

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
1718 GREENSPRING VALLEY ROAD, STEVENSON, MD 21153**

This Motion for Sale of Real Property (“Sale Motion”) seeks authorization to sell real property located at 1718 Greenspring Valley Road, Stevenson, MD 21153 (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 1718 Greenspring Valley Road, Stevenson, MD 21153 (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. Merrill and 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. *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 Real Property was originally built in 1900. After Merrill purchased the property, he effectively gutted the property for complete renovation. At the time this SEC case was filed, those renovations and the construction of new structures were only partially complete. Significant work remains before the Real Property is habitable. *See* Milligan Declaration at ¶ 7.

8. The initial listing price for the Real Property was \$1,450,000.00. *See id.* at ¶ 8.

9. After diligently marketing the Real Property, Sotheby's received an offer from Daniel Joseph Miller and Lia Miriam Miller (the "Buyers") to purchase the Real Property for \$1,400,000.00, which is \$50,000.00 less than the initial listing price. After the Buyers' receipt of the inspection report for the Real Property, the Buyers and the Receiver negotiated a \$50,000.00 credit to the Buyers, which will result in an effective purchase price of \$1,350,000.00 (the "Purchase Price"). *See id.* at ¶ 9. A copy of the Residential Contract of Sale (the "Contract") is attached as **Exhibit 1** to the Milligan Declaration.

10. The Purchase Price is all cash, with proof of funds provided to the Receiver by the Buyers, and is not contingent upon further inspections of the Real Property or the sale of any current home owned by the Buyers. *See id.* at ¶ 10.

11. 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 ¶ 11.

12. Pursuant to 28 U.S.C. § 2001, the Receiver obtained three appraisals of the Real Property from disinterested appraisers. *See id.* at ¶ 12.

13. The first appraisal was performed by Jordan May of Classic Appraisal Services (the "May Appraisal"), which concluded the present market value of the Real Property was \$1,475,000.00 as of May 31, 2019. *See id.* at ¶ 13. A copy of the May Appraisal is attached as **Exhibit 2** to the Milligan Declaration.

14. 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 \$1,296,000.00 as of May 22, 2019. *See id.* at ¶ 14. A copy of the Bolling Appraisal is attached as **Exhibit 3** to the Milligan Declaration.

15. The third appraisal was performed by Herbert L. Hosford, III, of Four Corners Appraisal Group (the “Hosford Appraisal”) (the May Appraisal, Bolling Appraisal, and Hosford Appraisal are collectively, the “Appraisals”), which concluded the present market value of the Real Property was \$1,500,000.00 as of May 29, 2019. *See id.* at ¶ 15. A copy of the Hosford Appraisal is attached as **Exhibit 4** to the Milligan Declaration.

16. The Purchase Price is within the range of comparable sales and the opinions of present market value for the Real Property as identified in the Appraisals. *See id.* at ¶ 16.

17. Kevin Merrill consented to the sale of the Real Property at \$1,400,000.00. However, the Receiver has yet to receive his consent to the current contract at \$1,350,000, which was the result of the \$50,000 credit that was negotiated after the receipt of the inspection report for the Real Property. The Receiver anticipates discussing this modification with Mr. Merrill’s counsel as soon as practicable. After that discussion, the Receiver will supplement this Motion with a Certificate of Conference.

18. Amanda Merrill has not consented to sale of the Real Property. The Receiver anticipates discussing this modification with Mr. Merrill’s counsel as soon as practicable. After that discussion, the Receiver will supplement this Motion with a Certificate of Conference.

19. The Receiver believes that the sale of the Real Property to the Buyers 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 ¶ 17.

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.

20. If approved by the Court, the proposed 6% commission of \$84,000.00 (the “Commission”) would be paid 50% to Sotheby’s and 50% to the Buyers’ broker and out of the Purchase Price at closing. *See id.* at ¶ 18.

21. 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.

22. 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 \$26,264.44 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**.

II. REQUESTED RELIEF

23. The Receiver seeks Court authorization to sell the Real Property to the Buyers 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* at ¶ 6.

24. The Purchase Price is within the range of comparable sales and the opinions of present market value for the Real Property as identified in the Appraisals. *See Milligan Declaration* at ¶ 16.

25. The Receiver believes a private sale of the Real Property will yield a higher sale price than a public auction. *See id.* at ¶ 11.

26. 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.

27. 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.² 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.

² The Receiver obtained a title report for the Real Property, which revealed there are no recorded mortgages or other liens on the Real Property. Accordingly, there are no known lienholders to provide notice to under the Real Property Sales Procedures.

28. 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 Buyers and terms under the Sale Motion to act as a "stalking horse" bid, subject to higher and better offers.

29. 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.

30. 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 Buyers 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 Sotheby's to receive the Commission at closing from the Purchase Price, which will be shared equally with the Buyers' broker, plus the Administrative Fee; (iv) authorizing the Receiver to pay other customary closing costs out of the Purchase Price at closing; and (v) granting such other relief as the Court deems just and proper.

Date: July 19, 2019.

Respectfully Submitted,

/s/ Lynn H. Butler

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Counsel for Receiver Gregory S. Milligan

CERTIFICATE OF SERVICE

On July 19, 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

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
Miller & Chevalier Chartered
900 16th St NW
Washington, DC 20006
aschmitt@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

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

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

SECURITIES AND EXCHANGE)
COMMISSION,)
)
Plaintiff,)
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v.)
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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
1718 GREENSPRING VALLEY ROAD, STEVENSON, MD 21153**

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 1718 Greenspring Valley Road, Stevenson, MD 21153 (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 Real Property was originally built in 1900. After Merrill purchased the property, he effectively gutted the property for complete renovation. At the time this SEC Case was filed, those renovations and the construction of new structures were only partially complete. Significant work remains before the Real Property is habitable.
8. The initial listing price for the Real Property was \$1,450,000.00.
9. After diligently marketing the Real Property, Sotheby’s received an offer from Daniel Joseph Miller and Lia Miriam Miller (the “Buyers”) to purchase the Real Property for \$1,400,000.00, which is \$50,000.00 less than the initial listing price. After the Buyers’ receipt of the inspection report for the Real Property, the Buyers and I negotiated a \$50,000.00 credit to the Buyers, which will result in an effective purchase price of \$1,350,000.00 (the “Purchase Price”). A copy of the Residential Contract of Sale (the “Contract”) is attached hereto as **Exhibit 1**.
10. The Purchase Price is all cash, with proof of funds provided to me by the Buyers, and is not contingent upon further inspections of the Real Property or the sale of any current home owned by the Buyers.
11. 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.
12. Pursuant to 28 U.S.C. § 2001, I obtained three appraisals of the Real Property from disinterested appraisers.
13. The first appraisal was performed by Jordan May of Classic Appraisal Services (the “May Appraisal”), which concluded the present market value of the Real Property was \$1,475,000.00 as of May 31, 2019. A copy of the May Appraisal is attached hereto as **Exhibit 2**.
14. 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 \$1,296,000.00 as of May 22, 2019. A copy of the Bolling Appraisal is attached hereto as **Exhibit 3**.
15. The third appraisal was performed by Herbert L. Hosford, III, of Four Corners Appraisal Group (the “Hosford Appraisal”) (the May Appraisal, Bolling Appraisal, and Hosford Appraisal are collectively, the “Appraisals”), which concluded the present market value of the Real Property was \$1,500,000.00 as of May 29, 2019. A copy of the Hosford Appraisal is attached hereto as **Exhibit 4**.

16. The Purchase Price is within the range of comparable sales and the opinions of present market value for the Real Property as identified in the Appraisals.
17. I believe that the sale of the Real Property to the Buyers 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.
18. If approved by the Court, the proposed 6% commission of \$84,000.00 (the "Commission") would be paid 50% to Sotheby's and 50% to the Buyers' broker and 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 \$26,264.44 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 July 19, 2019.



GREGORY S. MILLIGAN

EXHIBIT 1



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: 06/11/2019

2. SELLER: Gregory S. Milligan, Receiver

3. BUYER: Daniel Joseph Miller and Lia Miriam Miller or as assigns

4. PROPERTY: Seller does sell to Buyer and Buyer does purchase from Seller, all of the following described Property (hereinafter "Property") known as 1718 Greenspring Valley Rd located in Stevenson, Baltimore County City/County, Maryland, Zip Code 21153, 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, Four Hundred Thousand Dollars (\$ 1,400,000).

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 One Hundred Forty Thousand Dollars (\$ 140,000) 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: Monument Sotheby's International Realty.
(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 08/23/2019 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 Contingency
- No Financing Contingency
- OTHER: _____

10. FINANCING APPLICATION AND COMMITMENT: 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, 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

11. ALTERNATE FINANCING: Provided Buyer timely and diligently pursues the financing described in the Financing 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.

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.

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

ADDITIONAL INCLUSIONS (SPECIFY): n/a
ADDITIONAL EXCLUSIONS (SPECIFY): n/a


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

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.**

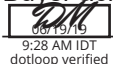
Buyer acknowledges by Buyer's initials below that Buyer has read and understands the provisions of Paragraph 16.A.

 / (BUYER)
9:28 AM IDT
dotloop verified

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)
9:28 AM IDT
dotloop verified

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)
9:28 AM IDT
dotloop verified

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 acknowledges by Buyer's initials below that Buyer has read and understands Paragraph 17.

 / (BUYER)
9:28 AM IDT
dotloop verified

Buyer  /
9:28 AM IDT
dotloop verified

Seller 
8:38 PM CDT
dotloop verified

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

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

Other Addenda/Special Conditions:

Understanding Whom, Consent for Dual Agency, Consumer Notice, Notice to Buyer & Seller of Buyer's Rights, General Addm, Protect Family from Lead Brochure

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.

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 for the Public Utility at 1642 ... 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.

27. **BROKER'S FEE:** All parties to this Contract shall settle 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 of 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 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 Maryland REALTORS® 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) 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: 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 Maryland REALTORS® 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: <https://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.mdfloodmaps.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.

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 covered by 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, location and through a survey by a licensed engineer or land surveyor, at Buyer's expense;
 - (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, leases, 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.

Daniel Joseph Miller and Lia Moriam Miller or as assigns
dotloop verified
06/19/19 9:28 AM IDT
17AJ-ZOEU-JE2L-CRKH
Buyer's Signature **Date**

Gregory S. Milligan, Receiver
dotloop verified
06/20/19 8:38 PM CDT
UHXY-IZUO-HLLV-AO0Y
Seller's Signature **Date**

Buyer's Signature **Date**

Seller's Signature **Date**

DATE OF CONTRACT ACCEPTANCE: 06/20/2019

Check if First-Time Maryland Homebuyer

BUYER / NAME(S): Daniel Joseph Miller and Lia Miriam Miller or as assigns

MAILING ADDRESS:

SELLER / NAME(S): Gregory S. Milligan, Receiver

MAILING ADDRESS:

Information provided for reference only:

LISTING BROKERAGE COMPANY NAME: Monument Sotheby's International Realty

BROKER OF RECORD NAME: Thomas Saebler

LICENSE NUMBER: 6115

SALES ASSOCIATE NAME: Charlie Hatter

LICENSE NUMBER: 651051

OFFICE ADDRESS: 801 Key Hwy #831, Baltimore, MD 21230

OFFICE PHONE: 4105255435

BROKER/SALES ASSOCIATE MLS ID: MONUM1

SALES ASSOCIATE PHONE: 2027440948

SALES ASSOCIATE E-MAIL: charlie.hatter@sothebysrealty.com

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

SELLING BROKERAGE COMPANY NAME: Monument Sotheby's International Realty

BROKER OF RECORD NAME: Thomas Saebler

LICENSE NUMBER: 6115

SALES ASSOCIATE NAME: Holly Winfield

LICENSE NUMBER: 36089

OFFICE ADDRESS: 801 Key Hwy #831, Baltimore, MD 21230

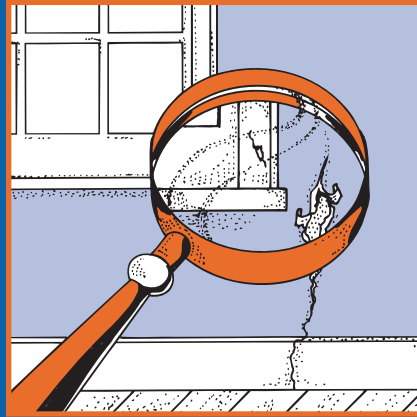
OFFICE PHONE: 4105255435

BROKER/SALES ASSOCIATE MLS ID: MONUM1

SALES ASSOCIATE PHONE: 4439276443

SALES ASSOCIATE E-MAIL: holly.winfield@sothebysrealty.com

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



Protect Your Family From Lead In Your Home

 **EPA** United States
Environmental
Protection Agency



United States
Consumer Product
Safety Commission



United States
Department of Housing
and Urban Development

U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207
U.S. HUD Washington DC 20410

EPA747-K-99-001
September 2001

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains high levels of lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.

Federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



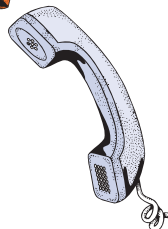
LANDLORDS have to disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a disclosure form about lead-based paint.



SELLERS have to disclose known information on lead-based paint and lead-based paint hazards before selling a house. Sales contracts must include a disclosure form about lead-based paint. Buyers have up to 10 days to check for lead.



RENOVATORS have to give you this pamphlet before starting work.



IF YOU WANT MORE INFORMATION on these requirements, call the National Lead Information Center at **1-800-424-LEAD (424-5323)**.

This document is in the public domain. It may be reproduced by an individual or organization without permission. Information provided in this booklet is based upon current scientific and technical understanding of the issues presented and is reflective of the jurisdictional boundaries established by the statutes governing the co-authoring agencies. Following the advice given will not necessarily provide complete protection in all situations or against all health hazards that can be caused by lead exposure.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

- FACT:** Lead exposure can harm young children and babies even before they are born.
- FACT:** Even children who seem healthy can have high levels of lead in their bodies.
- FACT:** People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.
- FACT:** People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.
- FACT:** Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

Childhood lead poisoning remains a major environmental health problem in the U.S.

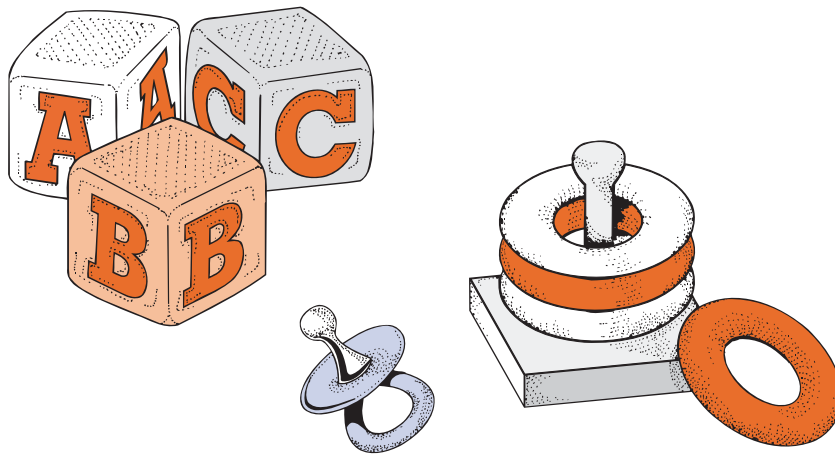
Even children who appear healthy can have dangerous levels of lead in their bodies.

People can get lead in their body if they:

- ◆ Breathe in lead dust (especially during renovations that disturb painted surfaces).
- ◆ Put their hands or other objects covered with lead dust in their mouths.
- ◆ Eat paint chips or soil that contains lead.

Lead is even more dangerous to children than adults because:

- ◆ Children's brains and nervous systems are more sensitive to the damaging effects of lead.
- ◆ Children's growing bodies absorb more lead.
- ◆ Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.



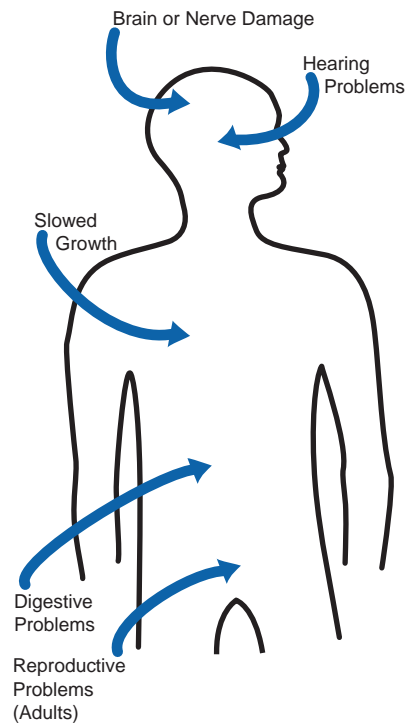
Lead's Effects

If not detected early, children with high levels of lead in their bodies can suffer from:

- ◆ Damage to the brain and nervous system
- ◆ Behavior and learning problems (such as hyperactivity)
- ◆ Slowed growth
- ◆ Hearing problems
- ◆ Headaches

Lead is also harmful to adults. Adults can suffer from:

- ◆ Difficulties during pregnancy
- ◆ Other reproductive problems (in both men and women)
- ◆ High blood pressure
- ◆ Digestive problems
- ◆ Nerve disorders
- ◆ Memory and concentration problems
- ◆ Muscle and joint pain



**Lead affects
the body in
many ways.**

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- ◆ In homes in the city, country, or suburbs.
- ◆ In apartments, single-family homes, and both private and public housing.
- ◆ Inside *and* outside of the house.
- ◆ In soil around a home. (Soil can pick up lead from exterior paint or other sources such as past use of leaded gas in cars.)

Checking Your Family for Lead

Get your children and home tested if you think your home has high levels of lead.

To reduce your child's exposure to lead, get your child checked, have your home tested (especially if your home has paint in poor condition and was built before 1978), and fix any hazards you may have.

Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect high levels of lead. Blood tests are usually recommended for:

- ◆ Children at ages 1 and 2.
- ◆ Children or other family members who have been exposed to high levels of lead.
- ◆ Children who should be tested under your state or local health screening plan.

Your doctor can explain what the test results mean and if more testing will be needed.

Identifying Lead Hazards

Lead-based paint is usually not a hazard if it is in good condition, and it is not on an impact or friction surface, like a window. It is defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter, or more than 0.5% by weight.

Deteriorating lead-based paint (peeling, chipping, chalking, cracking or damaged) is a hazard and needs immediate attention. It may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear, such as:

- ◆ Windows and window sills.
- ◆ Doors and door frames.
- ◆ Stairs, railings, banisters, and porches.

Lead dust can form when lead-based paint is dry scraped, dry sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can re-enter the air when people vacuum, sweep, or walk through it. The following two federal standards have been set for lead hazards in dust:

- ◆ 40 micrograms per square foot ($\mu\text{g}/\text{ft}^2$) and higher for floors, including carpeted floors.
- ◆ 250 $\mu\text{g}/\text{ft}^2$ and higher for interior window sills.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. The following two federal standards have been set for lead hazards in residential soil:

- ◆ 400 parts per million (ppm) and higher in play areas of bare soil.
- ◆ 1,200 ppm (average) and higher in bare soil in the remainder of the yard.

The only way to find out if paint, dust and soil lead hazards exist is to test for them. The next page describes the most common methods used.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.

Checking Your Home for Lead

Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home checked for lead in one of two ways, or both:

- ◆ A paint **inspection** tells you the lead content of every different type of painted surface in your home. It won't tell you whether the paint is a hazard or how you should deal with it.
- ◆ A **risk assessment** tells you if there are any sources of serious lead exposure (such as peeling paint and lead dust). It also tells you what actions to take to address these hazards.

Hire a trained, certified professional who will use a range of reliable methods when checking your home, such as:

- ◆ Visual inspection of paint condition and location.
- ◆ A portable x-ray fluorescence (XRF) machine.
- ◆ Lab tests of paint, dust, and soil samples.



There are standards in place to ensure the work is done safely, reliably, and effectively. Contact your local lead poisoning prevention program for more information, or call **1-800-424-LEAD** for a list of contacts in your area.

Home test kits for lead are available, but may not always be accurate. Consumers should not rely on these tests before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:

- ◆ **If you rent, notify your landlord of peeling or chipping paint.**
- ◆ **Clean up paint chips immediately.**
- ◆ **Clean floors, window frames, window sills, and other surfaces weekly.** Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. **REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.**
- ◆ **Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas.**
- ◆ **Wash children's hands often, especially before they eat and before nap time and bed time.**
- ◆ **Keep play areas clean.** Wash bottles, pacifiers, toys, and stuffed animals regularly.
- ◆ **Keep children from chewing window sills or other painted surfaces.**
- ◆ **Clean or remove shoes before entering your home to avoid tracking in lead from soil.**
- ◆ **Make sure children eat nutritious, low-fat meals high in iron and calcium, such as spinach and dairy products.** Children with good diets absorb less lead.



Reducing Lead Hazards In The Home

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- ◆ You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called “interim controls”) are not permanent solutions and will need ongoing attention.
- ◆ To **permanently** remove lead hazards, you should hire a certified lead “abatement” contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent removal.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Once the work is completed, dust cleanup activities must be repeated until testing indicates that lead dust levels are below the following:

- ◆ 40 micrograms per square foot ($\mu\text{g}/\text{ft}^2$) for floors, including carpeted floors;
- ◆ 250 $\mu\text{g}/\text{ft}^2$ for interior windows sills; and
- ◆ 400 $\mu\text{g}/\text{ft}^2$ for window troughs.

Call your local agency (see page 11) for help with locating certified contractors in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

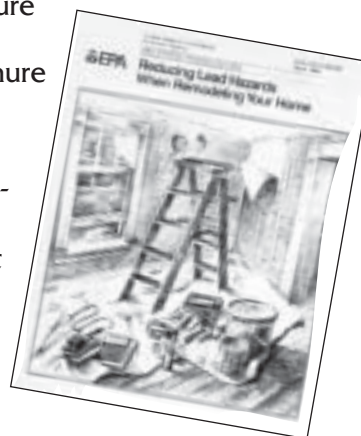
Take precautions before your contractor or you begin remodeling or renovating anything that disturbs painted surfaces (such as scraping off paint or tearing out walls):

- ◆ **Have the area tested for lead-based paint.**
- ◆ **Do not use a belt-sander, propane torch, heat gun, dry scraper, or dry sandpaper** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- ◆ **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- ◆ **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.



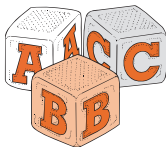
If not conducted properly, certain types of renovations can release lead from paint and dust into the air.



Other Sources of Lead



While paint, dust, and soil are the most common lead hazards, other lead sources also exist.



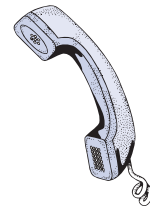
- ◆ **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
 - Use only cold water for drinking and cooking.
 - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- ◆ **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- ◆ Old painted **toys** and **furniture**.
- ◆ Food and liquids stored in **lead crystal** or **lead-glazed pottery or porcelain**.
- ◆ **Lead smelters** or other industries that release lead into the air.
- ◆ **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.
- ◆ **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.

For More Information

The National Lead Information Center

Call **1-800-424-LEAD (424-5323)** to learn how to protect children from lead poisoning and for other information on lead hazards. To access lead information via the web, visit **www.epa.gov/lead** and **www.hud.gov/offices/lead/**.

For the hearing impaired, call the Federal Information Relay Service at **1-800-877-8339** and ask for the National Lead Information Center at **1-800-424-LEAD**.

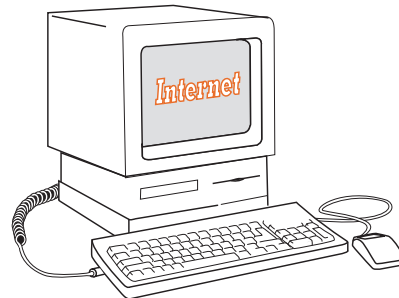


EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline

To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772**, or visit CPSC's website at: **www.cpsc.gov**.



Health and Environmental Agencies

Some cities, states, and tribes have their own rules for lead-based paint activities. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your local contacts on the Internet at **www.epa.gov/lead** or contact the National Lead Information Center at **1-800-424-LEAD**.

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
Suite 1100 (CPT)
One Congress Street
Boston, MA 02114-2023
1 (888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 209, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, Washington DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3 (3WC33)
1650 Arch Street
Philadelphia, PA 19103
(215) 814-5000

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-7577

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
(ARTD-RALI)
901 N. 5th Street
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466
(303) 312-6021

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4164

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Toxics Section WCM-128
1200 Sixth Avenue
Seattle, WA 98101-1128
(206) 553-1985

CPSC Regional Offices

Your Regional CPSC Office can provide further information regarding regulations and consumer product safety.

