiver is authorized to pay off the existing mortgage on the Real Property with Branch Banking and Trust Company, which had a balance of \$666,800.01 as of August 8, 2019, plus accrued interest.

4. The sale of the Real Property to the Buyer shall be free and clear of liens, claims, and encumbrances (with such liens, claims, and encumbrances, if any, to attach to the sales proceeds).

5. Sotheby's International Realty, Inc. ("Sotheby's") is authorized to receive a 6% commission of \$96,000.00 to be paid 50% to Sotheby's and 50% to the Buyer's broker, plus an administrative fee of \$495.00, out of the Purchase Price at closing without need of further application or Court approval.

6. The Receiver is authorized to pay all other customary closing costs out of the Purchase Price at closing.

7. The remaining net proceeds from the sale of the Real Property shall be held in an interest-bearing account maintained by the Receiver pending final resolution of this SEC Action¹ or further Order of this Court.

8. The Receiver shall not close on the sale of the Real Property prior to September 22, 2019, which is the 31st day following the Receiver's filing of the Sale Motion. In the event a timely objection to the Sale Motion is filed on or before September 21, 2019, the Receiver shall not close on the sale of the Real Property without further Order of this Court.

IT IS SO ORDERED, this ____ day of _____, 2019.

HON. RICHARD D. BENNETT
UNITED STATES DISTRICT JUDGE

¹ The term "SEC Action" herein shall mean the civil action styled *Securities and Exchange Commission v. Kevin Merrill, et al.*, Case No. 18-cv-02844-RDB, in the United States District Court for the District of Maryland.