Eastern Regional Center

Consumer Product Safety Commission
201 Varick Street, Room 903
New York, NY 10014
(212) 620-4120

Western Regional Center

Consumer Product Safety Commission
1301 Clay Street, Suite 610-N
Oakland, CA 94612
(510) 637-4050

Central Regional Center

Consumer Product Safety Commission
230 South Dearborn Street, Room 2944
Chicago, IL 60604
(312) 353-8260

HUD Lead Office

Please contact HUD's Office of Healthy Homes and Lead Hazard Control for information on lead regulations, outreach efforts, and lead hazard control and research grant programs.

U.S. Department of Housing and Urban Development

Office of Healthy Homes and Lead Hazard Control
451 Seventh Street, SW, P-3206
Washington, DC 20410
(202) 755-1785

Simple Steps To Protect Your Family From Lead Hazards

If you think your home has high levels of lead:

- ◆ Get your young children tested for lead, even if they seem healthy.
- ◆ Wash children's hands, bottles, pacifiers, and toys often.
- ◆ Make sure children eat healthy, low-fat foods.
- ◆ Get your home checked for lead hazards.
- ◆ Regularly clean floors, window sills, and other surfaces.
- ◆ Wipe soil off shoes before entering house.
- ◆ Talk to your landlord about fixing surfaces with peeling or chipping paint.
- ◆ Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- ◆ Don't use a belt-sander, propane torch, heat gun, dry scraper, or dry sandpaper on painted surfaces that may contain lead.
- ◆ Don't try to remove lead-based paint yourself.



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GENERAL ADDENDUM TO CONTRACT OF SALE**FOR USE WITH THE MARYLAND ASSOCIATION OF REALTORS® RESIDENTIAL CONTRACT OF SALE FORM**Addendum Number 1B to Contract of Sale (the "Contract") dated _____Buyer(s): Daniel Joseph Miller and Lia Miriam Miller or as assignsSeller(s): Gregory S. Milligan, ReceiverProperty: 1718 Greenspring Valley Rd, Stevenson, Baltimore County, 21153

1. LEGAL REQUIREMENT: A Contract for the sale of real property is required to be in writing to be enforceable under the laws of the State of Maryland. Once signed by the parties, the Contract becomes a legally binding agreement. The original terms of the Contract can only be altered thereafter with the agreement of the parties expressed in writing. All parties have the right to be represented by an attorney and are encouraged to seek competent advice if they do not understand any term(s) of the Contract. The broker/agent is required to promptly submit all written Contract offers to the Seller.

2. INTENDED USE: The use of a particular property may be limited or restricted as a result of zoning laws, local ordinances and/or restrictive covenants applicable to the property. The Contract of Sale form provided by the broker/agent is designed and intended for use only in the purchase and sale of single-family residences or unimproved residential property. If Buyer intends to use a property for any other purpose, the standard Contract of Sale form may not adequately serve to protect Buyer's interests without the addition of an appropriate clause or addendum conditioning the Contract offer upon a determination that Buyer's intended use of the Property will be permitted.

3. SETTLEMENT: All persons to be in title and/or responsible where a mortgage is to be created should be present at the time of settlement and may be required to provide proper identification. Prior to settlement, a lender normally requires that Buyer obtain and provide a fully paid homeowner's insurance policy, a termite inspection report, and various certifications which may be applicable to improved properties. Buyer should be prepared at the time of settlement to pay the settlement costs and the balance due under the Contract. Buyer must provide cash, wired funds, bank check or certified check for amounts to be paid at settlement. In some cases, Seller may be required to provide funds in excess of the sales proceeds in order for settlement to occur, in which event, Seller also should be prepared to make payment in an approved form. Any party uncertain of the amount required at settlement should make inquiry of the title company or settlement attorney prior to settlement. Buyer should establish gas, electric and water service in Buyer's name commencing the day of settlement.

4. GROUND RENT: If a Property is subject to an existing ground rent as provided in a lease recorded among the Land Records, or if a ground rent is to be created, Seller will make those disclosures required by law by an appropriate additional clause or addendum to the Contract.

5. RENTAL: If any portion of the Property is to be rented to tenants by Buyer, the local government may require that the Property be registered prior to any rental and a yearly registration fee may be assessed by the local government. You may call the appropriate government office for further information. If the Property is now or has been rented to tenants, local laws may give the tenants certain rights to purchase the Property. These rights are set forth in the Contract. Effective October 1, 1994, certain disclosures are required regarding the presence of lead paint in certain rental properties.

6. EQUAL HOUSING OPPORTUNITY: A REALTOR® is required by federal, state and local law, and the Code of Ethics of the National Association of REALTORS® to treat all parties in a non-discriminatory manner without regard to race, color, creed, age, religion, national origin, sex, marital status, familial status, physical or mental disability, occupation, sexual orientation or preference, or other protected classifications under Fair Housing Laws.

7. HOMEOWNER ASSOCIATIONS/CONDOMINIUMS: If a Property is part of a development subject to the imposition of mandatory fees as defined by the Maryland Homeowners Association Act, and/or a condominium unit, Seller will make the required disclosures by an appropriate addendum to the Contract.

8. COVENANTS AND RESTRICTIONS AFFECTING PROPERTY: A majority of homes, whether new or re-sale, located in a subdivision are subject to certain restrictions applicable to the use of the Property as well as the construction of certain improvements to the Property. Such restrictions are referred to as covenants and, in the case of Property subject to a Homeowners Association or Condominium Association, the covenants are contained in a Declaration of Covenants and Restrictions as well as the Bylaws of the Association. However, many properties are also subject to covenants even though the Property is not subject to a Homeowners Association or Condominium Association. Buyers are encouraged to inquire as to any covenants and restrictions which may be applicable to the Property which is being considered for purchase.

9. PRIVATE AGREEMENTS: Some communities may be subject to agreements, covenants or restrictions relating to the cost of certain maintenance items, restricting the use of properties or dealing with other matters. For example, properties sharing a driveway are often subject to such agreements. These private agreements do not fall within the required disclosures of HOA or condominium laws and may or may not be recorded. Buyer should make inquiries of Seller prior to or at the time of Contact.

10. WETLANDS, WATERWAYS AND/OR FLOOD PLAINS: Buyer is advised that, if all or a portion of the Property has wetlands and/or waterways or is located in a designated flood plain, the approval of the U.S. Army Corps of Engineers (the "Corps"), the Maryland Department of Natural Resources and other federal, state or local agencies may be necessary before a building permit for either new construction or expansion or improvement of the Property can be issued. Additionally, the future use of existing improved property may be restricted due to the presence of waterways, wetlands, and/or flood plains. Information as to wetlands, waterways and/or flood plains can be obtained from the District Office of the Corps at (410) 962-3670, the Maryland Department of Natural Resources at 1-877-620-8DNR (8367) or the Office of Planning and Zoning of the county or city in which the Property is situated. The Buyer expressly assumes the risk that the Property may be subject to restrictions due to the presence of waterways, wetland, and/or flood designations.

11. REFORESTATION: (Note: Applicable to property containing 40,000 or more square feet of land.) Buyer is hereby advised that if Buyer intends to apply for subdivision or site plan approval or a grading or sediment control permit upon the Property, applicable City or County law may require as a condition of such approval that Buyer submit plans acceptable to the City/County for establishing new tree cover, planting trees to replace forest which has been recently removed, and conserving the cutting and clearing of trees in accordance with applicable laws and regulations.

12. CHESAPEAKE BAY CRITICAL AREA: If all or a portion of a Property is located within 1,000 feet of tidal waters of the Chesapeake Bay, there may be restrictions on the use and/or development of the Property. Additional information regarding the Chesapeake Bay Critical Areas is available from the Critical Areas Program established by the local government of each county in Maryland and Baltimore City.

13. BWI AIRPORT NOTICE: Some properties may be located in the Baltimore/Washington International Airport Noise Zone. A Buyer desiring to obtain a copy of Noise Zone Maps may do so by calling the Office of Noise, Real Estate and Land Use Compatibility at 410-859-7375 or email maanoiseabatement@mdot.state.md.us. Information regarding the location of other airports and their operations may be obtained by calling the local zoning office for the area in which the Property is located.

14. INSURANCE: Buyer acknowledges that, as a condition of making a mortgage loan, lenders may require proof of hazard insurance coverage and may also require flood insurance coverage.

15. PROPERTY CONDITION (HOME INSPECTION): If the appropriate contingency is included in the Contract, home inspection firms may be employed to inspect the condition of the Property, including central heating and cooling systems and components, plumbing and electrical systems and components, the roofing, exterior and interior walls, ceilings and floors, foundation and/or basement (including chronic water penetration). If the Property is part of a condominium, Buyer's rights include access to the common areas to perform the inspection.

16. PRIVATE WATER AND SEWAGE SYSTEMS: Many properties are serviced by wells and/or private water and/or sewage systems. Local laws or lenders may require various tests and/or inspections. If the Property is serviced by any such system, this should be addressed by a separate addendum to the Contract.

17. ENVIRONMENTAL CONSIDERATIONS; HAZARDOUS MATERIALS: There are many hazardous materials that could affect a Property. The Brokers and their agents will generally have no knowledge of these hazardous materials and do not have the technical expertise to ascertain or advise you of the presence or significance of these hazardous materials. Buyer has the right to request, as a condition of an offer and, subject to acceptance by the Seller, the employment of a specialist of Buyer's choice to provide an analysis of hazardous materials which may be present. Hazardous materials inside the home can include, but are not limited to, cleaning chemicals, paint, asbestos, radon, lead paint, petroleum products, lawn and garden chemicals and indoor air pollutants that can accumulate. Hazardous materials outside the home can include, but are limited to, those found in contaminated land, water, landfills and other disposal sites, industrial air and water emissions, radiation from high tension wires, and those which may be present in underground storage tanks. Generally, additional information pertaining to these materials is available from the Maryland Department of the Environment (MDE) at (410) 537-3000.

18. FIRE-RETARDANT TREATED PLYWOOD: The use of fire-retardant treated (FRT) plywood as roof sheathing may result in the loss of wood strength through thermal degradation. The extent of such degradation depends upon the particular fire-retardant treatment used as well as the temperature levels and the degree of moisture present in the roof and attic systems. Additional information regarding FRT plywood is available from the National Association of Homebuilders at (800) 368-5242. For information as to whether a Property was constructed with FRT plywood, Buyer may contact the local Department of Building Inspections and Permits and/or request that a home inspector determine the condition of FRT plywood if present.

19. RADON: The MDE and the U.S. Environmental Protection Agency (EPA) have found levels of naturally occurring radon in some areas of Maryland that exceed the levels considered acceptable by the EPA. Studies have shown that extended exposure to high levels of radon can adversely affect your health. Radon testing firms in the area have special equipment to detect elevated levels of radon on a Property. They can also recommend actions to be taken to decrease concentrations of radon to an acceptable level. Buyer is advised to contact the Center for Radiological Health at the MDE at (410) 537-3000 for further information on radon.

20. LEAD PAINT: The MDE has found that many homes built before 1978 contain lead paint, the ingestion of which can be particularly dangerous. The potential dangers of lead paint may be greatly exacerbated by repairs and renovations performed without the assistance of a qualified lead paint removal specialist. Buyer is advised to contact the Lead Paint Poisoning Prevention Division of the MDE at (410) 537-3000 for further information on lead paint. Specialists are available to determine if lead paint has been used in a Property. In some cases, lead paint inspection may be mandatory.

21. ASBESTOS: Asbestos has been used in residential property for insulation, fireproofing, acoustical, decorative and other purposes. Common uses of asbestos include insulation around boilers and pipes, surfacing material, ceiling and floor tiles, roofing material, wallboard, and cement pipe. Improper handling or removal of asbestos during renovations or repairs may damage the asbestos and cause asbestos particles to become airborne, potentially causing health risks. Buyer is advised to contact the MDE at (410) 537-3000 for further information on asbestos.

22. AVAILABILITY OF LIMITED WARRANTY: A Limited Warranty may be available for purchase through a Broker. Such a Limited Warranty may provide, subject to the terms and conditions of the Limited Warranty, compensation in the event certain named components and/or appliances become inoperable or fail during a specified period of time (usually one year from settlement).

23. NEWLY CONSTRUCTED RESIDENCES: a) New Home Warranty Plan: If a Property is a newly constructed dwelling, Maryland law requires that Seller/Builder provide Buyer with a written statement concerning the presence or absence of a New Home Warranty (addendum will be attached); b) Insulation: Seller/Builder must inform Buyer of the location, type and thickness (R Factor) of insulation used in the walls and roof of the newly constructed residence; c) Water/Sewer Service: a Property may be subject to a fee or assessment which purports to cover or defray the cost of installing or maintaining all or part of the public water or waste water facilities serving a subdivision. This fee or assessment may be payable annually. Seller will provide Buyer with a detailed written disclosure of the amount of the fee, the duration of the fee, and any right to prepay or discount the fee.

24. CERTIFICATIONS: Depending upon the type of mortgage applied for by Buyer, lenders may require certain certifications that relate to a Property or require inspections/appraisals that certify that a Property is free of specific hazards or conditions.

25. FHA PREPAYMENT: FHA regulations specify that if the loan is paid in full on the first day of a month, interest for that month is not payable, but if the loan is paid in full on any day other than the first day of a month, interest may be payable through the end of that month.

26. NOTICES/FAX TRANSMISSIONS: Unless otherwise provided herein or in another Addendum, any notice to Buyer shall be effective when delivered to Buyer or an agent of Buyer, and any notice to Seller shall be effective when delivered to Seller or an agent of Seller. Notices under the Contract shall be in writing, and may be hand-delivered, mailed or transmitted by an electronic medium which produces a tangible copy. An electronic copy of a signed offer, acceptance, addendum or notice shall be deemed the equivalent of the original document. While not required, it is suggested that documents with original manual signatures of the parties be forwarded to Buyer and Seller in accordance with the Contract.

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|---|---------------------|--|
| <i>Daniel Joseph Miller and Lia Miriam Miller or as assigns</i> | | dotloop verified 06/11/19 10:19 PM EDT 5F1H-SZIW-U1ZQ-4HQL |
| Date | Buyer(s)/Tenant(s) | |
| | | |
| Date | Buyer(s)/Tenant(s) | |
| <i>Gregory S. Milligan, Receiver</i> | | dotloop verified 06/20/19 8:38 PM CDT L28F-YA4V-YH7P-56WA |
| Date | Seller(s)/Owners(s) | |
| | | |
| Date | Seller(s)/Owners(s) | |

This form has been prepared for the sole use of the following Boards/Associations of REALTORS® and their members. Each Board/Association, including its members and employees, assumes no responsibility if this form fails to protect the interests of any party. Each party should seek its own legal, tax, financial and other advice.

The Greater Baltimore Board of REALTORS®, Inc.
Carroll County Association of REALTORS®, Inc.

Harford County Association of REALTORS®, Inc.
Howard County Association of REALTORS®, Inc.





AS IS ADDENDUM

ADDENDUM dated _____ to Contract of Sale between Buyer Daniel Joseph Miller and Lia Miriam Miller or as assigns and Seller Gregory S. Milligan, Receiver for Property known as 1718 Greenspring Valley Rd, Stevenson, Baltimore County, 21153.

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:

| | |
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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.

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| <i>DM</i> | |
| 06/19/19 | |
| 9 dot | |
| <i>GM</i> | |
| 06/20/19 | |
| 8:39 PM CDT | |
| dotloop verified | |

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 15 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.

Daniel Joseph Miller and Lia Miriam Miller or as assigns dotloop verified 06/19/19 9:29 AM IDT RPDH-VMBU-VH8M-POAE
Buyer Signature **Date**

Buyer Signature **Date**

Gregory S. Milligan, Receiver dotloop verified 06/20/19 8:39 PM CDT LGAS-OSZU-ZGE9-EH0D
Seller Signature **Date**

Seller Signature **Date**



Affiliated Business Arrangement Disclosure

To:
From: Monument Sotheby's International Realty
Property:
Date:

This is to give you notice that Monument Sotheby's has a business relationship with the various providers of real estate settlement services identified below. Because of their relationships, a referral of business from Monument Sotheby's to one or all of the identified service providers may provide the owners of Monument Sotheby's with a financial or other benefit.

Set forth below is the estimated charge or range of the charges for the settlement services listed. You are NOT required to use the listed providers as a condition for settlement of your can on or purchase, sale or refinance of the real property described above.

THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND BEST RATE FOR THESE SERVICES.

| Service Provider | Settlement Service | Estimated Charge or Range of Charges | | | | | | | | |
|--|---|---|-----------------|--------|-----------------------|--------|---------------------------|--------|-----------------------------|--------|
| New Line Title & Escrow Company LLC | Title Insurance-Estimated owner's title insurance premiums (per \$1,000 of sales price) are provided for enhanced coverage. Other options may be available including less comprehensive standard coverage and a reissue rate would reduce charges | <table border="0"> <tr><td>First \$250,000</td><td>\$5.23</td></tr> <tr><td>\$250,001-500,000 Add</td><td>\$4.46</td></tr> <tr><td>\$500,001-\$1,000,000 Add</td><td>\$3.80</td></tr> <tr><td>\$1,000,001-\$5,000,000 Add</td><td>\$3.00</td></tr> </table> | First \$250,000 | \$5.23 | \$250,001-500,000 Add | \$4.46 | \$500,001-\$1,000,000 Add | \$3.80 | \$1,000,001-\$5,000,000 Add | \$3.00 |
| First \$250,000 | \$5.23 | | | | | | | | | |
| \$250,001-500,000 Add | \$4.46 | | | | | | | | | |
| \$500,001-\$1,000,000 Add | \$3.80 | | | | | | | | | |
| \$1,000,001-\$5,000,000 Add | \$3.00 | | | | | | | | | |
| | Title Search, Title Examination Closing Fees, Document Preparation, Hand Recording, Judgment Search & other charges | These fees are not always determined consistently, even with the same company or office. Please consult with you Settlement provider for a list of charges. As estimated range of fees is \$725 to \$900 | | | | | | | | |
| Harbor Home Loans, LLC (40% indirect interest) | Mortgage brokerage firm | 0% to 2.75% of loan amount | | | | | | | | |

ACKNOWLEDGEMENT

Each of the undersigned has read this disclosure form and understands that Monument Sotheby's is referring him/her to purchase the above described settlement services and that the owners of Monument Sotheby's may receive a financial or other benefit as the result of this referral. We also agree that the Broker/Sales Associate may provide all applicable information about our real estate transaction to its affiliated companies.

| | |
|--|--|
| <i>Daniel Joseph Miller and Lia Mariani Miller or as assigns</i> | dotloop verified 06/11/19 10:19 PM EDT NZIN-X98Y-QMBJ-2E7H |
|--|--|

Signature

Signature

| | |
|--------------------------------------|---|
| <i>Gregory S. Milligan, Receiver</i> | dotloop verified 06/20/19 8:38 PM CDT ZWHE-QADR-88PP-75GQ |
|--------------------------------------|---|

Case 1:18-cv-02844-RDB Document 164-2 Filed 07/19/19 Page 34 of 49
AMENDMENT/ADDENDUM

ADDENDUM NUMBER 1B to CONTRACT OF SALE/ LEASE 6/20/2019

BUYER(S)/TENANT(S): Daniel Miller and Lia Miriam Miller or as assigns

SELLER(S)/LANDLORD(S): Gregory S. Milligan, Receiver

PROPERTY: 1718 Greenspring Valley Rd, Stevenson, Baltimore County, 21153

For valuable consideration, receipt of which is hereby acknowledged, we, the undersigned parties hereby agree as follows;

Buyer and Seller acknowledge that this contract is contingent upon the United States District Court for the District of Maryland ("Court") approving the purchase price and terms of this contract in accordance with the sale procedures required in connection with Case No. 1:18-CV-02844-RDB.

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

Daniel Joseph Miller and Lia Miriam Miller or as assigns dotloop verified
06/21/19 1:44 AM IDT
3SMG-EH8W-OOCW-ID9Q

Buyer/Tenant Date

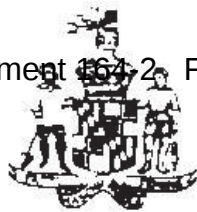
Buyer/Tenant Date

Gregory S. Milligan, Receiver dotloop verified
06/20/19 8:38 PM CDT
VAFX-S16E-TYKN-LIAF

Seller/Landlord Date

Seller/Landlord Date





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 seller.

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.

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 Holly Winfield (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

Daniel Joseph Miller and Lia Meriam Miller or as assigns dotloop verified 06/11/19 10:19 PM EDT NIOH-12YC-KZL6-TIOO

[Empty signature box]

Signature

(Date)

Signature

(Date)

* * * * *

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

[Empty signature box]

Agent's Signature

(Date)



DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS

1718 Greenspring Valley Rd
Property Address: Stevenson, MD 21153-0642

SELLER/LANDLORD REPRESENTS AND WARRANTS, INTENDING THAT SUCH BE RELIED UPON REGARDING THE ABOVE PROPERTY, THAT (SELLER/LANDLORD TO INITIAL APPLICABLE LINE): _____ / _____ housing was constructed prior to 1978 OR _____ / _____ date of construction is uncertain.

FEDERAL LEAD WARNING STATEMENT: A buyer/tenant of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may contain lead-based paint and that exposure to lead from lead-based paint, paint chips or lead paint dust may place young children at risk of developing lead poisoning if not managed properly Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller/landlord of any interest in residential real property is required to disclose to the buyer/tenant the presence of known lead-based paint hazards and to provide the buyer/tenant with any information on lead-based paint hazards from risk assessments or inspections in the seller's/landlord's possession. A tenant must receive a federally approved pamphlet on lead poisoning prevention. It is recommended that a buyer conduct a risk assessment or inspection for possible lead-based paint hazards prior to purchase.

Seller's/Landlord's Disclosure

- (a) Presence of lead-based paint and/or lead-based paint hazards (initial (i) or (ii) below):
(i) _____ / _____ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).
(ii) GSM / _____ Seller/Landlord has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.
(b) Records and reports available to the seller (initial (i) or (ii) below):
(i) _____ / _____ Seller/Landlord has provided the purchaser/tenant with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).
(ii) GSM / _____ Seller/Landlord has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Buyer/Tenant's Acknowledgment (initial)

- (c) [Signature] Buyer/Tenant has received copies of all information listed in section (b)(i) above, if any.
(d) [Signature] Buyer/Tenant has received the pamphlet Protect Your Family from Lead In Your Home.
(e) Buyer has (initial (i) or (ii) below):
(i) _____ / _____ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or
(ii) [Signature] waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment (initial)

- (f) [Signature] Agent has informed the Seller/Landlord of the Seller's/Landlord's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

Seller/Landlord Date
Gregory S. Milligan, Receiver

[Signature] Daniel Joseph Miller and Lisa Meriam Miller or as assigns dotloop verified 06/11/19 10:19 PM EDT CH68-ODMU-YZDX-662A Buyer/Tenant Date

Seller/Landlord Date

Buyer/Tenant Date

[Signature] Charlie Hatter dotloop verified 06/11/19 2:46 PM EDT CDVO-HNV1-4WJU-NSCS Seller's/Landlord's Agent Date
Charlie Hatter

Buyer's/Tenant's Agent Date

REALTOR 10/17



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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 Charlie Hatter (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

Aug Muthigas 06/09/19 _____
 Signature (Date) Signature (Date)

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

Agent's Signature
Charlie Hatter

BALTIMORE COUNTY NOTICES AND DISCLOSURES ADDENDUM
(For use with Maryland Association of REALTORS® Residential Contract of Sale)

ADDENDUM NUMBER 1 **dated** May 14, 2019 **to CONTRACT OF SALE (the**
"Contract") dated _____

BUYER: _____

SELLER: Gregory S. Milligan, Receiver

PROPERTY: 1718 Greenspring Valley Rd, Stevenson, MD 21153-0642

1. MASTER PLAN: Buyer is hereby advised that the Property, or the area in which the Property is located, may be affected by provisions of the current Baltimore County Master Plan. You may wish to review the Master Plan. To become fully informed of current and future land use plans, facilities plans, public works plans or school plans, you should consult the appropriate Baltimore County agency for information regarding such plans. For further information, contact Baltimore County Office of Planning at 410-887-3211, 401 Bosley Avenue, Suite 406, Towson, Maryland, 21204.

Buyer acknowledges that Seller has informed Buyer that (a) the Property may be affected by provisions of the Master Plan and that Buyer may wish to review the Master Plan, and (b) in order to become fully informed of current and future land use plans, facilities plans, public works plans, school plans, or other plans affecting the Property or locality, Buyer should consult the appropriate state, Baltimore County or other authorities for information regarding such plans.

Buyer's Signature Daniel Joseph Miller and Lisa Moriam Miller or as assigns **S Signature** _____

dotloop verified
06/11/19 10:19 PM
EDT
AGB4-YREI-RMA6-NEZ

2. DEVELOPMENT PLAN: Buyer is hereby advised that the Property, or the area in which the Property is located, may be affected by the provisions of a development plan. To become fully informed of any current development plan affecting the Property, and in order to have an opportunity to review such development plan, Buyer should contact the appropriate Baltimore agency. For further information, contact Baltimore County Department of Permits and Development Management at 410-887-3353, 111 W. Chesapeake Avenue, Towson, Maryland, 21204.

3. PANHANDLE LOTS: Buyer is hereby advised that if the Property is a panhandle lot (as defined in Section 32-4-101 of the Baltimore County Code), the County is not responsible for maintaining the road, removing snow, or providing trash collection along the panhandle driveway. For further information, contact Baltimore County Department of Permits and Development Management at 410-887-3353, 111 W. Chesapeake Avenue, Towson, Maryland, 21204.

4. AGRICULTURAL OPERATIONS: If the Property is located in, or within five hundred feet (500') of an R.C. 4 zone, Buyer is hereby advised that the Property may be subject to inconvenience or discomforts arising from agricultural operations, including, but not limited to: operation of machinery of any kind (including aircraft) during any 24-hour period; the storage and disposal of manure; and the application by spraying or otherwise of chemical fertilizers, soil amendments, herbicides and pesticides. Baltimore County shall not consider an agricultural operation to be a public or private nuisance if the operation complies with all federal, state or county health and zoning requirements and is not being conducted in a negligent manner. For further information, contact Baltimore County Department of Permits & Development Management at 410-887-3353, 111 W. Chesapeake Avenue, Towson, Maryland, 21204.

5. BALTIMORE COUNTY TRANSFER TAX EXEMPTION FOR OWNER-OCCUPIED RESIDENTIAL PROPERTY: Buyer and Seller are hereby advised that the Baltimore County Transfer Tax does not apply to the first Twenty-Two Thousand Dollars (\$22,000.00) of consideration payable for residentially improved **owner-occupied** real property. Under Baltimore law, the Buyer will receive the full benefit of this exemption, unless the Seller pays all Baltimore County transfer taxes, in which case Seller will receive the benefit. **(initial)** _____ Seller agrees to pay all Baltimore County transfer taxes.

6. NOTICE TO BUYER - PRIVATE SEWER AND/OR WATER SUPPLY SYSTEM: Seller hereby discloses that the Property is X or is not _____ (Seller to initial applicable provision) served by a public sewer or water supply system and/or is _____ or is not X (Seller to initial applicable provision) equipped with a private sewer or water supply system.

PROPERTY 1718 Greenspring Valley Rd, Stevenson, MD 21153-0642

7. PUBLIC WATER OR SEWER FACILITIES; NOTICE TO BUYERS OF REAL ESTATE IN BALTIMORE COUNTY: The Property is subject to a fee or assessment charged under the authority granted to developer pursuant to Section 32-4-310 of the Baltimore County Code, which purports to cover or defray the cost of installing all or part of the public water or sewer facilities constructed by the developer of the subdivision known as _____. This fee or assessment is \$ _____, payable annually in the month of _____ to _____ (name and address) (hereinafter called "lienholder") until _____. There may be a right of prepayment or discount for early payment which may be ascertained by contacting the lienholder. The fee and assessment is a contractual obligation between the lienholder and each owner of the Property, that runs with the land, and is not in any way, a fee or assessment of Baltimore County.

8. NOTICE TO BUYER: PRIVATE WATER SUPPLY/WELL: (a) If the Property is served by, or intended to be serviced by, a private water supply, attach separate Baltimore County Well Water Notice and Addendum (GBBR form 1451).

(b) **ELEVATED LEVELS OF NATURALLY OCCURRING RADIUM:** Buyer is notified that Baltimore County Department of Environmental Protection and Resource Management has advised that, as a result of a water quality survey, elevated levels of naturally occurring radium and uranium have been found in some wells located in the Baltimore Gneiss formation. Properties serviced by public water are not impacted. Property Owners in the affected area will be required to test new and replacement wells and, if applicable, install a treatment system (water softener or reverse osmosis), prior to being granted a Certificate of Potability and putting the well into use. There are no regulations that require private owners of existing private wells to meet US EPA drinking water standards for radioactivity. Buyer of property served by private water supply will be provided with the brochure entitled "Radionuclides & Your Well Water: A Homeowner's Guide." For a copy of a general map of Baltimore County showing the potentially affected areas or for further information, Buyer should contact the Baltimore County Department of Environmental Protection and Resource Management at 410-887-2762.

Buyer to initial:

_____ If property is served by private water supply, Buyer acknowledges receipt of the brochure entitled "Radionuclides & Your Well Water: A Homeowner's Guide"

9. NOTICE TO BUYER - HOUSE REMOVED FROM FLOOD PLAINS: Seller hereby discloses to Buyer that the house, building or structure which is the subject of the Contract, _____ has or has not _____ (Seller to initial applicable provision) been removed from a 100-year flood plain located in Baltimore County.

10. HISTORIC OR LANDMARK PROPERTY: Seller hereby discloses to Buyer that the Property is _____ or is not _____ (Seller to initial applicable provision) located within a historic district under the Baltimore County Code or does _____ or does not _____ (Seller to initial applicable provision) appear on the Baltimore County preliminary landmarks list or final landmarks list. **Buyer acknowledges that if the Property is located within a historic district or appears on either the Baltimore County preliminary or final landmarks list, Buyer's use of the Property shall be subject to the provision of the Baltimore County Code. For further information, contact the Baltimore County Office of Planning at (410) 887-3211, 401 Bosley Avenue, Suite 406, Towson, Maryland 21204.**

11. RENTAL HOUSING LICENSE -BALTIMORE COUNTY:

- (A) In Baltimore County, all buildings or a portion of a building that contain one to six dwelling units intended or designated as rental units must register and be licensed with Baltimore County on or before January 1, 2009.
- (B) A person who owns and rents a dwelling unit or a portion of a dwelling unit without a license may be subject to the denial, suspension, revocation or non-renewal of the license and/or civil penalties of \$25 per day for each day a violation occurs and \$200 per day for each day a correction notice is not complied with, and there will be a \$1,000 fine for not complying with the Rental Registration Law.

PROPERTY 1718 Greenspring Valley Rd, Stevenson, MD 21153-0642

(C) In the event a rental dwelling located in Baltimore County is sold or a change of ownership of the dwelling occurs, the new property owner is required to notify the Baltimore County Department of Permits and Development Management of the change of ownership.

| | |
|--|---|
| <i>Daniel Joseph Miller and Lisa Meriam Miller or as assigns</i> | dotloop verified 06/11/19 10:19 PM EDT LOK-C-XHZP-8BMY-2716 |
|--|---|

BUYER

DATE

BUYER

DATE

Gregory S. Milligan
SELLER Gregory S. Milligan, Receiver

06/09/19

DATE

SELLER

DATE

This form has been prepared for the sole use of the following Boards/Associations of REALTORS® and their members. Each Board/Association, including its members and employees, assumes no responsibility if this form fails to protect the interests of any party.

Each party should seek its own legal, tax, and financial or other advice.

The Greater Baltimore Board of REALTORS®, Inc.
Carroll County Association of REALTORS®, Inc.

Harford County Association of REALTORS®, Inc.
Howard County Association of REALTORS®, Inc.

FORM 1600 (REV. 12/2008) ©2008 The Greater Baltimore Board of REALTORS®, Inc.



**IMPORTANT CONSUMER NOTICE REGARDING FRAUDULENT
BANK WIRING INSTRUCTIONS**

Recently there have been increased reports of a theft scheme that involves hackers stealing email addresses and sending fraudulent bank wiring instructions to various parties involved in a real estate transaction. Realtors, lawyers, title agents and buyers could be affected. The criminal scheme has many variations and this notice is not intended to describe each situation. As our customer, we want to alert you to the situation so that you can minimize the risk that you could be a victim.

We strongly recommend that **before** you wire any funds to any party (including your own lawyer, real estate broker or title agent whom you know to be involved in your transaction) that you **personally call** them to confirm the wire instructions (you should confirm the ABA routing number or SWIFT code and the credit account number). You should call them at a number that you have obtained on your own (e.g., the sales contract, their website, etc.) and should **not** use the phone number that is contained in any email – **even if the email appears to be from someone you know**. A common aspect of the scheme involves the criminal hacking the sender's email (unbeknownst to them) and sending you an email that looks like other legitimate emails you have received from that party. The email contains the criminal's wire instructions and may contain the criminal's phone number) and once your funds are wired by your bank to the criminal's account there may be no way to recover those funds.

We also strongly recommend that you, your lawyers and others working on a transaction, refrain from placing any sensitive personal and financial information in an email, directly or through an email attachment. When you need to share Social Security numbers, bank accounts, credit card numbers, wiring instructions or similar sensitive information, we strongly recommend using more secure means, such as providing the information in person, over the phone, or through secure mail or package services, whenever possible.

If you do think your money was sent to a hacker, your best chance to recover the money is to move quickly. You should immediately, call your bank and ask your bank to contact the bank where the fraudulent wire was sent. You should call your local Federal Bureau of Investigation (FBI) office – the FBI can work with other agencies and might be able to help return or freeze the funds. You should also file a complaint with the Internet Crime Complaint Center at bec.ic3.gov.

PLEASE EXERCISE CAUTION BEFORE WIRING FUNDS TO ANY PARTY

This Important Notice is not intended to provide legal advice. You should consult with a lawyer if you have any questions.



STATE OF MARYLAND
REAL ESTATE COMMISSION

Consent for Dual Agency

(In this form, the word "seller" includes "landlord"; "buyer" includes "tenant"; and "purchase" or "sale" includes "lease")

When Dual Agency May Occur

The possibility of Dual Agency arises when:

- 1) The buyer is interested in a property listed by a real estate broker; and
- 2) The seller's agent and the buyer's agent are affiliated with the same real estate broker.

Important Considerations Before Making a Decision About Dual Agency

A broker or broker's designee, acting as a dual agent does not exclusively represent either the seller or buyer; there may be a conflict of interest because the interests of the seller and buyer may be different or adverse. As a dual agent, the real estate broker does not owe undivided loyalty to either the seller or buyer.

Before the buyer and seller can proceed to be represented by a broker acting as a dual agent, they must both sign Consent for Dual Agency. If the buyer has previously signed Consent for Dual Agency, the buyer must **affirm** the buyer's consent for the purchase of a particular property before an offer to purchase is presented to the seller. If the seller has previously signed Consent for Dual Agency, the seller must **affirm** the seller's consent for the sale of the property to a particular buyer before accepting an offer to purchase the property. The **affirmation** is contained on Page 2 of this form.

Your Choices Concerning Dual Agency

In a possible dual agency situation, the buyer and seller have the following options:

1. **Consent in writing to dual agency.** If all parties consent in writing, the real estate broker or the broker's designee (the "dual agent") shall assign one real estate agent affiliated with the broker to represent the seller (the seller's "intra-company agent") and another agent affiliated with the broker 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 strategy.
2. **Refuse to consent to dual agency.** If either party refuses to consent in writing to dual agency, the real estate broker must terminate the brokerage relationship for that particular property with the buyer, the 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 another real estate company. If the buyer's agreement is terminated, 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. Alternatively, the buyer may choose to enter into a written buyer agency agreement with a different broker/company.

Duties of a Dual Agent and Intra-Company Agent

Like other agents, unless the client gives consent to disclose the information, dual agents and intra-company agents must keep confidential information about a client's bargaining position or motivations. For example, without written consent of the client, a dual agent or intra-company agent may not disclose to the other party, or the other party's agent:

- 1) Anything the client asks to be kept confidential; *
- 2) That the seller would accept a lower price or other terms;
- 3) That the buyer would accept a higher price or other terms;
- 4) The reasons why a party wants to sell or buy, or that a party needs to sell or buy quickly; or
- 5) Anything that relates to the negotiating strategy of a party.

*** Dual agents and intra-company agents must disclose material facts about a property to all parties.**

How Dual Agents Are Paid

Only the broker receives compensation on the sale of a property listed by that broker.

If a financial bonus is offered to an agent who sells property that is listed with his/her broker, this fact must be disclosed in writing to both the buyer and seller.

Consent for Dual Agency

I have read the above information, and I understand the terms of the dual agency. I understand that I do not have to consent to a dual agency and that if I **refuse** to consent, there will not be a dual agency; and that I may withdraw the consent at any time upon notice to the dual agent. I hereby **consent** to have

Monument Sotheby's International Realty act as a Dual Agent for me as the
(Firm Name)

Seller in the sale of the property at: 1718 Greenspring Valley Rd, Stevenson, MD 21153-0642
 Buyer in the purchase of a property listed for sale with the above-referenced broker.

Signature _____ Date _____ Signature _____ Date _____

AFFIRMATION OF PRIOR CONSENT TO DUAL AGENCY

- The undersigned **Buyer(s)** hereby affirm(s) consent to dual agency for the following property:

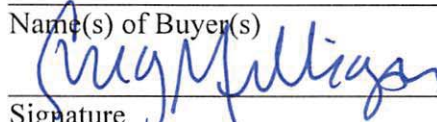
1718 Greenspring Valley Rd, Stevenson, MD 21153-0642

Property Address

| | | | |
|---|--|-----------|-------|
| <i>Daniel Joseph Miller and Lisa Mariani Miller or as assigns</i> | dotloop verified 06/11/19 10:19 PM EDT KKKU-KYG7-B42I-DBCT | _____ | _____ |
| Signature | Date | Signature | Date |

- The undersigned **Seller(s)** hereby affirm(s) consent to dual agency for the Buyer(s) identified below:

Name(s) of Buyer(s) _____

| | | | |
|---|-----------------|-----------|-------|
|  | <u>06/09/19</u> | _____ | _____ |
| Signature | Date | Signature | Date |

Gregory S. Milligan, Receiver

MARYLAND RESIDENTIAL PROPERTY DISCLOSURE AND DISCLAIMER STATEMENT

Property Address: _____

Legal Description: _____

NOTICE TO SELLER AND PURCHASER

Section 10-702 of the Real Property Article, Annotated Code of Maryland, requires the seller of certain residential real property to furnish to the purchaser either (a) a RESIDENTIAL PROPERTY DISCLAIMER STATEMENT stating that the seller is selling the property "as is" and makes no representations or warranties as to the condition of the property or any improvements on the real property, except as otherwise provided in the contract of sale, or in a listing of latent defects; or (b) a RESIDENTIAL PROPERTY DISCLOSURE STATEMENT disclosing defects or other information about the condition of the real property actually known by the seller. Certain transfers of residential property are excluded from this requirement (see the exemptions listed below).

10-702. EXEMPTIONS. The following are specifically excluded from the provisions of §10-702:

- 1. The initial sale of single family residential real property:
A. that has never been occupied; or
B. for which a certificate of occupancy has been issued within 1 year before the seller and buyer enter into a contract of sale;
2. A transfer that is exempt from the transfer tax under §13-207 of the Tax-Property Article, except land installment contracts of sales under §13-207(a) (11) of the Tax-Property Article and options to purchase real property under §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 use other than residential use or to be demolished; or
7. A sale of unimproved real property.

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.

MARYLAND RESIDENTIAL PROPERTY DISCLOSURE STATEMENT

NOTICE TO SELLERS: Complete and sign this statement only if you elect to disclose defects, including latent defects, or other information about the condition of the property actually known by you; otherwise, sign the Residential Property Disclaimer Statement. You may wish to obtain professional advice or inspections of the property; however, you are not required to undertake or provide any independent investigation or inspection of the property in order to make the disclosure set forth below. The disclosure is based on your personal knowledge of the condition of the property at the time of the signing of this statement.

NOTICE TO PURCHASERS: The information provided is the representation of the Sellers and is based upon the actual knowledge of Sellers as of the date noted. Disclosure by the Sellers is not a substitute for an inspection by an independent home inspection company, and you may wish to obtain such an inspection. The information contained in this statement is not a warranty by the Sellers as to the condition of the property of which the Sellers have no knowledge or other conditions of which the Sellers have no actual knowledge.

How long have you owned the property? _____

Property System: Water, Sewage, Heating & Air Conditioning (Answer all that apply)

Water Supply [] Public [] Well [] Other _____
Sewage Disposal [] Public [] Septic System approved for _____ (# bedrooms) Other Type _____

Garbage Disposal [] Yes [] No
Dishwasher [] Yes [] No
Heating [] Oil [] Natural Gas [] Electric [] Heat Pump Age _____ [] Other _____
Air Conditioning [] Oil [] Natural Gas [] Electric [] Heat Pump Age _____ [] Other _____
Hot Water [] Oil [] Natural Gas [] Electric Capacity _____ Age _____ [] Other _____

Please indicate your actual knowledge with respect to the following:

1. Foundation: Any settlement or other problems? Yes No Unknown

Comments: _____

2. Basement: Any leaks or evidence of moisture? Yes No Unknown Does Not Apply

Comments: _____

3. Roof: Any leaks or evidence of moisture? Yes No Unknown

Type of Roof: _____ Age _____

Comments: _____

Is there any existing fire retardant treated plywood? Yes No Unknown

Comments: _____

4. Other Structural Systems, including exterior walls and floors:

Comments: _____

Any defects (structural or otherwise)? Yes No Unknown

Comments: _____

5. Plumbing system: Is the system in operating condition? Yes No Unknown

Comments: _____

6. Heating Systems: Is heat supplied to all finished rooms? Yes No Unknown

Comments: _____

Is the system in operating condition? Yes No Unknown

Comments: _____

7. Air Conditioning System: Is cooling supplied to all finished rooms? Yes No Unknown Does Not Apply

Comments: _____

Is the system in operating condition? Yes No Unknown Does Not Apply

Comments: _____

8. Electric Systems: Are there any problems with electrical fuses, circuit breakers, outlets or wiring?

Yes No Unknown

Comments: _____

8A. Will the smoke alarms provide an alarm in the event of a power outage? Yes No

Are the smoke alarms over 10 years old? Yes No

If the smoke alarms are battery operated, are they sealed, tamper resistant units incorporating a silence/hush button, which use long-life batteries as required in all Maryland Homes by 2018? Yes No

Comments: _____

9. Septic Systems: Is the septic system functioning properly? Yes No Unknown Does Not Apply

When was the system last pumped? Date _____ Unknown

Comments: _____

10. Water Supply: Any problem with water supply? Yes No Unknown

Comments: _____

Home water treatment system: Yes No Unknown

Comments: _____

Fire sprinkler system: Yes No Unknown Does Not Apply

Comments: _____

Are the systems in operating condition? Yes No Unknown

Comments: _____

11. Insulation:

In exterior walls? Yes No Unknown

In ceiling/attic? Yes No Unknown

In any other areas? Yes No Where? _____

Comments: _____

12. Exterior Drainage: Does water stand on the property for more than 24 hours after a heavy rain?

Yes No Unknown

Comments: _____

Are gutters and downspouts in good repair? Yes No Unknown

Comments: _____

13. Wood-destroying insects: Any infestation and/or prior damage? Yes No Unknown

Comments: _____

Any treatments or repairs? Yes No Unknown

Any warranties? Yes No Unknown

Comments: _____

14. Are there any hazardous or regulated materials (including, but not limited to, licensed landfills, asbestos, radon gas, lead-based paint, underground storage tanks, or other contamination) on the property?

Yes No Unknown

If yes, specify below

Comments: _____

15. If the property relies on the combustion of a fossil fuel for heat, ventilation, hot water, or clothes dryer operation, is a carbon monoxide alarm installed in the property?

Yes No Unknown

Comments: _____

16. Are there any zoning violations, nonconforming uses, violation of building restrictions or setback requirements or any recorded or unrecorded easement, except for utilities, on or affecting the property?

Yes No Unknown

If yes, specify below

Comments: _____

16A. If you or a contractor have made improvements to the property, were the required permits pulled from the county or local permitting office? Yes No Does Not Apply Unknown

Comments: _____

17. Is the property located in a flood zone, conservation area, wetland area, Chesapeake Bay critical area or Designated Historic District? Yes No Unknown If yes, specify below

Comments: _____

18. Is the property subject to any restriction imposed by a Home Owners Association or any other type of community association? Yes No Unknown If yes, specify below

Comments: _____

19. Are there any other material defects, including latent defects, affecting the physical condition of the property? Yes No Unknown

Comments: _____

NOTE: Seller(s) may wish to disclose the condition of other buildings on the property on a separate RESIDENTIAL PROPERTY DISCLOSURE STATEMENT.

The seller(s) acknowledge having carefully examined this statement, including any comments, and verify that it is complete and accurate as of the date signed. The seller(s) further acknowledge that they have been informed of their rights and obligations under §10-702 of the Maryland Real Property Article.

Seller(s) _____ Date _____

Seller(s) _____ Date _____

The purchaser(s) acknowledge receipt of a copy of this disclosure 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 _____

Purchaser _____ Date _____

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 seller(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:

PROPERTY IS EXEMPT

Seller *August Vollgens* Date 06/09/19

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 *Daniel Joseph Miller and Lu Meriam Miller or as assigns* dotloop verified
06/11/19 10:19 PM EDT
NMAB-R78J-JMTA-LY8X Date _____

Purchaser _____ Date _____

Case 1:18-cv-02844-RDB Document 164-2 Filed 07/19/19 Page 49 of 49
AMENDMENT/ADDENDUM

ADDENDUM NUMBER 1B to CONTRACT OF SALE/ LEASE 6/20/2019

BUYER(S)/TENANT(S): Daniel Miller and Lia Miriam Miller or as assigns

SELLER(S)/LANDLORD(S): Gregory S. Milligan, Receiver

PROPERTY: 1718 Greenspring Valley Rd, Stevenson, Baltimore County, 21153

For valuable consideration, receipt of which is hereby acknowledged, we, the undersigned parties hereby agree as follows; Buyer agrees to remove all contingencies and inspections for the transaction of the above-referenced property. Seller agrees to credit Buyer \$50,000 at time of settlement. Buyer and Seller agree to equally split the recordation and transfer taxes at time of settlement. Settlement shall occur on September 20, 2019.

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

Daniel Joseph Miller and Lia Miriam Miller or as assigns dotloop verified
07/16/19 7:55 AM EDT
R7X7-FDT0-MTF9-DCFG

Buyer/Tenant Date

Buyer/Tenant Date

Greg Milligan July 16, 2019

Seller/Landlord Date

Seller/Landlord Date



EXHIBIT 2

Case 1:18-cv-02844-RDB Document 164-3 Filed 07/19/19 Page 2 of 31

| | | | |
|------------------|----------------------------|----------|----------------------------|
| Borrower | No Borrower | File No. | 1718 Greenspring Valley Rd |
| Property Address | 1718 Greenspring Valley Rd | | |
| City | Stevenson | County | Baltimore |
| | | State | MD |
| | | Zip Code | 21153 |
| Lender/Client | Harney Partners | | |

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| <p>FROM:</p> <p>Classic Appraisal Services 39 English Run Circle Sparks Glencoe, MD 21152 classicappraisals@comcast.net Telephone Number: 410.937.3902 Fax Number: 410.472.6935</p> | <h2 style="margin: 0;">INVOICE</h2> <table border="1" style="width: 100%; border-collapse: collapse; margin: 5px 0;"> <tr><th style="background-color: #cccccc;">INVOICE NUMBER</th></tr> <tr><td style="text-align: center;">1718 Greenspring Valley Rd</td></tr> <tr><th style="background-color: #cccccc;">DATE</th></tr> <tr><td style="text-align: center;">05/30/2019</td></tr> <tr><th style="background-color: #cccccc;">REFERENCE</th></tr> <tr><td>Internal Order #: 1718 Greenspring Valley Rd</td></tr> <tr><td>Lender Case #:</td></tr> <tr><td>Client File #:</td></tr> <tr><td>Main File # on form: 1718 Greenspring Valley Rd</td></tr> <tr><td>Other File # on form:</td></tr> <tr><td>Federal Tax ID: 56-2582175</td></tr> <tr><td>Employer ID:</td></tr> </table> | INVOICE NUMBER | 1718 Greenspring Valley Rd | DATE | 05/30/2019 | REFERENCE | Internal Order #: 1718 Greenspring Valley Rd | Lender Case #: | Client File #: | Main File # on form: 1718 Greenspring Valley Rd | Other File # on form: | Federal Tax ID: 56-2582175 | Employer ID: |
|--|--|----------------|----------------------------|------|------------|-----------|--|----------------|----------------|---|-----------------------|----------------------------|--------------|
| INVOICE NUMBER | | | | | | | | | | | | | |
| 1718 Greenspring Valley Rd | | | | | | | | | | | | | |
| DATE | | | | | | | | | | | | | |
| 05/30/2019 | | | | | | | | | | | | | |
| REFERENCE | | | | | | | | | | | | | |
| Internal Order #: 1718 Greenspring Valley Rd | | | | | | | | | | | | | |
| Lender Case #: | | | | | | | | | | | | | |
| Client File #: | | | | | | | | | | | | | |
| Main File # on form: 1718 Greenspring Valley Rd | | | | | | | | | | | | | |
| Other File # on form: | | | | | | | | | | | | | |
| Federal Tax ID: 56-2582175 | | | | | | | | | | | | | |
| Employer ID: | | | | | | | | | | | | | |
| <p>TO:</p> <p>Harney Partners P.O. Box 90099 Austin, TX 78709-0099</p> <p>Telephone Number: (512) 626-1818 Fax Number: Alternate Number: E-Mail: gmilligan@harneypartners.com</p> | | | | | | | | | | | | | |
| DESCRIPTION | | | | | | | | | | | | | |
| <p>Lender: Harney Partners Client: Harney Partners Purchaser/Borrower: No Borrower Property Address: 1718 Greenspring Valley Rd City: Stevenson State: MD Zip: 21153 County: Baltimore Legal Description: Map 59, Grid 16, Parcel 456, Lot 1</p> | | | | | | | | | | | | | |
| FEES | | | | | | | | | | | | | |
| | AMOUNT | | | | | | | | | | | | |
| Amount due for report | 1,000.00 | | | | | | | | | | | | |
| SUBTOTAL | 1,000.00 | | | | | | | | | | | | |
| PAYMENTS | | | | | | | | | | | | | |
| | AMOUNT | | | | | | | | | | | | |
| Check #: Date: Description: | | | | | | | | | | | | | |
| Check #: Date: Description: | | | | | | | | | | | | | |
| Check #: Date: Description: | | | | | | | | | | | | | |
| SUBTOTAL | 0.00 | | | | | | | | | | | | |
| TOTAL DUE | \$ 1,000.00 | | | | | | | | | | | | |

RESIDENTIAL APPRAISAL REPORT

Case 1:18-cv-02847-RDB Document 61-3 Filed 07/19/19 Page 2 of 2
1718 Greenspring Valley Rd Stevenson MD 21153

SUBJECT

County: **Baltimore** Legal Description: **Map 59, Grid 16, Parcel 456, Lot 1**
 Assessor's Parcel #: **04032200022418**

Tax Year: **2019** R.E. Taxes: \$ **17,438** Special Assessments: \$ **0** Borrower (if applicable): **No Borrower**

Current Owner of Record: **Kevin B Merrill** Occupant: Owner Tenant Vacant Manufactured Housing

Project Type: PUD Condominium Cooperative Other (describe) HOA: \$ _____ per year per month

Market Area Name: **Stevenson** Map Reference: **BC25H02** Census Tract: **4038.01**

ASSIGNMENT

The purpose of this appraisal is to develop an opinion of: Market Value (as defined), or other type of value (describe)

This report reflects the following value (if not Current, see comments): Current (the Inspection Date is the Effective Date) Retrospective Prospective

Approaches developed for this appraisal: Sales Comparison Approach Cost Approach Income Approach (See Reconciliation Comments and Scope of Work)

Property Rights Appraised: Fee Simple Leasehold Leased Fee Other (describe)

Intended Use: **The intended use is to assist in establishing a list price.**

Intended User(s) (by name or type): **Harney Partners, Monument Sotheby's International Realty and/or Assigns**

Client: **Harney Partners** Address: **P.O. Box 90099, Austin, TX 78709-0099**

Appraiser: **Jordan May** Address: **39 English Run Circle, Sparks, MD 21152**

MARKET AREA DESCRIPTION

| | | | | | | | |
|---|---|------------------|-----------|------------------|--|--------------------|--|
| Location: <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural | Predominant Occupancy | One-Unit Housing | | Present Land Use | | Change in Land Use | |
| Built up: <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25% | | PRICE (\$000) | AGE (yrs) | One-Unit 85% | <input type="checkbox"/> Not Likely | | |
| Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow | <input checked="" type="checkbox"/> Owner 98 | 250 | Low 0 | 2-4 Unit 0% | <input checked="" type="checkbox"/> Likely * <input type="checkbox"/> In Process * | | |
| Property values: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining | <input checked="" type="checkbox"/> Tenant 2 | 4,200 | High 218 | Multi-Unit 1% | * To: Residential | | |
| Demand/supply: <input type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input checked="" type="checkbox"/> Over Supply | <input checked="" type="checkbox"/> Vacant (0-5%) | 651 | Pred 44 | Comm'l 4% | | | |
| Marketing time: <input checked="" type="checkbox"/> Under 3 Mos. <input type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos. | <input type="checkbox"/> Vacant (>5%) | | | Other 10% | | | |

Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends): **The subject is bound by Greenspring Ave to the north and to the east, Hillside Rd to the south and Park Heights Ave to the west. The market area extends beyond throughout central and north Baltimore County. The area offers a mix of detached single family homes, pocket neighborhoods, historic properties, farms and some light commercial use along the major roads. Other land use includes parks, schools, places of worship, farms and Stevenson University. There is a wide range of value for homes in the area. Market conditions are favorable due to low interest rates and the number of homes available. When appropriately priced, market time is typically under 100 days for the average property, but considerably longer for \$900,000+ properties. Based on a review of the market, there is a balance of lower priced homes, but an over supply of \$900,000+ homes which has increased their marketing times. Prices of larger higher end homes are stable. Multiple financing options are available.**

SITE DESCRIPTION

Dimensions: **357,192 sf** Site Area: **8.2 ac**

Zoning Classification: **RC@** Description: **Residential**

Zoning Compliance: Legal Legal nonconforming (grandfathered) Illegal No zoning

Are CC&Rs applicable? Yes No Unknown Have the documents been reviewed? Yes No Ground Rent (if applicable) \$ _____ / _____

Highest & Best Use as improved: Present use, or Other use (explain) _____

Actual Use as of Effective Date: **Single Family Residential Dwelling** Use as appraised in this report: **Single Family Residential Dwelling**

Summary of Highest & Best Use: **The immediate market area offers a variety of land and residential uses. The subject's current use as a residential property appears to be the highest and best use.**

| Utilities | Public | Other | Provider/Description | Off-site Improvements | Type | Public | Private | Topography |
|----------------|-------------------------------------|-------------------------------------|-----------------------|-----------------------|----------------|-------------------------------------|--------------------------|---------------------|
| Electricity | <input checked="" type="checkbox"/> | <input type="checkbox"/> | BGE | Street | Macadam | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Rolling |
| Gas | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Propane | Curb/Gutter | None | <input type="checkbox"/> | <input type="checkbox"/> | Typical |
| Water | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Private Well | Sidewalk | None | <input type="checkbox"/> | <input type="checkbox"/> | Irregular |
| Sanitary Sewer | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Private Septic | Street Lights | Some | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Appears Good |
| Storm Sewer | <input type="checkbox"/> | <input type="checkbox"/> | None | Alley | None | <input type="checkbox"/> | <input type="checkbox"/> | Pastoral |

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 # **2400100240F** FEMA Map Date **9/26/2008**

Site Comments: **At the time of this inspection, the appraiser noted no adverse site conditions, environmental conditions or adverse external factors within the subject's immediate vicinity.**

DESCRIPTION OF THE IMPROVEMENTS

| | | | | |
|---|-------------------------------------|--|-------------------------------|-----------------------|
| General Description | Exterior Description | Foundation | Basement | Heating |
| # of Units: 1 <input type="checkbox"/> Acc. Unit | Foundation: Stone | Slab: 0% | Area Sq. Ft.: 4,382 | Type: FHA |
| # of Stories: 3 | Exterior Walls: Concr/Stucco | Crawl Space: 0% | % Finished: 0 | Fuel: Gas/Elec |
| Type: <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> _____ | Roof Surface: Slate | Basement: 100% | Ceiling: Joists | |
| Design (Style): Colonial | Gutters & Dwnspts.: Copper | Sump Pump: <input checked="" type="checkbox"/> | Walls: Stone/Ply | Cooling |
| <input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Und.Cons. | Window Type: Double Hung | Dampness: <input type="checkbox"/> | Floor: Concrete | Central: CAC |
| Actual Age (Yrs.): 119 | Storm/Screens: Yes | Settlement: None Noted | Outside Entry: Walk up | Other: _____ |
| Effective Age (Yrs.): N/A | | Infestation: None Noted | | |

| | | | | |
|------------------------------|--|--|--------------------------|-------------------------------------|
| Interior Description | Appliances | Attic | Amenities | Car Storage |
| Floors: Hardwood | Refrigerator: <input type="checkbox"/> | Stairs: <input type="checkbox"/> | Fireplace(s) #: 7 | Woodstove(s) #: 0 |
| Walls: Drywall | Range/Oven: <input type="checkbox"/> | Drop Stair: <input type="checkbox"/> | Patio: None | Garage # of cars: (10 Tot.) |
| Trim/Finish: Wood | Disposal: <input type="checkbox"/> | Scuttle: <input checked="" type="checkbox"/> | Deck: None | Attach. _____ |
| Bath Floor: Marble | Dishwasher: <input type="checkbox"/> | Doorway: <input type="checkbox"/> | Porch: 2 Cvd | Detach. _____ |
| Bath Wainscot: Marble | Fan/Hood: <input type="checkbox"/> | Floor: <input type="checkbox"/> | Fence: None | Bit-In _____ |
| Doors: Wood | Microwave: <input type="checkbox"/> | Heated: <input type="checkbox"/> | Pool: None | Carport _____ |
| | Washer/Dryer: <input type="checkbox"/> | Finished: <input type="checkbox"/> | Other: None | Driveway: 10 |
| | | | | Surface: Macadam |

Finished area above grade contains: **12** Rooms **6** Bedrooms **7.2** Bath(s) **10,855** Square Feet of Gross Living Area Above Grade

Additional features: **3 Story colonial approximately 70% renovated with: replaced systems, windows, doors and baths, restored original and some new trim, elevator, and other improvements. The renovation is unfinished and the house is not presently habitable.**

Describe the condition of the property (including physical, functional and external obsolescence): **The subject property is not presently habitable since the renovation is incomplete. The third floor is mostly completed, the second floor appears to be approximately 65% completed, but the first floor appears to be approximately 50% completed and the basement is unfinished. The porches, breezeway and garage are less than half completed. The agent stated that the contractor estimate to complete the renovation to present standards would be over \$1,000,000. The electric was on, but the water was turned off. The appraisal is using an extraordinary assumption that once the water is turned on, all related systems and fixtures will operate without need of repair. The quality of construction is typical for the area, but the quality of the renovation underway is well above average.**



RESIDENTIAL APPRAISAL REPORT

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.

| | | | | |
|------------------|----------------------------------|-------------|---|--|
| TRANSFER HISTORY | Data Source(s): MRIS, Tax Record | | Analysis of sale/transfer history and/or any current agreement of sale/listing: None | |
| | 1st Prior Subject Sale/Transfer | | | |
| | Date: | 01/20/2017 | | |
| | Price: | \$1,545,000 | | |
| | Source(s): Tax Record | | | |
| | 2nd Prior Subject Sale/Transfer | | | |
| | Date: | | | |
| | Price: | | | |
| | Source(s): | | | |

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 | 1718 Greenspring Valley Rd Stevenson, MD 21153 | 3519 Englemeade Rd Baltimore, MD 21208 | | | 10510 Burnside Farm Rd Owings Mills, MD 21117 | | | 3 Anton North Way Baltimore, MD 21208 | | |
| Proximity to Subject | | 1.22 miles SW | | | 1.52 miles SW | | | 1.79 miles SW | | |
| Sale Price | \$ 0 | \$ 1,325,000 | | | \$ 1,800,000 | | | \$ 3,100,000 | | |
| Sale Price/GLA | \$ 200.79 /sq.ft. | \$ 146.77 /sq.ft. | | | \$ 197.43 /sq.ft. | | | \$ 255.82 /sq.ft. | | |
| Data Source(s) | Interior | MLS 1001956396 | | | MLS 1000158278 | | | MLS MDDB432068 | | |
| Verification Source(s) | Inspection | Agent, Tax Record | | | Agent, Tax Recds | | | Agent, Tax Record | | |
| VALUE ADJUSTMENTS | DESCRIPTION | DESCRIPTION | | | DESCRIPTION | | | DESCRIPTION | | |
| | | +(-) \$ Adjust. | | | +(-) \$ Adjust. | | | +(-) \$ Adjust. | | |
| Sales or Financing | N/A | Conv DOM 338 | | | Cash DOM 211 | | | Cash DOM 1 | | |
| Concessions | N/A | \$0 | | | \$0 | | | \$0 | | |
| Date of Sale/Time | Not a sale | 05/31/2019 | | | 02/15/2019 | | | 02/16/2019 | | |
| Rights Appraised | Fee Simple | Fee Simple | | | Fee Simple | | | Fee Simple | | |
| Location | Stevenson | Anton | | | Owings Mills | | | Anton North | | |
| Site | 8.2 ac | 5.48 ac +27,200 | | | 24.9 acres -167,000 | | | 1.85 ac +63,500 | | |
| View | Pastoral | Residential | | | Pastoral | | | Residential | | |
| Design (Style) | Colonial | Colonial | | | Colonial | | | Colonial | | |
| Quality of Construction | Average | Average | | | Average | | | Average | | |
| Age | 119 | 83 | | | 0 159 | | | 16 | | |
| Condition | Unfinished | Average/Good -132,500 | | | Average/Good -180,000 | | | Good -620,000 | | |
| Above Grade | Total Bdrms Baths | Total Bdrms Baths | | | Total Bdrms Baths | | | Total Bdrms Baths | | |
| Room Count | 12 6 7.2 | 13 6 4.2 | | | 12 6 6.1 | | | 12 5 5.2 | | |
| Gross Living Area | 10,855 sq.ft. | 9,028 sq.ft. +91,400 | | | 9,117 sq.ft. +86,900 | | | 12,118 sq.ft. -63,200 | | |
| Basement & Finished | Full | Full | | | Full | | | Full | | |
| Rooms Below Grade | Unimproved | 2 Rms,1HBth -25,000 | | | Unimproved | | | 5 Rms,2Full/1HBth -100,000 | | |
| Functional Utility | Average | Average | | | Average | | | Average | | |
| Heating/Cooling | FHA/CAC | FHA/CAC | | | HWBB/FHA/CAC 0 | | | FHA/CAC | | |
| Energy Efficient Items | Insul Windows | Insul Windows | | | Insul Windows | | | Insul Windows | | |
| Garage/Carport | Framed Garage | 8 Car Garage -80,000 | | | 2 Car Garage -20,000 | | | 3 Car Garage -30,000 | | |
| Porch/Patio/Deck | 2 Porches | Patios +10,000 | | | Porches, Patios -20,000 | | | Porches, Patios -20,000 | | |
| Fireplaces | 7 F.P. Unfinished | 5 Fireplaces +4,000 | | | 9 Fireplaces -4,000 | | | 7 Fireplaces 0 | | |
| Exterior, Other | None | None | | | Pool -50,000 | | | Pool, PI House, Ext -100,000 | | |
| Other | Elevator | None +25,000 | | | None +25,000 | | | Elevator | | |
| Net Adjustment (Total) | | <input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -55,900 | | | <input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -317,100 | | | <input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -853,700 | | |
| Adjusted Sale Price of Comparables | | 4.2 \$ 1,269,100 | | | 17.6 \$ 1,482,900 | | | 27.5 \$ 2,246,300 | | |
| | | 31.6 | | | 31.4 | | | 32.7 | | |

Summary of Sales Comparison Approach **See the attached addendum**

| | |
|---|-----------|
| Indicated Value by Sales Comparison Approach \$ | 1,475,000 |
|---|-----------|



RESIDENTIAL APPRAISAL REPORT

Case No. 0284411-3 Document 61-3 Filed 07/19/19 File No. 1748 Greenspring Valley Rd Page 6 of 31

| | | |
|--|--|--|
| 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 | |
| | Source of cost data: | OPINION OF SITE VALUE -----=\$ 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. @ \$ -----=\$ |
| | 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 -----=\$ | | |
| 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 \$ _____ X Gross Rent Multiplier _____ = \$ _____ Indicated Value by Income Approach | |
| Summary of Income Approach (including support for market rent and GRM): | | |
| 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 \$ 1,475,000 Cost Approach (if developed) \$ _____ Income Approach (if developed) \$ _____ | |
| | Final Reconciliation The Income and Cost Approaches were not developed because neither provides an accurate indication of market value. All consideration is given to the Sales Comparison Approach as it most accurately reflects buyers' and sellers' actions in the market. | |
| | 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: _____ | |
| | <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: \$ 1,475,000, as of: 05/31/2019, 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. | | |
| ATTACHMENTS | A true and complete copy of this report contains 30 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. | |
| | Attached Exhibits: <input 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"/> Sketch Addendum <input checked="" type="checkbox"/> Map Addenda <input checked="" type="checkbox"/> Additional Sales <input type="checkbox"/> Cost Addendum <input type="checkbox"/> Flood Addendum <input type="checkbox"/> Manuf. House Addendum <input type="checkbox"/> Hypothetical Conditions <input type="checkbox"/> Extraordinary Assumptions <input checked="" type="checkbox"/> Invoice <input checked="" type="checkbox"/> Appraiser License <input type="checkbox"/> E&O | |
| SIGNATURES | Client Contact: Greg Milligan Client Name: Harney Partners | |
| | E-Mail: gmilligan@harneypartners.com Address: P.O. Box 90099, Austin, TX 78709-0099 | |
| | APPRAISER _____ SUPERVISORY APPRAISER (if required) _____ or CO-APPRAISER (if applicable) _____ | |
| | Appraiser Name:  Jordan May Company: Classic Appraisal Services Phone: 410-937-3902 Fax: (410) 472-6935 E-Mail: classicappraisals@comcast.net Date of Report (Signature): 05/30/2019 License or Certification #: 30011596 State: MD Designation: Certified Residential Appraiser Expiration Date of License or Certification: 12/27/2019 Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: 05/31/2019 | |



Supplemental Addendum

File No. 1718 Greenspring Valley Rd

| | | | | | | | |
|------------------|----------------------------|--------|-----------|-------|----|----------|-------|
| Borrower | No Borrower | | | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | | | |
| City | Stevenson | County | Baltimore | State | MD | Zip Code | 21153 |
| Lender/Client | Harney Partners | | | | | | |

PURPOSE AND FUNCTION:

The Intended Use is to evaluate the fair market value of the subject property as of the inspection date to assist in determining fair market value to assist with a list price, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional intended Users are identified by the appraiser.

This appraisal report has been prepared for the exclusive benefit of the clients mentioned. It may not be used or relied upon by any other party. Any party which uses or relies upon any information in this report, without the preparer's written consent, does so at their own risk.

SCOPE OF THE APPRAISAL:

The scope of an appraisal is the extend of the process collecting, confirming and reporting of data. This is woven throughout the appraisal report since the process follows FNMA's and other secondary market guidelines. Data was collected from a variety of sources. As explained on the URAR form and it's addendum, data was obtained from the applicable multiple listing service, Marshall Cost Service, our files, inspections, public records, agents, buyers, sellers and other sources believed reliable. FEMA maps, Census maps, tax maps, Street maps among other sources provided additional data.

The data was used to develop the appropriate and meaningful approaches to value. The form summarizes the process and conclusion of value for each of the approaches and a final estimate of market value. Other pertinent information about the extent of the process of collecting, confirming and reporting is located on the main form and it's addendum.

This is an Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniformed Standards of Professional Appraisal Practice. As such, it presents only summary discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation that is not provided with the appraisal report is retained in the appraiser's file.

To develop the opinion of value, the appraiser preformed a complete appraisal process, as defined by USPAP. Therefore, no departures from Standard I were invoked.

APPRAISER LIABILITY:

Utilizing his best efforts, the information presented in this appraisal report is believed to be reliable by the appraiser. The inspection process is subjective and verification of all available or known data has been done to the appraiser's best effort. In addition, the extend of information provided in this report is specific to the stated intended use and is solely for the intended user. No representations, guarantees, or warranties, expressed or implied are given by the appraiser(s), the appraisal firm, or their representatives. Unless agreed to otherwise in writing, the liability of the appraiser(s), the appraisal firm, or their representatives for any deficiencies in the appraisal report or resulting damages is limited to the fee charged to the lender/client by the appraiser(s), the appraisal firm, or their representatives or One Thousand Dollars (\$1,000.00), whichever is less. Further, the appraiser(s), the appraisal firm, or their representatives assumes no liability for any costs incurred to discover or correct any deficiencies present in the property, environmental, structural, mechanical, or otherwise, or reported in the appraisal report. Any claims for consequential, punitive, exemplary or extra-contractual damages are waived.

DEFINITION OF MARKET VALUE:

The definition of market value as defined in the FNMA forms, and that is determined in an appraisal assignment, states the following:

The most probable price which a property should bring in a competitive an 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 her 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.

SALES COMPARISON COMMENTS:

A thorough search for active, pending and settled comparable sales was made in an attempt to find sales which "bracket" the subject in price, size, lot size, age, condition and amenities. After consideration of locations, dates of sale and physical differences, the comparable sales included are considered the best indicators of the subject's market value although they may not "bracket" in all categories.

Comparable sales one through four are settled and comparable five is an active listing included for size, location and acreage. This comparable does have a full guest house and separate Carriage house garage/apartment which were adjusted by \$125,000 each. This adjustment is far less than cost, since in this case, it is intended to reflect the market's reaction to the amenities rather than cost.

Due to the lack of recent or proximate comparable sales, the appraiser also included comparable sales that are located over 1 mile from the subject, however, all are still within the same greater market area.

The typical sale in this market place is of a well maintained, updated or remodeled house. There are few to none larger properties that sell mid-renovation. Therefore, the appraiser went back in time over size months and over 1 year in the case of comparable three. However, values of similar properties are stable, so time adjustments were not warranted.

Supplemental Addendum

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Lot sizes were adjusted by \$10,000 per acre.

The subject and comparable sales vary in chronologic age, but they are considered to have comparable effective ages to the subject due to the updating each has received over the years. Therefore, no adjustments were made.

The subject and comparable sales vary in design, but they all offer similar functional utility and are considered comparable. Where the market recognizes a design difference, an adjustment was made.

Gross living areas shown for the comparable sales are estimated based on the information from the multiple list service, Realtors, buyers, sellers, inner office data bank, appraiser, actual measurements or city/county tax records. Although the square footage noted on the public record reports is reviewed as a unit of comparison, little consideration is given to the figures as they are often found to be inaccurate, including areas not viewed as living area, i.e., enclosed porches, basements, etc. Slight variations in size will not have any affect on the estimate of value. The size adjustment is based on \$50.00 per square foot. Any size differentials less than 100 square feet are not recognized in the market as added value, thus, no adjustments are given.

The size, age and price per sq ft of the comparable sales may vary from the subject by more than 25%, but they are some of the best available sales.

None of the comparable sales are mid-renovation like the subject; the appraiser could not find a similar recent sale. The agent stated that the builder's estimate to finish the project to current quality and specs would cost over \$1,000,000. However, the subject doesn't need the entire project completed to become habitable, therefore, a more conservative adjustment was made to the comparable sales based on the appraiser's assessment of their overall condition. Comparable sales one, two, four and five were adjusted downward by 10% for their habitable condition. Comparable three was given a higher downward 20% adjustment for its younger age, superior condition and upgrades. Once the subject's full renovation is completed, this could be a truly comparable sale.

The appraiser is aware that the labels of condition and quality for the subject and comparable sales in this report may differ from those labels stated in other appraisal reports. This is because they appear borderline between categories and could be labeled either way depending upon perspective and/or opinion. Whether they are different from other reports or not is less important than how the comparable sales relate to the subject in this report.

The subject and comparable sales are located in the same market area. Once adjusted to the subject, the settled comparable sales suggest values for the subject of \$1,269,100, \$1,337,500, \$1,492,900 and \$2,246,300. The active listings suggests a value for the subject of \$2,082,500, but it is still active and this is the sale with the two other houses on the property. This range of value provided by the comparable sales reflects the various sizes, improvements offered and overall condition of each property. In the final value analysis, all of the sales were considered fairly equally since no single sale is most like the subject in every way.

The appraised value is above the predominant area sales price due to the subject's size, location and detached design. This does not have a negative effect on the marketability of the subject and the subject is not an over improvement.

The appraised value is not a fact or a limitation by any means. Rather, it is the appraiser's opinion of what the subject would most likely sell for which was based on a direct comparison to some of the most "similar" area sales activity. The market could react to the subject with a higher or lower sales price than estimated, which is best evidenced by the wider range provided by the comparable sales, but it is expected to be fairly close to the appraised value since that is how the market has reacted to other similar properties.

EXTRAORDINARY ASSUMPTIONS AND CONDITIONS:

The water was off. The appraisal is using an extraordinary assumption that once the water is turned on, all related systems and fixtures will operate without need of repair.

The subject has a well and septic system which are the only source of water and sewerage for the neighborhood due to a lack of public water and sewer. Neither has a negative effect on the marketability or value of the subject. At the time of the inspection, both appeared to be functioning properly. The appraiser is using an extraordinary assumption that they are functioning properly and meet all community standards. The appraiser is not qualified in either area, so well and septic inspections are suggested if any concerns exist.

This appraisal is utilizing an Extraordinary Assumption that all Zoning and Building Use regulations for the subject have been complied with. A comprehensive examination of laws and regulations affecting the subject property was not performed for this appraisal. Appropriate Zoning officials and or an Attorney should be consulted if any interested party has questions or concerns about the improvements on site.

The appraiser is not a structural engineer or home inspector. The opinion of value reported in this appraisal report is using an Extraordinary Assumption that there are no adverse conditions that would affect the livability, soundness, or structural integrity of the property unless otherwise noted in the appraisal report. The appraiser does not and is not required to have the expertise necessary to discover deficiencies that would impact the livability, soundness, or structural integrity of the property.

The appraiser is not a home or environmental inspector and is not qualified to determine the presence or cause of any hazardous materials, including mold, the type of mold or whether the mold might pose any risk to the property or its inhabitants. The appraiser provides an opinion of value. The appraisal does not guarantee that the property is free of defects or environmental problems. The appraiser has performed an inspection of the visible and accessible areas only. Mold may be present in areas the appraiser cannot see. A professional home inspection or environmental inspection is recommended if any concerns exist. This appraisal is using an Extraordinary Assumption that there are no environmental problems with the subject property.

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It should be noted that areas throughout Maryland have reported Radon Gas. This appraisal is using an Extraordinary Assumption that the subject is not affected.

No value for any personal property, fixtures and/or intangible items are included in the appraised value. Chattels are generally described as movable items of personal property and would include such items as personal furniture, refrigerators, washers, dryers, etc.

No warranty of the subject is given or implied. No liability is assumed for the structural or mechanical elements of the property.

Homes built prior to 1978 may have lead-base paint. The appraiser is not qualified to detect if the paint found in any given home is of the lead-based variety. It is, therefore, the lender's responsibility to retain an expert in this field if there are any concerns.

The appraiser has performed an inspection of the visible and accessible areas only. Mold may be present in areas the appraiser cannot see. A professional home inspection or environmental inspection is recommended if any concerns exist. The appraisal is using an extraordinary assumption that there is not any harmful mold in the subject property.

Exposure Time Reporting :

USPAP 2012-2013, STATEMENT 6 requires that an appraiser MUST report a reasonable exposure time in all assignments in which an opinion of reasonable exposure time must be developed.

All transaction types that require an appraisal (purchase or refinance) must develop and report the exposure time as a component of the opinion of market value. The definition of market value as defined in the FNMA forms, and that is determined in an appraisal assignment states the following:

The most probable price which a property should bring in a competitive 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.

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. This means that in all assignments that use forms with the preprinted definition of market value as stated above, the appraiser must make a hypothetical condition that the property is being sold and report a reasonable exposure time, in the subject market, for the property to sell at the appraised value.

To clarify the differences between exposure and marketing times:

- Exposure time is deemed to expire as of the effective date the appraisal - it examines the time frame leading up to the date of valuation, linking the value estimate to how long the property would have required exposure in order to sell at the estimated market value.
- Marketing time is deemed to start at the effective date of the appraisal, looking forward in time. It is a prediction of how long a property would require exposure to a competitive and open market in order to find a buyer, under either typical or prescribed circumstances.

Based on the subject's estimated appraised value, the subject's estimated expose time is 60 -120 days.

PRIOR APPRAISAL OR SERVICES FOR THE SUBJECT PROPERTY:

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

FINANCIAL INSTITUTIONS REFORM, RECOVERY & ENFORCEMENT ACT SUPPLEMENT:

I certify that:

this appraisal report may be used in a federally related financial transaction that is subject to the requirements of Title IX of the Financial Institutions Reform, Recovery and Enforcement Act of 1989;

the appraisal report was completed in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP)

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

the statements of fact contained in this report are true and correct;

and that I am fully qualified and competent by training, knowledge and experience to perform this appraisal.

As of the date of this report, the appraiser has completed the requirements of the continuing education program of the State of Maryland.

DIGITAL SIGNATURE:

| | | | | | | |
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| Borrower | No Borrower | | | | | |
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| City | Stevenson | County | Baltimore | State | MD | Zip Code 21153 |
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This report may have been signed by digital scanned signature. The report cannot be changed without permission the appraiser.

PHOTOGRAPHIC CERTIFICATION:

Since this is a retrospective appraisal report, the comparable photos in this case were selected from MRIS to best represent the comparable sales at the time of their sale or listing.

The photographs used in this appraisal report are digital photos utilizing imaging technology. The appraiser personally inspected and photographed the subject. Comparable photos may be a combination of either personally photographed photos, photos from the appraiser's data base, collected previously, and/or photographs provided by MRIS and directly downloaded into the report. The photographs utilized in the appraisal are a true and correct representation of the subject property and comparables. Although the photographs may have been enhanced during the finishing process, no alterations were made to the images which would misrepresent the appearance of the subject or comparables. The appraiser has personally inspected the subject.

Assumptions, Limiting Conditions & Scope of Work

Property Address: 1718 Greenspring Valley Rd | Document ID: 1718 | Filed: 07/19/11 | File No: 1718 | City: Stevenson | State: MD | Zip Code: 21153

Client: Harney Partners | Address: P.O. Box 90099, Austin, TX 78709-0099

Appraiser: Jordan May | Address: 39 English Run Circle, Sparks, MD 21152

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
- The appraiser may have provided a sketch in the appraisal report to show approximate dimensions of the improvements, and any such sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size. Unless otherwise indicated, a Land Survey was not performed.
- If so indicated, 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 the appraisal report whether 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.
- 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.
- If the cost approach is included in this appraisal, the appraiser has estimated the value of the land in the cost approach at its highest and best use, and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used. Unless otherwise specifically indicated, the cost approach value is not an insurance value, and should not be used as such.
- The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, needed repairs, depreciation, 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 normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. 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, the appraisal report must not be considered as an environmental assessment of the property.
- The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
- The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
- If this appraisal is indicated as subject to satisfactory completion, repairs, or alterations, the appraiser has based his or her appraisal report and valuation conclusion on the assumption that completion of the improvements will be performed in a workmanlike manner.
- An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment.
- The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database.
- An appraisal of real property is not a 'home inspection' and should not be construed as such. As part of the valuation process, the appraiser performs a non-invasive visual inventory that is not intended to reveal defects or detrimental conditions that are not readily apparent. The presence of such conditions or defects could adversely affect the appraiser's opinion of value. Clients with concerns about such potential negative factors are encouraged to engage the appropriate type of expert to investigate.

The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.

Additional Comments (Scope of Work, Extraordinary Assumptions, Hypothetical Conditions, etc.):

Certifications - 02844-RDB Document 164-3 Filed 07/19/19 Page 13 of 31

Property Address: 1718 Greenspring Valley Rd City: Stevenson State: MD Zip Code: 21153

Client: Harney Partners Address: P.O. Box 90099, Austin, TX 78709-0099
 Appraiser: Jordan May Address: 39 English Run Circle, Sparks, MD 21152

APPRAISER'S CERTIFICATION
 I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The credibility of this report, for the stated use by the stated user(s), of 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.
- 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 to 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.
- I did not base, either partially or completely, my analysis and/or the opinion of value in the appraisal report on the race, color, religion, sex, 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.
- 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.

Additional Certifications:

DEFINITION OF MARKET VALUE *:
 Market value means 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 and 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 acting in what they consider their own best interests;
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.

* This definition is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994, and in the Interagency Appraisal and Evaluation Guidelines, dated October 27, 1994.

Client Contact: Greg Milligan Client Name: Harney Partners
 E-Mail: gmilligan@harneypartners.com Address: P.O. Box 90099, Austin, TX 78709-0099

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| <p>APPRAISER</p> <p>Appraiser Name: <u>Jordan May</u> Company: <u>Classic Appraisal Services</u> Phone: <u>410-937-3902</u> Fax: <u>(410) 472-6935</u> E-Mail: <u>classicappraisals@comcast.net</u> Date Report Signed: <u>05/31/2019</u> License or Certification #: <u>30011596</u> State: <u>MD</u> Designation: <u>Certified Residential Appraiser</u> Expiration Date of License or Certification: <u>12/27/2019</u> Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: <u>05/31/2019</u></p> | <p>SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)</p> <p>Supervisory or Co-Appraiser Name: _____ Company: _____ Phone: _____ Fax: _____ E-Mail: _____ Date Report Signed: _____ 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: _____</p> |
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SIGNATURES

Subject Photo Page

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| | | | | | | | |
|------------------|----------------------------|--------|-----------|-------|----|----------|-------|
| Borrower | No Borrower | | | | | | |
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Subject Front

1718 Greenspring Valley Rd
 Sales Price 0
 Gross Living Area 10,855
 Total Rooms 12
 Total Bedrooms 6
 Total Bathrooms 7.2
 Location Stevenson
 View Pastoral
 Site 8.2 ac
 Quality Average
 Age 119



Subject Rear



Subject Street

Photograph Addendum

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| | | | | | |
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Hallway



FP



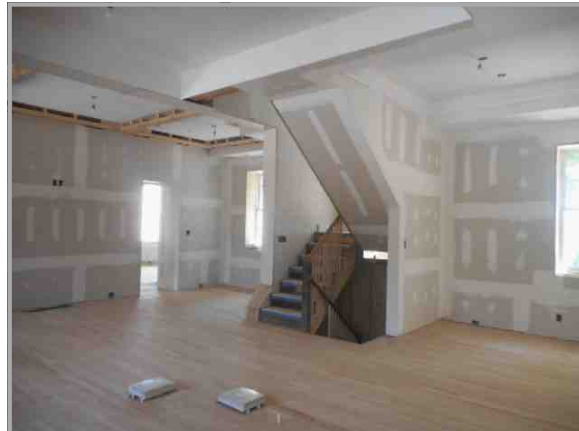
Elevator



Sitting Rm



Sitting Room other Side



Kitchen

Photograph Addendum

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| | | | | | |
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Half Bath



Entry Side Room



Hallway



Other Side of Center Hall



DR



FR

Photograph Addendum

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| | | | | | | | |
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Molding Detail



Basement



Basement



Basement



Electric



Utility

Photograph Addendum

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| | | | | | | | |
|------------------|----------------------------|--------|-----------|-------|----|----------|-------|
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Electric



Stairs



Bath



Sitting Room



BR



Full Bath

Photograph Addendum

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| | | | | | | | |
|------------------|----------------------------|--------|-----------|-------|----|----------|-------|
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Full Bath



BR



BR



Full Bath



Office



Half Bath

Photograph Addendum

Case 1:18-cv-02844-RDB Document 164-3 Filed 07/19/19 Page 20 of 31

| | | | | | |
|------------------|----------------------------|--------|-----------|-------|-------------------|
| Borrower | No Borrower | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD Zip Code 21153 |
| Lender/Client | Harney Partners | | | | |



Wet Bar



BR



Full Bath



BR



Full Bath



BR

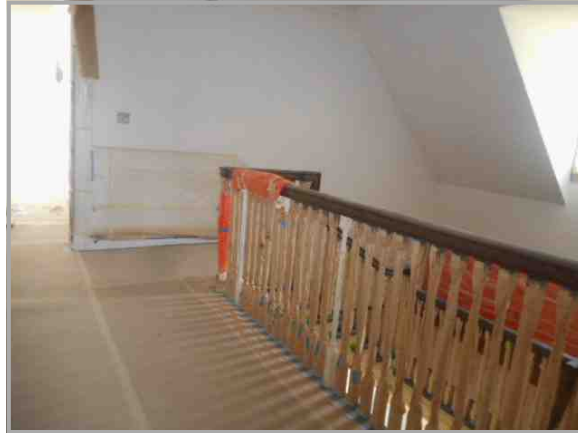
Photograph Addendum

Case 1:18-cv-02844-RDB Document 164-3 Filed 07/19/19 Page 21 of 31

| | | | | | |
|------------------|----------------------------|--------|-----------|-------|-------------------|
| Borrower | No Borrower | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD Zip Code 21153 |
| Lender/Client | Harney Partners | | | | |



Sitting Room



Hallway



Utility



Closet



BR



Wet Bar

Photograph Addendum

Case 1:18-cv-02844-RDB Document 164-3 Filed 07/19/19 Page 22 of 31

| | | | | | | | |
|------------------|----------------------------|--------|-----------|-------|----|----------|-------|
| Borrower | No Borrower | | | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | | | |
| City | Stevenson | County | Baltimore | State | MD | Zip Code | 21153 |
| Lender/Client | Harney Partners | | | | | | |



Full Bath



BR



Unfinished Breezeway and Garage



Garage



Garage



View

Comparable Photo Page

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| | | | | | |
|------------------|----------------------------|--------|-----------|-------|-------------------|
| Borrower | No Borrower | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD Zip Code 21153 |
| Lender/Client | Harney Partners | | | | |



Comparable 1

3519 Englemeade Rd
 Prox. to Subject 1.22 miles SW
 Sale Price 1,325,000
 Gross Living Area 9,028
 Total Rooms 13
 Total Bedrooms 6
 Total Bathrooms 4.2
 Location Anton
 View Residential
 Site 5.48 ac
 Quality Average
 Age 83



Comparable 2

10510 Burnside Farm Rd
 Prox. to Subject 1.52 miles SW
 Sale Price 1,800,000
 Gross Living Area 9,117
 Total Rooms 12
 Total Bedrooms 6
 Total Bathrooms 6.1
 Location Owings Mills
 View Pastoral
 Site 24.9 acres
 Quality Average
 Age 159



Comparable 3

3 Anton North Way
 Prox. to Subject 1.79 miles SW
 Sale Price 3,100,000
 Gross Living Area 12,118
 Total Rooms 12
 Total Bedrooms 5
 Total Bathrooms 5.2
 Location Anton North
 View Residential
 Site 1.85 ac
 Quality Average
 Age 16

Comparable Photo Page

Case 1:18-cv-02844-RDB Document 164-3 Filed 07/19/19 Page 24 of 31

| | | | | | |
|------------------|----------------------------|--------|-----------|----------|-------|
| Borrower | No Borrower | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD |
| Lender/Client | Harney Partners | | | | |
| | | | | Zip Code | 21153 |



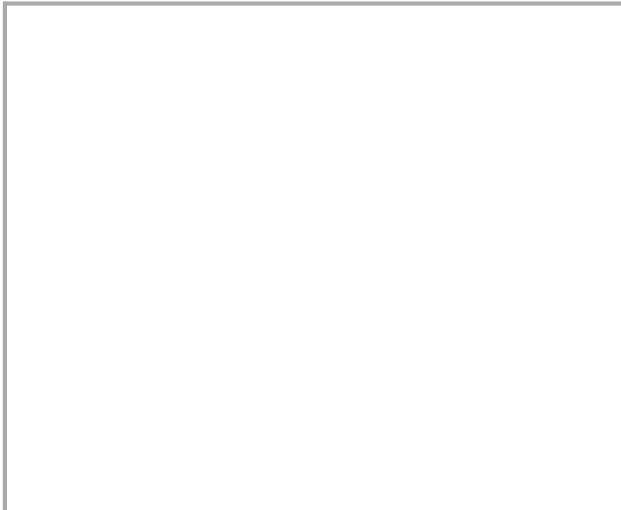
Comparable 4

9 Evan Way
 Prox. to Subject 1.98 miles SW
 Sale Price 1,400,000
 Gross Living Area 8,041
 Total Rooms 11
 Total Bedrooms 4
 Total Bathrooms 4.2
 Location Anton North
 View Pastoral
 Site 2.02 ac
 Quality Average
 Age 27



Comparable 5

918 Greenspring Valley Rd
 Prox. to Subject 1.60 miles E
 Sale Price 2,950,000
 Gross Living Area 11,941
 Total Rooms 23
 Total Bedrooms 12
 Total Bathrooms 8.3
 Location Brooklandville
 View Pastoral
 Site 8.47 ac
 Quality Average
 Age 96



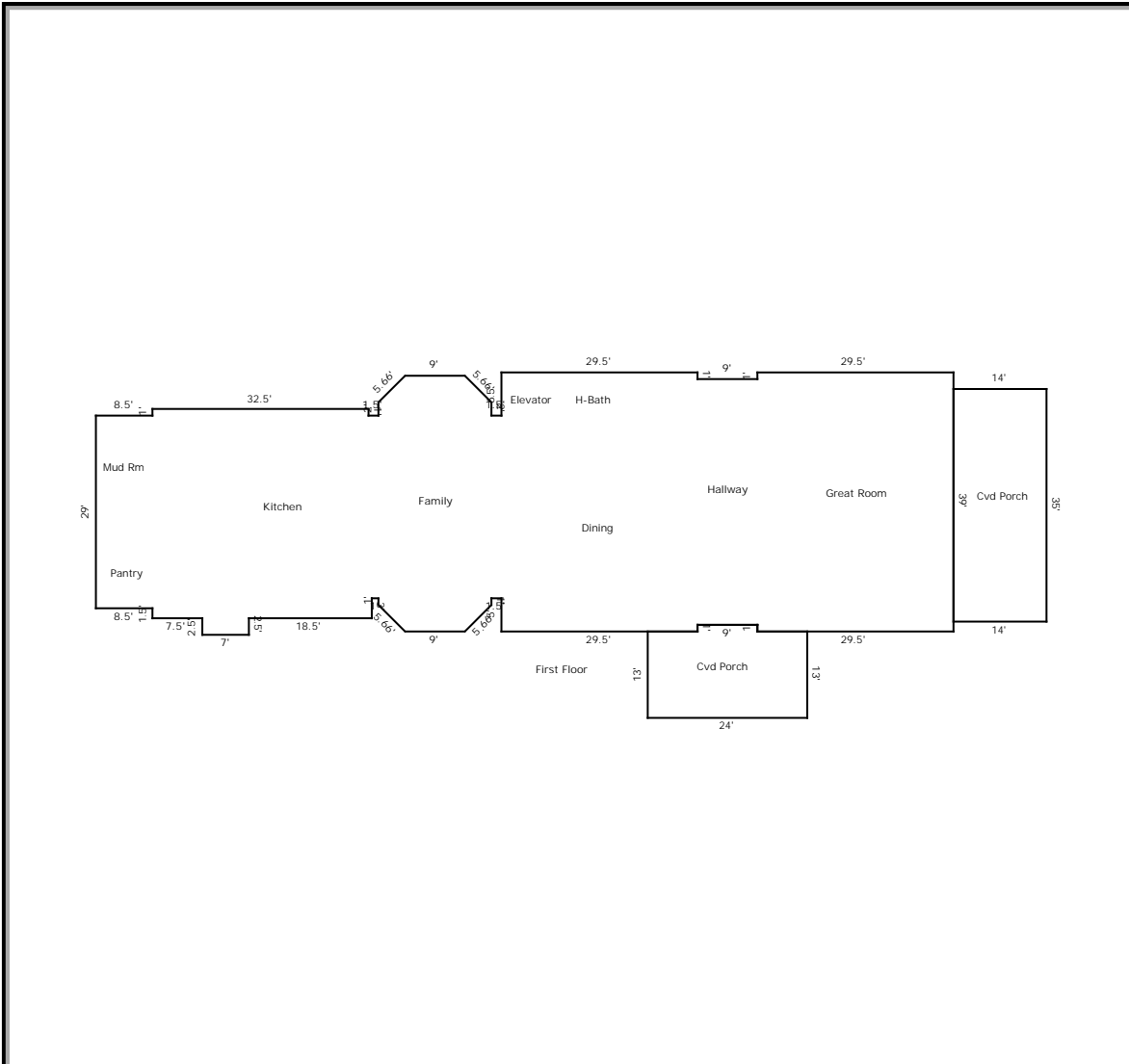
Comparable 6

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

Building Sketch (Page - 1)

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| | | | | | | | |
|------------------|----------------------------|--------|-----------|-------|----|----------|-------|
| Borrower | No Borrower | | | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | | | |
| City | Stevenson | County | Baltimore | State | MD | Zip Code | 21153 |
| Lender/Client | Harney Partners | | | | | | |



TOTAL Sketch by a la mode, inc.

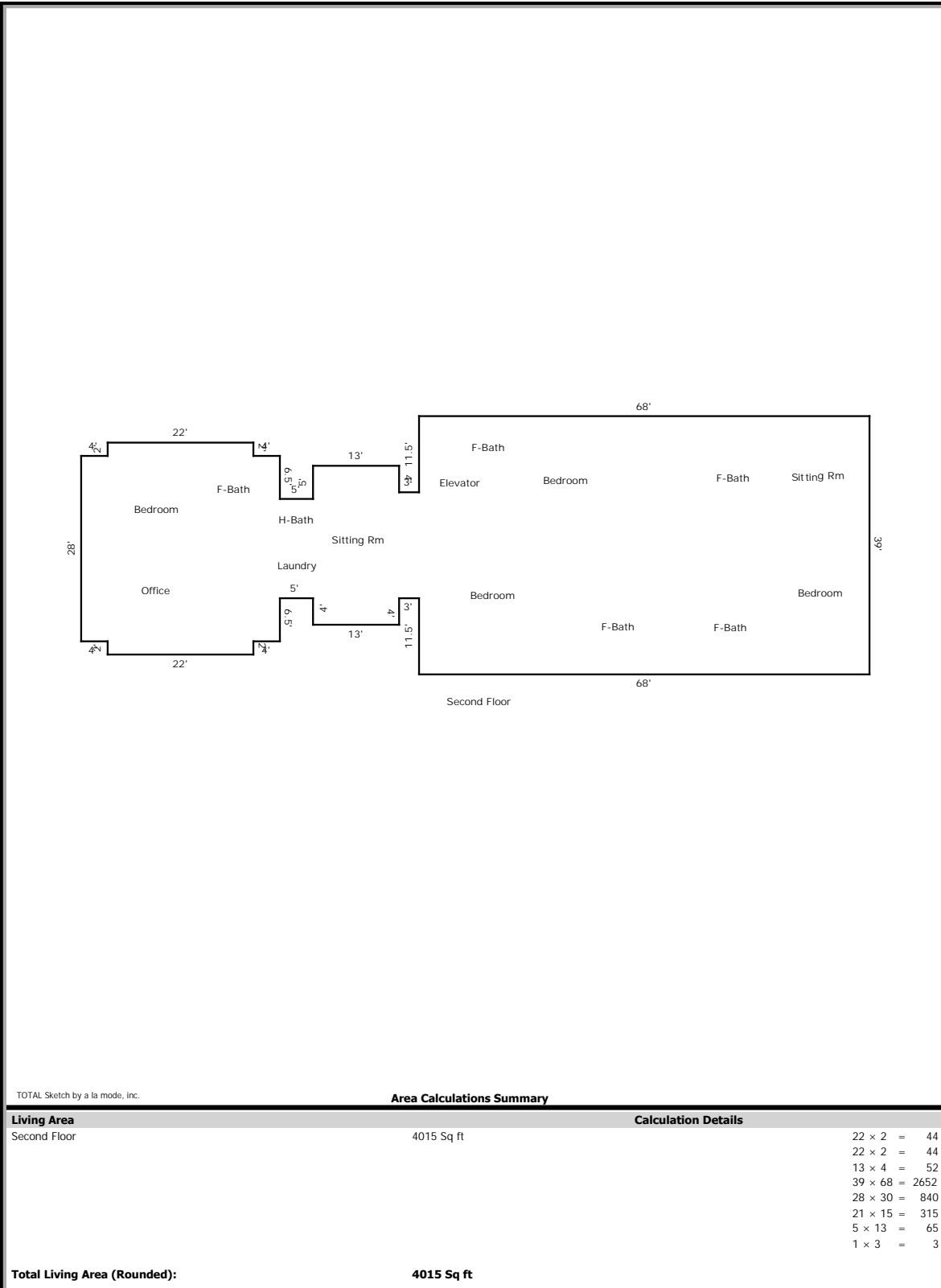
Area Calculations Summary

| Living Area | | Calculation Details | |
|-------------------------------------|-------------------|---------------------|----------|
| First Floor | 4628.25 Sq ft | 32.5 x 1 | = 32.5 |
| | | 39 x 29.5 | = 1150.5 |
| | | 7 x 2.5 | = 17.5 |
| | | 37 x 9 | = 333 |
| | | 39 x 29.5 | = 1150.5 |
| | | 27.5 x 1.5 | = 41.25 |
| | | 29 x 8.5 | = 246.5 |
| | | 30.5 x 33 | = 1006.5 |
| | | 27.5 x 1 | = 27.5 |
| | | 9 x 4 | = 36 |
| | | 0.5 x 4 x 4 | = 8 |
| | | 0.5 x 4 x 4 | = 8 |
| | | 17 x 30.5 | = 518.5 |
| | | 9 x 4 | = 36 |
| | | 0.5 x 4 x 4 | = 8 |
| | | 0.5 x 4 x 4 | = 8 |
| Total Living Area (Rounded): | 4628 Sq ft | | |
| Non-living Area | | | |
| Closed Porch | 321 Sq ft | 9 x 1 | = 9 |
| | | 13 x 24 | = 312 |
| Closed Porch | 490 Sq ft | 35 x 14 | = 490 |

Building Sketch (Page 2)

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| | | | | | | | |
|------------------|----------------------------|--------|-----------|-------|----|----------|-------|
| Borrower | No Borrower | | | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | | | |
| City | Stevenson | County | Baltimore | State | MD | Zip Code | 21153 |
| Lender/Client | Harney Partners | | | | | | |



TOTAL Sketch by a la mode, inc.

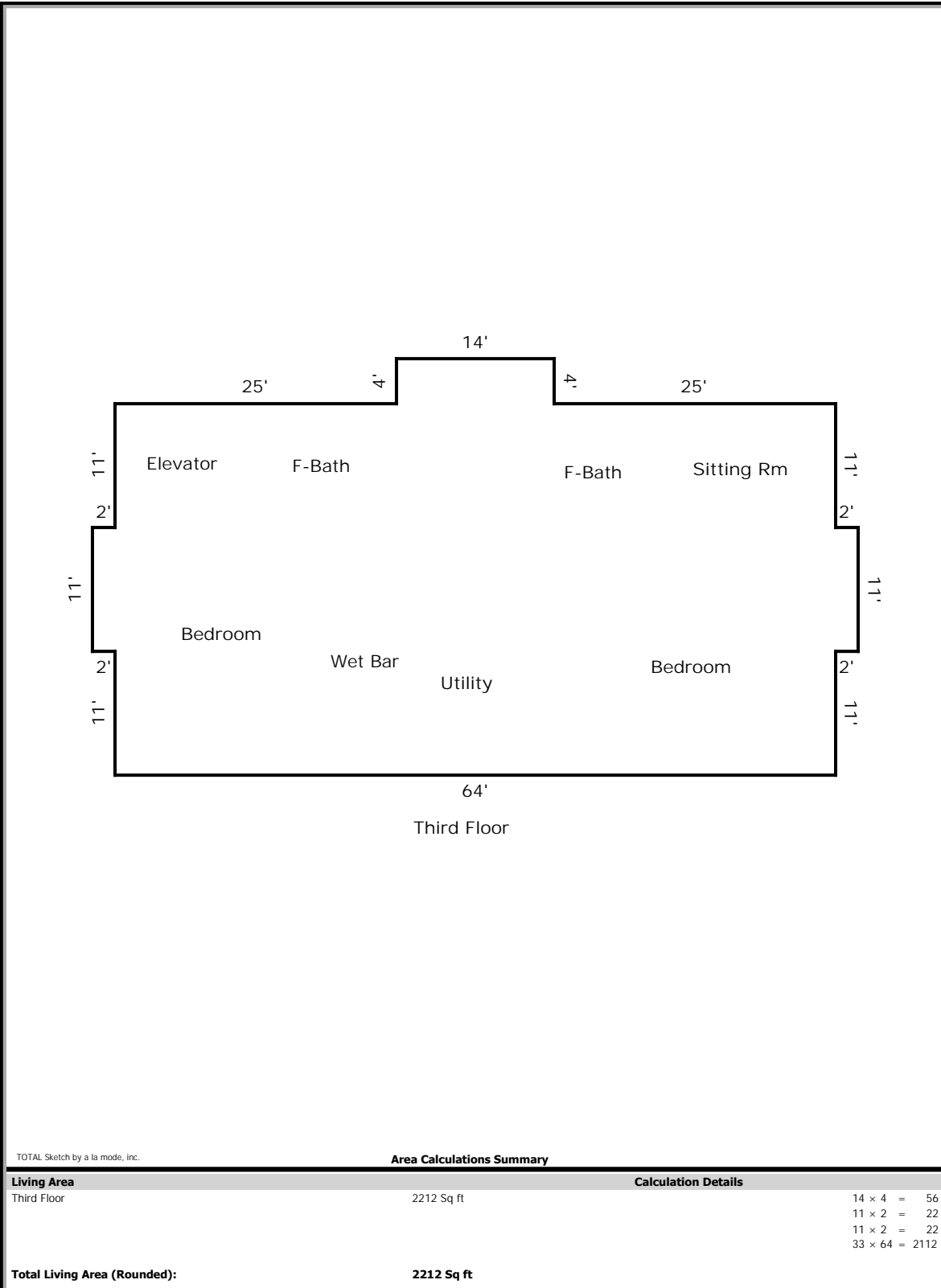
Area Calculations Summary

| Living Area | | Calculation Details |
|-------------------------------------|-------------------|---|
| Second Floor | 4015 Sq ft | $22 \times 2 = 44$ $22 \times 2 = 44$ $13 \times 4 = 52$ $39 \times 68 = 2652$ $28 \times 30 = 840$ $21 \times 15 = 315$ $5 \times 13 = 65$ $1 \times 3 = 3$ |
| Total Living Area (Rounded): | 4015 Sq ft | |

Building Sketch (Page 3)

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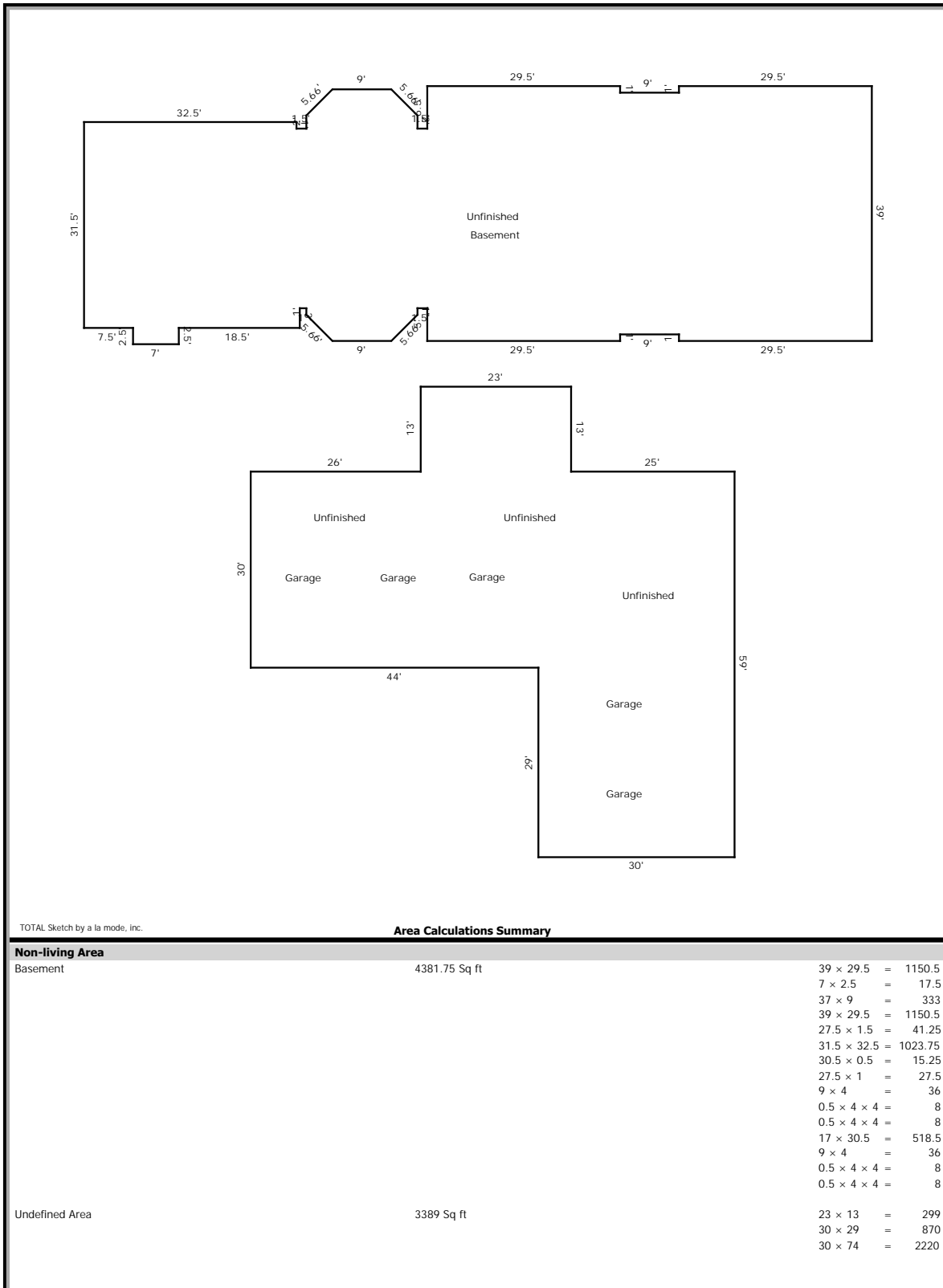
| | | | | | | | |
|------------------|----------------------------|--------|-----------|-------|----|----------|-------|
| Borrower | No Borrower | | | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | | | |
| City | Stevenson | County | Baltimore | State | MD | Zip Code | 21153 |
| Lender/Client | Harney Partners | | | | | | |



Building Sketch (Page 4)

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| | | | | | | | |
|------------------|----------------------------|--------|-----------|-------|----|----------|-------|
| Borrower | No Borrower | | | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | | | |
| City | Stevenson | County | Baltimore | State | MD | Zip Code | 21153 |
| Lender/Client | Harney Partners | | | | | | |



TOTAL Sketch by a la mode, inc.

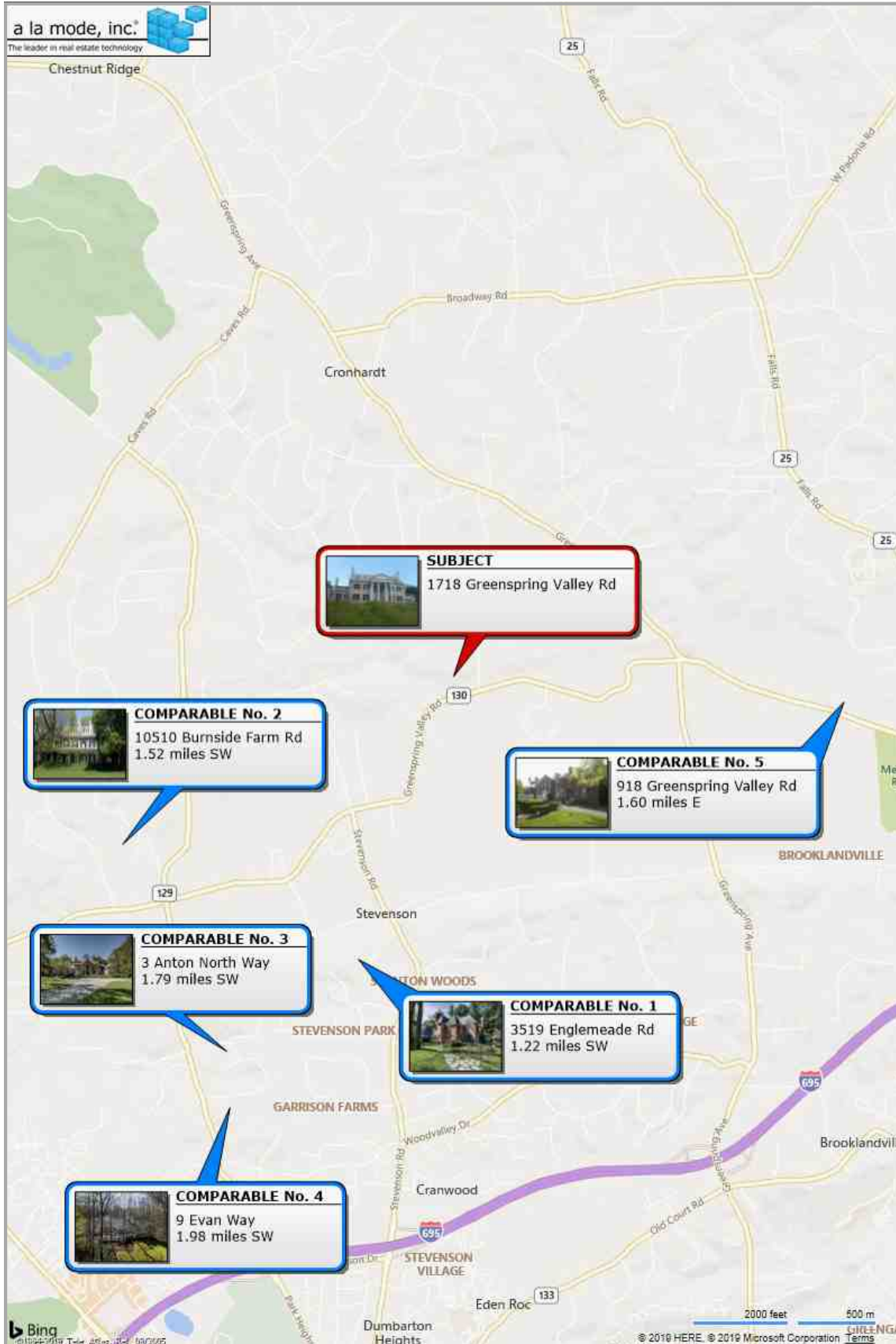
Area Calculations Summary

| Non-living Area | | |
|-----------------|---------------|--|
| Basement | 4381.75 Sq ft | $39 \times 29.5 = 1150.5$ $7 \times 2.5 = 17.5$ $37 \times 9 = 333$ $39 \times 29.5 = 1150.5$ $27.5 \times 1.5 = 41.25$ $31.5 \times 32.5 = 1023.75$ $30.5 \times 0.5 = 15.25$ $27.5 \times 1 = 27.5$ $9 \times 4 = 36$ $0.5 \times 4 \times 4 = 8$ $0.5 \times 4 \times 4 = 8$ $17 \times 30.5 = 518.5$ $9 \times 4 = 36$ $0.5 \times 4 \times 4 = 8$ $0.5 \times 4 \times 4 = 8$ |
| Undefined Area | 3389 Sq ft | $23 \times 13 = 299$ $30 \times 29 = 870$ $30 \times 74 = 2220$ |

Location Map

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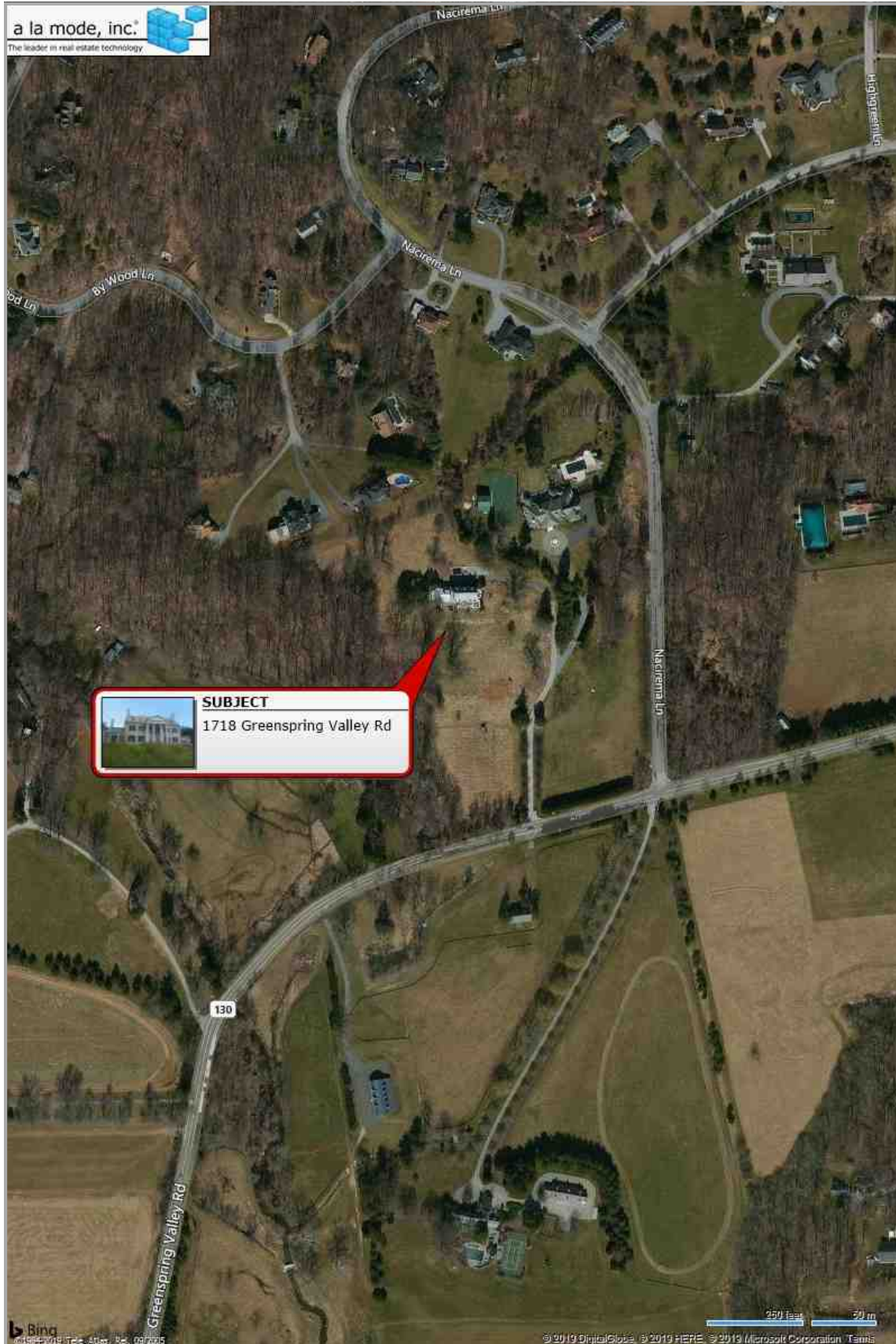
| | | | | | |
|------------------|----------------------------|--------|-----------|----------|-------|
| Borrower | No Borrower | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD |
| Lender/Client | Harney Partners | | | | |
| | | | | Zip Code | 21153 |



Aerial Map

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| | | | | | |
|------------------|----------------------------|--------|-----------|-------|-------------------|
| Borrower | No Borrower | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD Zip Code 21153 |
| Lender/Client | Harney Partners | | | | |



12/12/2016

4,944,047

COMMISSION OF RE APPRAISERS & HOME INSPECTORS

10 03 11596
MESSAGE(S):

JORDAN MAY

6164 12-11-2016

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

STATE OF MARYLAND

Boyd K. Rutherford
Lt. Governor

DEPARTMENT OF LABOR, LICENSING AND REGULATION

Kelly M. Schulz
Secretary

COMMISSION OF RE APPRAISERS & HOME INSPECTORS

CERTIFIES THAT:

JORDAN MAY



IS AN AUTHORIZED: 03 - CERTIFIED RESIDENTIAL

LIC/REG/CERT
11596

EXPIRATION
12-27-2019

EFFECTIVE
12-11-2016

CONTROL NO
4944047

Jordan E May
Signature of Bearer

Kelly M. Schulz
Secretary DLLR

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

10 03 11596

4,944,047

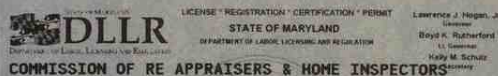
10 03 11596

COMMISSION OF RE APPRAISERS & HOME INSPECTORS
500 N. CALVERT STREET
BALTIMORE, MD 21202-3651

JORDAN MAY
39 ENGLISH RUN CIRCLE

SPARKS

MD 21152



LICENSE * REGISTRATION * CERTIFICATION * PERMIT
STATE OF MARYLAND
DEPARTMENT OF LABOR, LICENSING AND REGULATION

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

COMMISSION OF RE APPRAISERS & HOME INSPECTORS

CERTIFIES THAT:

JORDAN MAY

IS AN AUTHORIZED: 03 - CERTIFIED RESIDENTIAL

LIC/REG/CERT EXPIRATION EFFECTIVE CONTROL NO
11596 12-27-2019 12-11-2016 4944047

Jordan E May
Signature of Bearer

Kelly M. Schulz
Secretary DLLR

EXHIBIT 3

| | | | | |
|------------------|----------------------------|----------|-----------|-------------------------|
| Borrower | N/A | File No. | | |
| Property Address | 1718 Greenspring Valley Rd | | | |
| City | Stevenson | County | Baltimore | State MD Zip Code 21153 |
| Lender/Client | | | | |

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SUMMARY OF SALIENT FEATURES

| | | |
|------------------------------------|-------------------------|---|
| SUBJECT INFORMATION | Subject Address | 1718 Greenspring Valley Rd |
| | Legal Description | 8.204 AC 1718 GRNSPRNG VLY RD NS MENSANA PROPERTY |
| | City | Stevenson |
| | County | Baltimore |
| | State | MD |
| | Zip Code | 21153 |
| | Census Tract | 4038.01 |
| | Map Reference | BA25H2 |
| SALES PRICE | Sale Price | \$ |
| | Date of Sale | |
| CLIENT | Borrower | N/A |
| | Lender/Client | |
| DESCRIPTION OF IMPROVEMENTS | Size (Square Feet) | 11,432 |
| | Price per Square Foot | \$ |
| | Location | Mensana Property |
| | Age | 119 |
| | Condition | C5 |
| | Total Rooms | 15 |
| | Bedrooms | 6 |
| | Baths | 9.2 |
| APPRAISER | Appraiser | Adam J. Bolling |
| | Date of Appraised Value | 05/22/2019 |
| VALUE | Opinion of Value | \$ 1,296,000 |

Gregory Milligan, Receiver

Re: Property: 1718 Greenspring Valley Rd
Stevenson, MD 21153
Owner: Kevin B 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.:

| | | | |
|--|-----------------------|---|---|
| Property Address: 1718 Greenspring Valley Rd | City: Stevenson | State: MD | Zip Code: 21153 |
| County: Baltimore | | Legal Description: 8.204 AC 1718 GRNSPRNG VLY RD NS MENSANA PROPERTY | |
| Assessor's Parcel #: 032200022418 | | | |
| Tax Year: 2019 | R.E. Taxes: \$ 17,438 | Special Assessments: \$ 60 | Borrower (if applicable): N/A |
| Current Owner of Record: Kevin B Merrill | | Occupant: <input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" 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: Mensana Property | | Map Reference: BA25H2 | Census Tract: 4038.01 |

| | | | |
|--|--|---|--|
| 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, Receiver | | 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 checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural | Built up: <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25% | Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow | Property values: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining | Demand/supply: <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply | Marketing time: <input type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos. |
| Predominant Occupancy | | One-Unit Housing | | Present Land Use | |
| <input checked="" type="checkbox"/> Owner 95 | | PRICE \$ (000) AGE (yrs) | | One-Unit 70 % | |
| <input checked="" type="checkbox"/> Tenant 2 | | 1,000 Low 0 | | 2-4 Unit 2 % | |
| <input checked="" type="checkbox"/> Vacant (0-5%) | | 2,000 High 150 | | Multi-Unit 2 % | |
| <input type="checkbox"/> Vacant (>5%) | | 1,216 Pred 75 | | Comm'l 1 % | |
| | | | | Change in Land Use | |
| | | | | <input checked="" type="checkbox"/> Not Likely | |
| | | | | <input type="checkbox"/> Likely * <input type="checkbox"/> In Process * | |
| | | | | * To: _____ | |

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

Neighborhood Market Conditions

North: MD Rt. 25; East: I - 695; South: I - 695; West: I - 795

| | | | |
|---|---|--|---------|
| Dimensions: Plat not provided to the appraiser. | Site Area: 357,192 | | |
| Zoning Classification: RC2 - Agriculture Protection | Description: Residential - 2 Units per Acre | | |
| 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 checked="" type="checkbox"/> Present use, or <input type="checkbox"/> Other use (explain) <u>The highest and best use of the subject is the present usage.</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 <input checked="" type="checkbox"/> Other <input type="checkbox"/> | Provider/Description | Off-site Improvements | Type | Public <input checked="" type="checkbox"/> Private <input type="checkbox"/> | Topography | Sloping Rear to Front |
| Electricity | <input checked="" type="checkbox"/> | | Street | Macadam | <input checked="" type="checkbox"/> | Size | Typical |
| Gas | <input checked="" type="checkbox"/> | | Curb/Gutter | None | <input type="checkbox"/> | Shape | Rectangular |
| Water | <input checked="" type="checkbox"/> | | Sidewalk | None | <input type="checkbox"/> | Drainage | Appears Adequate |
| Sanitary Sewer | <input checked="" type="checkbox"/> | | Street Lights | Electric | <input checked="" type="checkbox"/> | View | Residential |
| Storm Sewer | <input checked="" type="checkbox"/> | | Alley | None | <input type="checkbox"/> | | |
| Other site elements: <input checked="" type="checkbox"/> Inside Lot <input type="checkbox"/> Corner Lot <input type="checkbox"/> Cul de Sac <input 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 # | 2400100240F | |
| | | FEMA Map Date | 9/26/2008 | | | | |
| Site Comments: <u>See Attached Addendum: Adverse Site Conditions</u> | | | | | | | |

| | | | | |
|--|---------------------------------------|--|---------------------|--|
| General Description | Exterior Description | Foundation | Basement | Heating |
| # of Units: 1 <input type="checkbox"/> Acc. Unit | Foundation: Con Block | Slab: None | Area Sq. Ft.: 4,871 | Type: Ht. Pump |
| # of Stories: 3 | Exterior Walls: Stucco | Crawl Space: None | % Finished: 0 | Fuel: Electric |
| Type: <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> | Roof Surface: Slate | Basement: Full | Ceiling: Open | |
| Design (Style): Colonial | Gutters & Dwnspts.: Copper | Sump Pump: <input checked="" type="checkbox"/> N/A | Walls: Con Block | Cooling |
| <input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Und. Cons. | Window Type: DH/Csmnt | Dampness: <input checked="" type="checkbox"/> Basement | Floor: Concrete | Central: CAC |
| Actual Age (Yrs.): 119 | Storm/Screens: Yes / Good | Settlement: None Noted | Outside Entry: None | Other: _____ |
| Effective Age (Yrs.): 25 | | Infestation: None Noted | | |
| Interior Description | Appliances | Attic <input checked="" type="checkbox"/> None | Amenities | Car Storage <input type="checkbox"/> None |
| Floors: Hdwd / Good | Refrigerator <input type="checkbox"/> | Stairs <input type="checkbox"/> | Fireplace(s) # 7 | Garage # of cars (25 Tot.) |
| Walls: Drywall / Good | Range/Oven <input type="checkbox"/> | Drop Stair <input type="checkbox"/> | Woodstove(s) # 0 | Attach. _____ |
| Trim/Finish: Wood / Good | Disposal <input type="checkbox"/> | Scuttle <input type="checkbox"/> | | Detach. 5 |
| Bath Floor: Marble / Good | Dishwasher <input type="checkbox"/> | Doorway <input type="checkbox"/> | | Blt.-In _____ |
| Bath Wainscot: Marble / Good | Fan/Hood <input type="checkbox"/> | Floor <input type="checkbox"/> | | Carport _____ |
| Doors: Hollow Core / Good | Microwave <input type="checkbox"/> | Heated <input type="checkbox"/> | | Driveway 20 Macadam |
| | Washer/Dryer <input type="checkbox"/> | Finished <input type="checkbox"/> | | Surface _____ |

Finished area above grade contains: 15 Rooms 6 Bedrooms 9.2 Bath(s) 11,432 Square Feet of Gross Living Area Above Grade

Additional features: The subject's additional features include: 7 fireplaces, and a covered porch.

Describe the condition of the property (including physical, functional and external obsolescence): C5;The subject appears to be adequately maintained and in Average - 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.:

| | | | | |
|--|--|---|----------------------------------|--|
| 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 \$ 1,296,000 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> | | | |
| | | | | |

| | | | | |
|--|--|--|--|--|
| ATTACHMENTS | 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: | | | |
| | | | | |
| | <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>1,296,000</u> , as of: <u>05/22/2019</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. | | | | |

| | | | | |
|------------|--|--|--|--|
| SIGNATURES | 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. | | | |
| | 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"/> Sketch Addendum <input checked="" type="checkbox"/> Map Addenda <input type="checkbox"/> Additional Sales <input type="checkbox"/> Cost Addendum <input checked="" type="checkbox"/> Flood Addendum <input type="checkbox"/> Manuf. House Addendum <input type="checkbox"/> Hypothetical Conditions <input checked="" type="checkbox"/> Extraordinary Assumptions <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | | | |

| | |
|--|---|
| Client Contact: _____ Client Name: <u>Gregory Milligan, Receiver</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>05/22/2019</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: _____ |



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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 and Assigning's**. 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 **20 + / -** 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.

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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 5 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 \$1,375,000. The most recent 6 months were researched and the median sales price was found to be \$1,375,000. 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 Baltimore 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.

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 - N/A - Comps 1, 2, and 3 exceed one mile. Every effort was made to locate Colonial style comps 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 1 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 comp 1 settled in excess of six months prior to the inspection of the subject; however, it settled within the typical one year underwriting requirement and was the best available.

- 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.

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

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Site - N/A - Adjustments were made for significant differences in site size at a rate of \$20,000 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 - Paired Sales 1 - 3 - The subjects view rating is considered to be Residential. Differences in the sub-view were not made due to a lack a sufficient market data and the inability to extract the market reaction for differences other than Adverse, Neutral, or Beneficial.

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 - Extracted Data - Adjustments for differences in quality of construction were made to the comps. The subjects exterior is unfinished and appears to be under renovation at the time of the appraisal. Therefore, an adjustment was made to the comps for differences in market reaction. 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 C5 condition. The subject had recent updates and upgrades which were unfinished (See Extra Photo Pages) at the time of the appraisal. Agents reported comps 1, 2, and 3 to be in C2 condition: therefore, an adjustment was made to comps 1 - 3 for differences in condition based on their recent updates and upgrades and the subjects unfinished renovations. A larger than typical condition adjustment was applied to this field to reflect the markets reaction. The appraiser is not a licensed contractor and was unable to determine a cost to cure due to the extensive repairs and renovations required in the subjects property. 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 \$20,000.

Extracted Data - 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 - Paired Sale 2 - 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. Each room below grade received an adjustment of \$20,000. 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 - N/A - 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 - 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 - Paired Sale 2 - Differences in garage spaces were made on the sales grid at a rate of \$20,000. 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 \$20,000, Covered Porches \$25,000, Large Deck \$40,000, Balconies \$10,000.

Fireplace, Etc. - Extracted Data - Fireplace adjustments were made at a rate of \$20,000.

Fence, Pool, Etc. - Extracted Data - Fence adjustments were made at a rate of \$5,000 and in-Ground Pool \$50,000.

Features - Extracted Data (See Condition Above) - 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 subject has an annual special assessment tax (\$60) which provides and finances infrastructure improvements including bulk trash pick up, recycling pick up, and parks and recreation services. It is included in the subjects total tax bill.**
- 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

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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.

- 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 6 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 93% of the Listing 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 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 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 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.

Final Reconciliation

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

Comp 1 - 40% / Comp 2 - 40% - These comparables had the most recent settle dates and best reflect the subject in the eyes of a willing and active buyer.

Comp 3 - 20% - This comparable is slightly dated and was provided to demonstrate stability in the market in the year prior to the date 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.

Dampness

The subject had standing water in the basement. The appraiser was unable to determine the cause of the dampness. It was included in the condition adjustment on the sale grid.

Fall Hazard

The subject is missing a railing around the deck on the second story. The adjustment was considered on the condition line of the sale grid.

ENDING ADDENDA:

1. The addenda and exhibits with this appraisal are integral parts of the appraisal and may not be used separately. Nor, may

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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 Baltimore 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 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.

Supplemental Addendum

File No.

| | | | | | | | |
|------------------|----------------------------|--------|-----------|-------|----|----------|-------|
| Borrower | N/A | | | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | | | |
| City | Stevenson | County | Baltimore | State | MD | Zip Code | 21153 |
| Lender/Client | | | | | | | |

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 | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD Zip Code 21153 |
| Lender/Client | | | | | |



Subject Front

1718 Greenspring Valley Rd
Sales Price
Gross Living Area 11,432
Total Rooms 15
Total Bedrooms 6
Total Bathrooms 9.2
Location Mensana Property
View Residential
Site 8.20 ac
Quality Q4
Age 119



Subject Rear



Subject Street

| | | | | | |
|------------------|----------------------------|--------|-----------|-------|-------------------|
| Borrower | N/A | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD Zip Code 21153 |
| Lender/Client | | | | | |



Alternate Street Scene



Right Side



Unfinished Garage



Screened Porch



Left Side / Garage Left



Half Bathroom



Unfinished Work



Unfinished Work



Half Bathroom 2



Half Bathroom 2



Kitchen



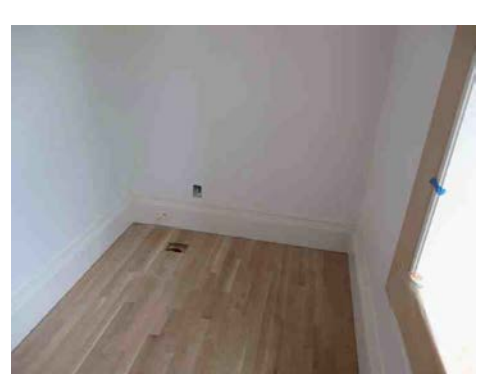
Kitchen (View 2)



Dining Room



Elevator



Mud Room

Rem Kitchen

| | | | | | |
|------------------|-----------------------------|--------|-----------|----------|-------|
| Borrower | N/A | | | | |
| Property Address | 1718 Greenspring Valley Rd. | | | | |
| City | Stevenson | County | Baltimore | State | MD |
| Lender/Client | | | | Zip Code | 21153 |



Unfinished Work



Unfinished Work



Unfinished Work



Foyer



Dining Room 2



Family Room



Bedroom Unfinished Work



Bathroom 1



Bathroom 1 (View 2)



Unfinished Work



Den



Bathroom 2



Unfinished Work



Bedroom



Bathroom 3

| | | | | | |
|------------------|----------------------------|--------|-----------|-------|-------------------|
| Borrower | N/A | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD Zip Code 21153 |
| Lender/Client | | | | | |



Bedroom



Bedroom



Bathroom 4



Den



Laundry Room



Bathroom 5



Bathroom 5



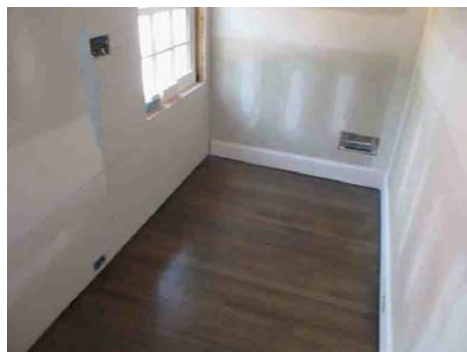
Bedroom



Bathroom 6



Den



Closet



Deck (Fall Hazard)



Den



Bedroom



Bathroom 7

| | | | | | |
|------------------|----------------------------|--------|-----------|-------|-------------------|
| Borrower | N/A | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD Zip Code 21153 |
| Lender/Client | | | | | |



Furnace



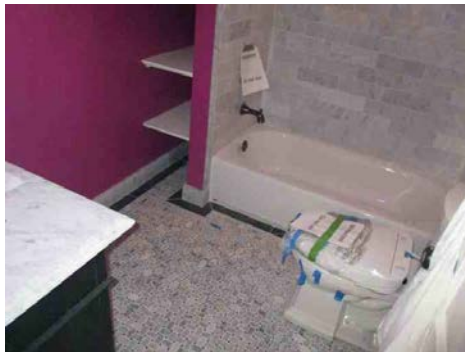
Den



Bathroom



Bedroom



Bathroom 9



Bedroom



Basement



Sump Pump



Basement



Basement (Stndng Wtr)



Basement



Basement



Garage Rear



Garage Interior

| | | | | | |
|------------------|----------------------------|--------|-----------|-------|-------------------|
| Borrower | N/A | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD Zip Code 21153 |
| Lender/Client | | | | | |



Comparable 1

9 Evan Way
 Prox. to Subject 1.98 miles SW
 Sales Price 1,400,000
 Gross Living Area 8,041
 Total Rooms 10
 Total Bedrooms 4
 Total Bathrooms 4.2
 Location Anton North
 View Residential
 Site 2.02 ac
 Quality Q3
 Age 27



Comparable 2

11205 Falls Rd
 Prox. to Subject 2.01 miles E
 Sales Price 1,050,000
 Gross Living Area 8,869
 Total Rooms 13
 Total Bedrooms 6
 Total Bathrooms 6.1
 Location Falls Road Crrdr
 View Residential
 Site 3.63 ac
 Quality Q3
 Age 44



Comparable 3

3408 Old Court Rd
 Prox. to Subject 2.99 miles S
 Sales Price 1,375,000
 Gross Living Area 7,699
 Total Rooms 11
 Total Bedrooms 6
 Total Bathrooms 4.1
 Location Dumbarton
 View Residential
 Site 4.13 ac
 Quality Q3
 Age 68

Market Conditions Addendum to the Appraisal Report

File No.

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 1718 Greenspring Valley Rd City Stevenson State MD ZIP Code 21153

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 | 1 | 2 | <input type="checkbox"/> Increasing | <input checked="" type="checkbox"/> Stable | <input type="checkbox"/> Declining |
| Absorption Rate (Total Sales/Months) | 0.17 | 0.33 | 0.67 | <input type="checkbox"/> Increasing | <input checked="" type="checkbox"/> Stable | <input type="checkbox"/> Declining |
| Total # of Comparable Active Listings | 5 | 5 | 7 | <input type="checkbox"/> Declining | <input type="checkbox"/> Stable | <input checked="" type="checkbox"/> Increasing |
| Months of Housing Supply (Total Listings/Ab.Rate) | 30 | 15 | 10.4 | <input type="checkbox"/> Declining | <input type="checkbox"/> Stable | <input checked="" 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 | \$1,375,000 | \$1,050,000 | \$1,700,000 | <input type="checkbox"/> Increasing | <input checked="" type="checkbox"/> Stable | <input type="checkbox"/> Declining |
| Median Comparable Sales Days on Market | 206 | 203 | 420 | <input type="checkbox"/> Declining | <input type="checkbox"/> Stable | <input checked="" type="checkbox"/> Increasing |
| Median Comparable List Price | \$1,499,900 | \$1,699,000 | \$1,895,000 | <input type="checkbox"/> Increasing | <input checked="" type="checkbox"/> Stable | <input type="checkbox"/> Declining |
| Median Comparable Listings Days on Market | 152 | 135 | 63 | <input type="checkbox"/> Declining | <input type="checkbox"/> Stable | <input type="checkbox"/> Increasing |
| Median Sale Price as % of List Price | 91.97 | 110.53 | 93.4 | <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: 1 Sales; 0 with concessions; 0% of sales for this period. 0-3: 2 Sales; 1 with concessions; 50% of sales for this period. The concessions ranged between \$35,000 and \$35,000. The median concession amount is \$35,000.

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 Bright MLS Listings MLS indicates there were 3 closed sales during the past 12 months and 1 of those sales were either foreclosures or short sales which is 33% of the total transactions in this market area. Prior Months 7-12: 1 Sales; 0 foreclosures or short sales; 0% of sales for this period. 4-6: 1 Sales; 1 foreclosures or short sales; 100% of sales for this period. 0-3: 1 Sales; 0 foreclosures or short sales; 0% of sales for this period.

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.

Some portions of the Inventory Analysis and the Median Sale & List Price, DOM, and List to Sale Ratio sections were unable to be obtained due to the limited availability of market data. If applicable a "0" will denote any sections where data was not available. 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

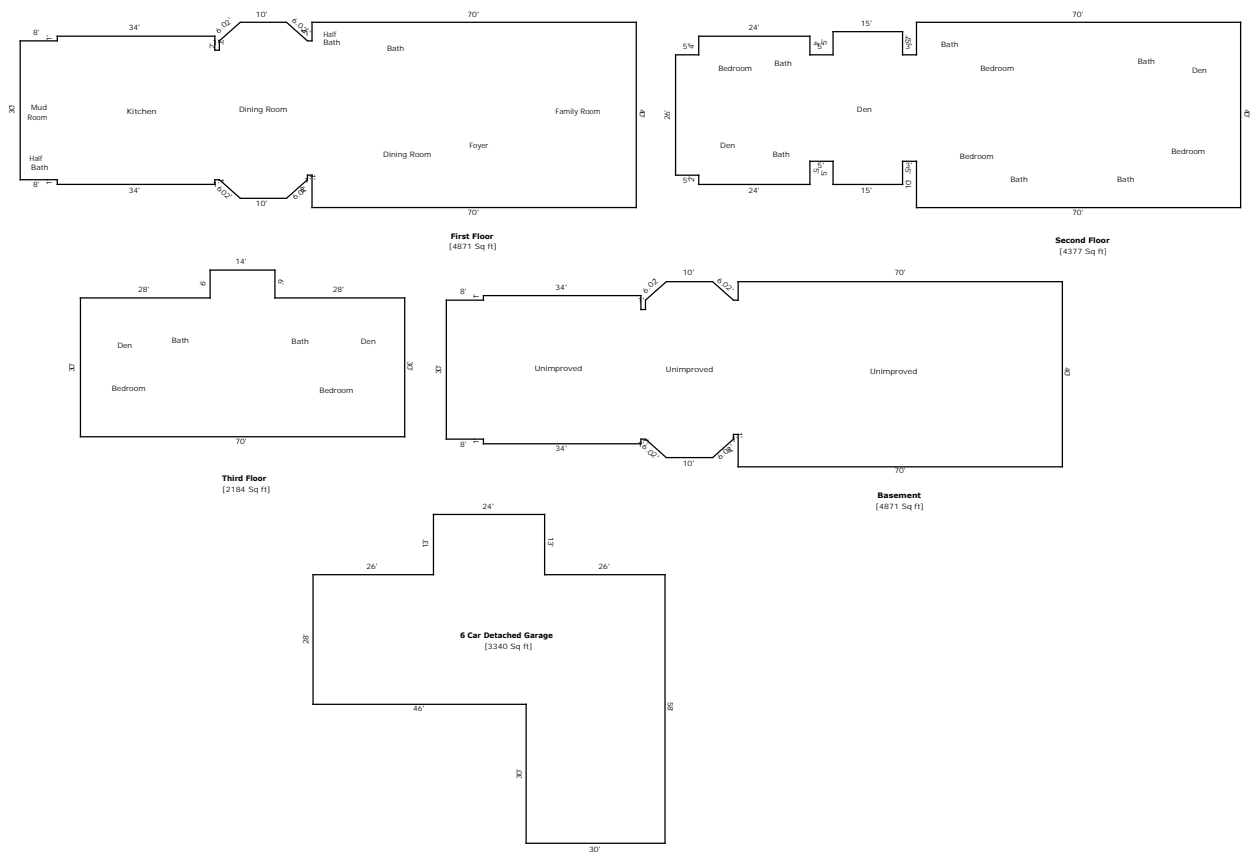
(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

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 | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD Zip Code 21153 |
| Lender/Client | | | | | |



TOTAL Sketch by a la mode, inc.

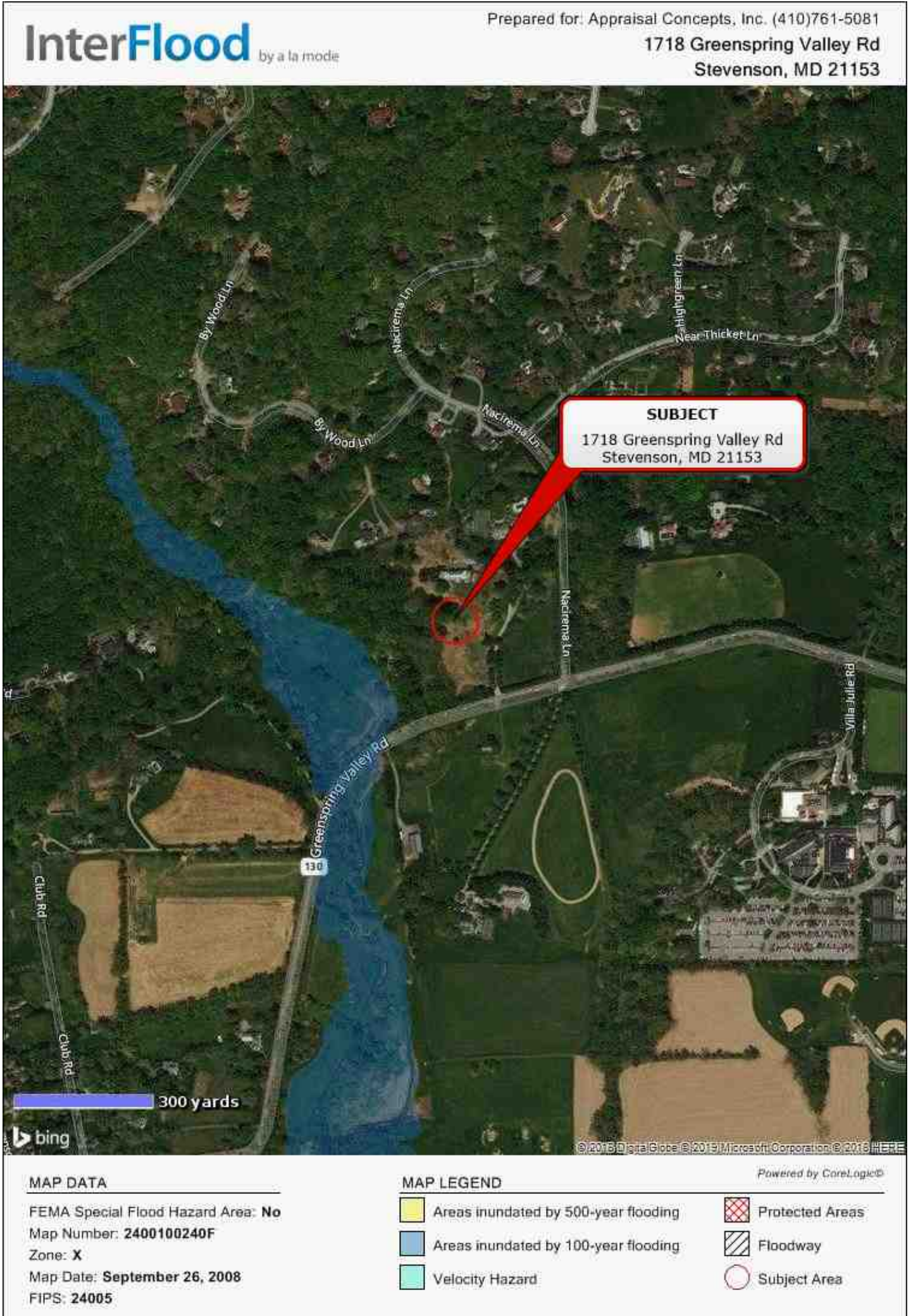
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| City | Stevenson | County | Baltimore | State | MD Zip Code 21153 |
| Lender/Client | | | | | |

TOTAL Sketch by a la mode, inc.

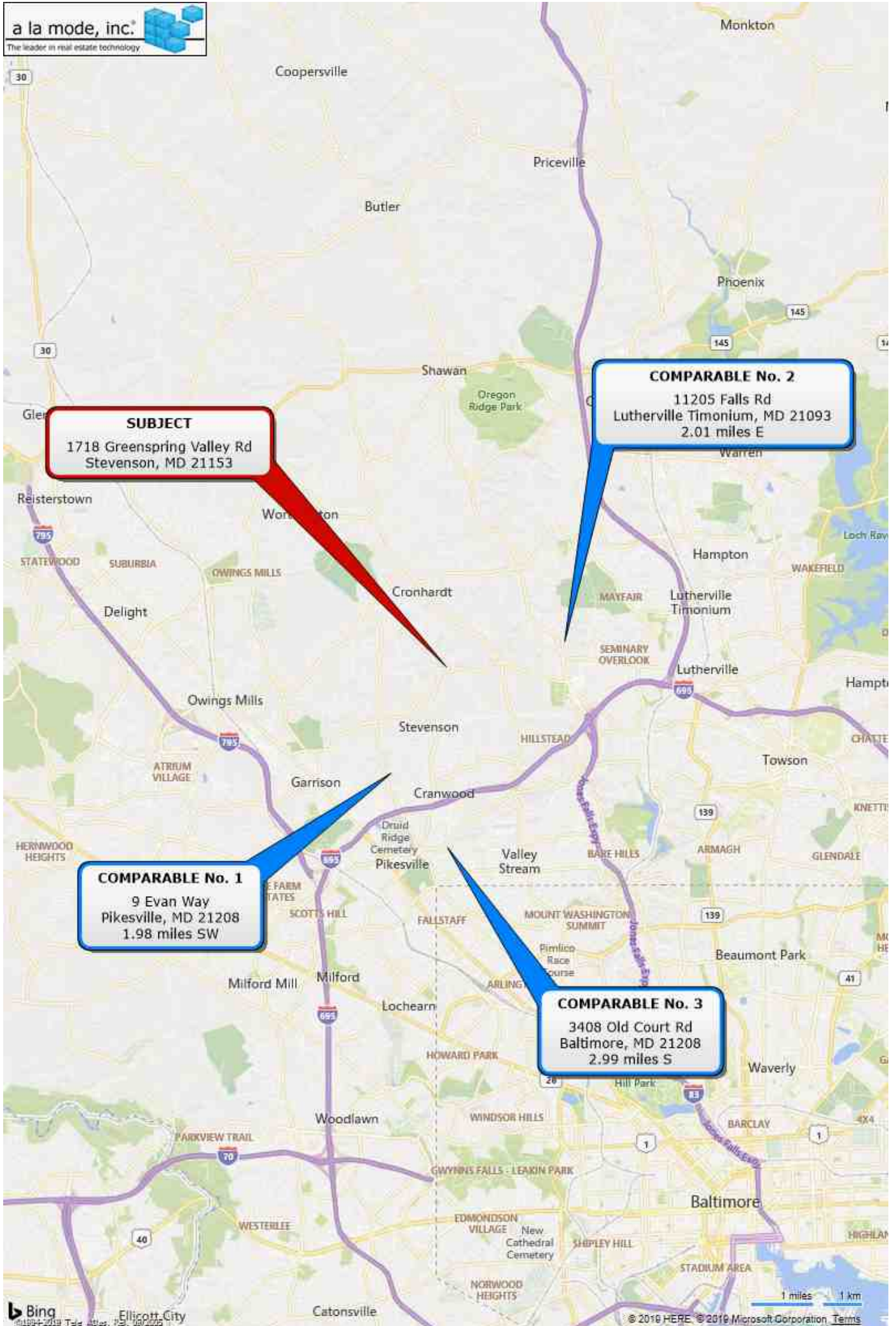
Area Calculations Summary

| Living Area | | Calculation Details | |
|-------------------------------------|--------------------|---------------------|------|
| First Floor | 4871 Sq ft | 0.5 × 4.5 × 4 = | 9 |
| | | 0.5 × 4 × 4.5 = | 9 |
| | | 10 × 4 = | 40 |
| | | 34 × 1 = | 34 |
| | | 40 × 70 = | 2800 |
| | | 29 × 1 = | 29 |
| | | 62 × 28 = | 1736 |
| | | 34 × 1 = | 34 |
| | | 42 × 2 = | 84 |
| | | 0.5 × 4.5 × 4 = | 9 |
| | | 0.5 × 4 × 4.5 = | 9 |
| | | 10 × 4 = | 40 |
| | | 19 × 2 = | 38 |
| Second Floor | 4377 Sq ft | 15 × 5 = | 75 |
| | | 24 × 4 = | 96 |
| | | 15 × 5 = | 75 |
| | | 40 × 70 = | 2800 |
| | | 23 × 23 = | 529 |
| | | 29 × 26 = | 754 |
| | | 24 × 2 = | 48 |
| Third Floor | 2184 Sq ft | 70 × 30 = | 2100 |
| | | 14 × 6 = | 84 |
| Total Living Area (Rounded): | 11432 Sq ft | | |
| Non-living Area | | | |
| 6 Car Detached Garage | 3340 Sq ft | 24 × 13 = | 312 |
| | | 30 × 30 = | 900 |
| | | 28 × 76 = | 2128 |
| Basement | 4871 Sq ft | 0.5 × 4.5 × 4 = | 9 |
| | | 0.5 × 4 × 4.5 = | 9 |
| | | 10 × 4 = | 40 |
| | | 34 × 1 = | 34 |
| | | 0.5 × 4.5 × 4 = | 9 |
| | | 0.5 × 4 × 4.5 = | 9 |
| | | 10 × 4 = | 40 |
| | | 40 × 70 = | 2800 |
| | | 30 × 8 = | 240 |
| | | 31 × 34 = | 1054 |
| | | 20 × 2 = | 40 |
| | | 21 × 27 = | 567 |
| | | 1 × 20 = | 20 |

| | | | | | |
|------------------|----------------------------|--------|-----------|-------|-------------------|
| Borrower | N/A | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD Zip Code 21153 |
| Lender/Client | | | | | |



| | | | | | |
|------------------|----------------------------|--------|-----------|-------|-------------------|
| Borrower | N/A | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD Zip Code 21153 |
| Lender/Client | | | | | |



| | | | | | |
|------------------|----------------------------|--------|-----------|-------|-------------------|
| Borrower | N/A | | | | |
| Property Address | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD Zip Code 21153 |
| Lender/Client | | | | | |

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

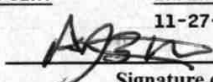
STATE OF MARYLAND
DLLR
DEPARTMENT OF LABOR, LICENSING AND REGULATION

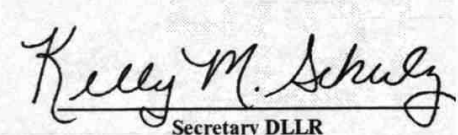
LICENSE * REGISTRATION * CERTIFICATION * PERMIT
STATE OF MARYLAND
DEPARTMENT OF LABOR, LICENSING AND REGULATION
COMMISSION OF RE APPRAISERS & HOME INSPECTORS
CERTIFIES THAT:
ADAM BOLLING

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 | 1718 Greenspring Valley Rd | | | | | | |
| City | Stevenson | County | Baltimore | State | MD | Zip Code | 21153 |
| 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**):

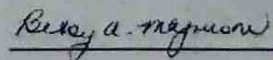
- A. \$ 0.00 Each Claim
- B. \$ 0.00 Aggregate

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 | 1718 Greenspring Valley Rd | | | | |
| City | Stevenson | County | Baltimore | State | MD Zip Code 21153 |
| 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

1905275A

DATE

REFERENCE

Internal Order #: 1905275A
 Lender Case #:
 Client File #:
 Main File # on form:
 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, Receiver
 Purchaser/Borrower: N/A
 Property Address: 1718 Greenspring Valley Rd
 City: Stevenson State: MD Zip: 21153
 County: Baltimore
 Legal Description: 8.204 AC 1718 GRNSPRNG VLY RD NS MENSANA PROPERTY

FEEES

AMOUNT

| | |
|------------------|----------|
| Market Valuation | 1,200.00 |
| SUBTOTAL | |
| | 1,200.00 |

PAYMENTS

AMOUNT

| | | | |
|-------------------------------------|-------|--------------|------------------------------|
| Check #: | Date: | Description: | |
| Check #: | Date: | Description: | |
| Check #: | Date: | Description: | |
| SUBTOTAL | | | 0.00 |
| Payment due upon receipt, Thank You | | | TOTAL DUE \$ 1,200.00 |

EXHIBIT 4

APPRAISAL OF



LOCATED AT:

1718 Greenspring Valley Road
Stevenson, MD 21153

FOR:

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

BORROWER:

N/A

AS OF:

May 29, 2019

BY:

Herbert L Hosford III

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

File Number: 1905149

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

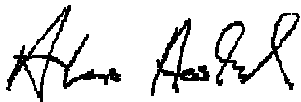
1718 Greenspring Valley Road
Stevenson, MD 21153

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 29, 2019 is:

\$1,500,000
One Million Five Hundred 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. 1905149

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

| | | | | | |
|---------|--|---|------------------------------|-----------------------|--|
| SUBJECT | Property Address 1718 Greenspring Valley Road | City Stevenson | State MD | Zip Code 21153 | |
| | Borrower N/A | Owner of Public Record Kevin B. Merrill Trustee | County Baltimore | | |
| | Legal Description Map 59, Grid 16, Parcel 456, Lot 1, District 3 / 8.204 AC 1718 Gmsprng Vly Rd NS Mensana Property | | | | |
| | Assessor's Parcel # 04032200022418 | Tax Year 2019 | R.E. Taxes \$ 17,438 | | |
| | Neighborhood Name Greenspring Valley | Map Reference ADC/BC 26 G-06 | Census Tract 4038.01 | | |
| | 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 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.**

| | | | | |
|----------|---|------------------|--|--|
| CONTRACT | 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 | | | |

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 checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural | Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining | PRICE | AGE |
| Built-Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25% | Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply | \$(000) | (yrs) |
| Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow | Marketing Time <input checked="" type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths | 225 Low | 86 2-4 Unit |
| Neighborhood Boundaries Greenspring Avenue to the north and the east, Greenspring Valley Road to the south and Park Heights Avenue to the west. | | 1,745 High | 124 Commercial |
| Neighborhood Description The subject property is located in the neighborhood known as "Greenspring Valley" in the Stevenson area of Baltimore 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. | | 500 Pred. | 34 Other Lnd/PK |
| 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. | | | |

| | | | | | |
|------|---|---|---------------------------------|---|--|
| SITE | Dimensions Unknown | Area 8.20 ac | Shape Mostly Rectangular | View N;Res; | |
| | Specific Zoning Classification Residential (R-2) | Zoning Description Residential - 2.5 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) | | | | |
| | 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) |
| | Electricity <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Water <input type="checkbox"/> | <input checked="" type="checkbox"/> Private Well |
| | Gas <input type="checkbox"/> | <input checked="" type="checkbox"/> Propane | <input type="checkbox"/> | Sanitary Sewer <input type="checkbox"/> | <input checked="" type="checkbox"/> Private Septic |
| | FEMA Special Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | FEMA Flood Zone X | FEMA Map # 2400100240F | FEMA Map Date 09/26/2008 | |
| | 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 checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit | <input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space | Foundation Walls Stone/Gd | Floors HWood/Gd |
| # of Stories 2.5 | <input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement | Exterior Walls Stucco/Gd | Walls DW/Plaster/Gd |
| Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit | Basement Area 4722 sq. ft. | Roof Surface Slate/Gd | Trim/Finish Wood/Paint/Gd |
| <input type="checkbox"/> Existing <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Under Const. | Basement Finish 0 % | Gutters & Downspouts Copper/Gd | Bath Floor Tile/Marble/Gd |
| Design (Style) Colonial | <input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump | Window Type Vinyl D/H/Gd | Bath Wainscot Tile/Marble/Gd |
| Year Built 1900 | Evidence of <input type="checkbox"/> Infestation | Storm Sash/Insulated Dbl.Pn/Yes/Gd | Car Storage <input type="checkbox"/> None |
| Effective Age (Yrs) 25 | <input type="checkbox"/> Dampness <input type="checkbox"/> Settlement | Screens Yes/Gd | <input checked="" type="checkbox"/> Driveway # of Cars 4 |
| 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 Macadam/Gd |
| <input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs | <input type="checkbox"/> Other Fuel Gas/Gd | <input checked="" type="checkbox"/> Fireplace(s) # 4 <input type="checkbox"/> Fence None | <input checked="" type="checkbox"/> Garage # of Cars 5 |
| <input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle | Cooling <input checked="" type="checkbox"/> Central Air Conditioning | <input checked="" type="checkbox"/> Patio/Deck Pt/Dk <input type="checkbox"/> Porch None | <input type="checkbox"/> Carport # of Cars 0 |
| <input type="checkbox"/> Finished <input type="checkbox"/> Heated | <input type="checkbox"/> Individual <input type="checkbox"/> Other | <input type="checkbox"/> Pool None <input checked="" type="checkbox"/> Other Elevator | <input 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) | | | |
| Finished area above grade contains: 12 Rooms 6 Bedrooms 7.1 Bath(s) 10,922 Square Feet of Gross Living Area Above Grade | | | |
| Additional features (special energy efficient items, etc.) Subject has been improved with hardwood flooring, custom millwork and built-ins throughout the house; slate roof. | | | |
| 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. 1905149

| There are 1 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 2,400,000 to \$ 2,400,000 | | | | | | | |
|--|-------------------|--|--------------------|--|--------------------|--|--------------------|
| There are 2 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 1,800,000 to \$ 2,035,000 | | | | | | | |
| FEATURE | SUBJECT | COMPARABLE SALE NO. 1 | | COMPARABLE SALE NO. 2 | | COMPARABLE SALE NO. 3 | |
| 1718 Greenspring Valley Road Address Stevenson, MD 21153 | | 703 Abell Ridge Circle Towson, MD 21204 | | 10510 Burnside Farm Road Owings Mills, MD 21117 | | 416 Garrison Forest Road Owings Mills, MD 21117 | |
| Proximity to Subject | | 4.13 miles SE | | 1.56 miles SW | | 2.89 miles SW | |
| Sale Price | \$ | \$ 2,035,000 | | \$ 1,800,000 | | \$ 1,010,000 | |
| Sale Price/Gross Liv. Area | \$ 0.00 sq. ft. | \$ 156.47 sq. ft. | | \$ 197.43 sq. ft. | | \$ 152.45 sq. ft. | |
| Data Source(s) | | Bright#1000376374;DOM 245 | | Bright#1000158278;DOM 1 | | Bright#1000028732;DOM 58 | |
| Verification Source(s) | | SDAT(PublicRecords) | | SDAT(PublicRecords) | | SDAT(PublicRecords) | |
| VALUE ADJUSTMENTS | DESCRIPTION | DESCRIPTION | +(-) \$ Adjustment | DESCRIPTION | +(-) \$ Adjustment | DESCRIPTION | +(-) \$ Adjustment |
| Sale or Financing Concessions | | CrtOrd Cash;0 | | ArmLth Cash;0 | | ArmLth Cash;10000 | 0 |
| Date of Sale/Time | | s12/18;c11/18 | | s02/18;c02/18 | | s07/17;c05/17 | 101,000 |
| Location | N;Res; | N;Res; | | N;Res; | | N;Res; | 101,000 |
| Leasehold/Fee Simple | Fee Simple | Fee Simple | | Fee Simple | | Fee Simple | |
| Site | 8.20 ac | 1.52 ac | 66,800 | 24.90 ac | -167,000 | 10.10 ac | -19,000 |
| View | N;Res; | N;Res; | | N;Res; | | N;Res; | |
| Design (Style) | DT2.5;Colonial | DT3;Beaux Arts | 0 | DT2;Colonial | 0 | DT2;Colonial | 0 |
| Quality of Construction | Q2 | Q2 | | Q2 | | Q2 | |
| Actual Age | 119 | 127 | 0 | 159 | 0 | 92 | 0 |
| Condition | C4 | C3 | -203,500 | C4 | | C4 | |
| Above Grade | Total Bdrms Baths | Total Bdrms Baths | | Total Bdrms Baths | | Total Bdrms Baths | |
| Room Count | 12 6 7.1 | 14 6 5.1 | 20,000 | 12 6 6.1 | 10,000 | 13 7 4.1 | 30,000 |
| Gross Living Area | 50 10,922 sq. ft. | 13,006 sq. ft. | -104,200 | 9,117 sq. ft. | 90,250 | 6,625 sq. ft. | 214,850 |
| Basement & Finished Rooms Below Grade | 4722sf0sfwu | 4915sf500sfwo 1rr0br0.1ba0o | 0 -55,000 | 3540sf0sfwu | 0 | 2072sf0sfwu | 66,250 |
| Functional Utility | Good-6Bedroom | Good-6Bedroom | | Good-6Bedroom | | Good-7Bedroom | 0 |
| Heating/Cooling | GFWA/CAC | GFWA/CAC | | GFWA/CAC | | Radiator/Wndw | 25,000 |
| Energy Efficient Items | Dbl.Panes | Dbl.Panes | | Dbl.Panes | | Dbl.Panes | |
| Garage/Carport | 4dw | 3gd4dw | -75,000 | 2ga2dw | -50,000 | 4dw | |
| Porch/Patio/Deck | Porch,Patio | Porch,Patio | | Porch,Patio | | Porch,Patio | |
| Other | None | ModKth&ModBth | -150,000 | StdKth&StdBth | -75,000 | StdKth&StdBth | -75,000 |
| Fence,Pool,Shed | None | None | | Pool | -50,000 | None | |
| Fireplace | (4)Fireplaces | (10)Fireplaces | -30,000 | (9)Fireplaces | -25,000 | (1)Fireplace | 15,000 |
| Net Adjustment (Total) | | <input type="checkbox"/> + <input checked="" type="checkbox"/> - | \$ 530,900 | <input type="checkbox"/> + <input checked="" type="checkbox"/> - | \$ 266,750 | <input checked="" type="checkbox"/> + <input type="checkbox"/> - | \$ 459,100 |
| Adjusted Sale Price of Comparables | | Net Adj. -26.1% Gross Adj. 34.6% | \$ 1,504,100 | Net Adj. -14.8% Gross Adj. 26.0% | \$ 1,533,250 | Net Adj. 45.5% Gross Adj. 64.1% | \$ 1,469,100 |
| I <input checked="" type="checkbox"/> did <input type="checkbox"/> 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 <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) Public Records (SDAT), MLS (BRIGHT). | | | | | | | |
| My research <input type="checkbox"/> did <input checked="" type="checkbox"/> 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 | 02/24/2018 | 03/17/1999 | | 09/04/1996 | | 06/10/2003 | |
| Price of Prior Sale/Transfer | \$1,545,000 | \$255,000 | | \$710,000 | | \$505,000 | |
| 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 \$ 1,500,000 | | | | | | | |
| Indicated Value by: Sales Comparison Approach \$ 1,500,000 Cost Approach (if developed) \$ 0 Income Approach (if developed) \$ 0 | | | | | | | |
| See Attached Addendum | | | | | | | |
| 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, or <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: No warranty of the appraised property is given or implied. No liability is assumed for structural or mechanical elements. No personal property was given value consideration. | | | | | | | |
| 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 \$ 1,500,000 as of 05/29/2019 , which is the date of inspection and the effective date of this appraisal. | | | | | | | |

SALES COMPARISON APPROACH

RECONCILIATION

Uniform Residential Appraisal Report

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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 \$0 | | = \$ () |
| | Depreciated Cost of Improvements = \$ | | |
| | "As-is" Value of Site Improvements = \$ | | |
| Estimated Remaining Economic Life (HUD and VA only) | 45 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. _____

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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.

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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).

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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.

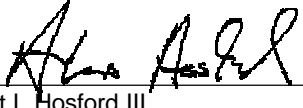
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation 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 05/29/2019
 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
1718 Greenspring Valley Road
Stevenson, MD 21153

APPRAISED VALUE OF SUBJECT PROPERTY \$ 1,500,000

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. 1905149

| FEATURE | SUBJECT | COMPARABLE SALE NO. 4 | COMPARABLE SALE NO. 5 | COMPARABLE SALE NO. 6 |
|--|-------------------|---|--|--|
| 1718 Greenspring Valley Road Address Stevenson, MD 21153 | | 7300 Brightside Road Baltimore, MD 21212 | | |
| Proximity to Subject | | 4.80 miles SE | | |
| Sale Price | \$ | \$ 2,400,000 | \$ | \$ |
| Sale Price/Gross Liv. Area | \$ 0.00 sq. ft. | \$ 189.10 sq. ft. | \$ sq. ft. | \$ sq. ft. |
| Data Source(s) | | Bright#MDBC441920;DOM 61 | | |
| Verification Source(s) | | SDAT(PublicRecords) | | |
| VALUE ADJUSTMENTS | DESCRIPTION | DESCRIPTION | + | + |
| Sale or Financing Concessions | | Listing ;0 | -480,000 | |
| Date of Sale/Time | | Active | | |
| Location | N;Res; | N;Res; | -240,000 | |
| Leasehold/Fee Simple | Fee Simple | Fee Simple | | |
| Site | 8.20 ac | 3.72 ac | 44,800 | |
| View | N;Res; | N;Res; | | |
| Design (Style) | DT2.5;Colonial | DT2.5;Manor | 0 | |
| Quality of Construction | Q2 | Q2 | | |
| Actual Age | 119 | 94 | 0 | |
| Condition | C4 | C4 | | |
| Above Grade | Total Bdrms Baths | Total Bdrms Baths | Total Bdrms Baths | Total Bdrms Baths |
| Room Count | 12 6 7.1 | 16 10 7.2 | -5,000 | |
| Gross Living Area | 50 10,922 sq. ft. | 12,692 sq. ft. | -88,500 | sq. ft. |
| Basement & Finished Rooms Below Grade | 4722sf0sfwu | 3812sf0sfwu | 0 | sq. ft. |
| Functional Utility | Good-6Bedroom | Good-10Bedroom | 0 | |
| Heating/Cooling | GFWA/CAC | Radiator/Wndw | 25,000 | |
| Energy Efficient Items | Dbl.Panes | Dbl.Panes | | |
| Garage/Carport | 4dw | 4dw | | |
| Porch/Patio/Deck | Porch,Patio | Porch,Patio | | |
| Other | None | StdKth&StdBth | -75,000 | |
| Fence,Pool,Shed | None | None | 10,000 | |
| Fireplace | (4)Fireplaces | (4)Fireplaces | | |
| Net Adjustment (Total) | | <input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ 808,700 | <input type="checkbox"/> + <input type="checkbox"/> - \$ | <input type="checkbox"/> + <input type="checkbox"/> - \$ |
| Adjusted Sale Price of Comparables | | Net Adj. -33.7% Gross Adj. 40.3% \$ 1,591,300 | Net Adj. % Gross Adj. % \$ | Net Adj. % Gross Adj. % \$ |
| ITEM | SUBJECT | COMPARABLE SALE NO. 4 | COMPARABLE SALE NO. 5 | COMPARABLE SALE NO. 6 |
| Date of Prior Sale/Transfer | 02/24/2018 | 08/19/1980 | | |
| Price of Prior Sale/Transfer | \$1,545,000 | \$260,000 | | |
| Data Source(s) | SDAT, MRIS | SDAT, BRIGHT | | |
| Effective Date of Data Source(s) | 05/31/2019 | 05/31/2019 | | |
| Summary of Sales Comparison Approach A 80% sale to list price adjustment was made for comp. #4 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 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. | | | | |

SALES COMPARISON APPROACH

Uniform Appraisal Dataset Definitions

File No. 1905149

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.: 1905149

Property Address: 1718 Greenspring Valley Road

Case No.:

City: Stevenson

State: MD

Zip: 21153

Lender: Harney Partners

Condition of the Property

Continued from Condition of the Property: continued in addendum > 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. No value consideration was given to the unfinished garage.

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. \$10,000/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. Equal emphasis was given to comps. #1 - #3. Comp. #4 (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 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.

No adjustments were made for differences in age as the comps. are all similar in effective age. Basement adjustments are as follows: \$50,000/rec room, \$10,000 for bedrooms, full bathrooms and other, and \$5,000 for half bathrooms.

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. 1905149

Borrower: N/A
 Property Address: 1718 Greenspring Valley Road
 City: Stevenson County: Baltimore State: MD Zip Code: 21153
 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: 0-3 months

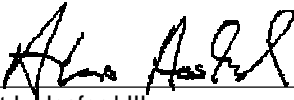
Exposure Time is the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is a retrospective opinion based on an analysis of past 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 0-3 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 29, 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: 1718 Greenspring Valley Road

City: Stevenson

Lender: Harney Partners

File No.: 1905149

Case No.:

State: MD

Zip: 21153



**FRONT VIEW OF
SUBJECT PROPERTY**

Appraised Date: May 29, 2019
Appraised Value: \$ 1,500,000



**REAR VIEW OF
SUBJECT PROPERTY**



STREET SCENE



Kitchen - Photo #1



Kitchen - Photo #2



Family Room - Photo #1



Family Room - Photo #1



Foyer



Dining Room



Family Room - Photo #1



Family Room - Photo #2



Den



Foyer/Hall



Mud Room



Modern Full Bathroom #1



Bedroom



Modern Full Bathroom #2



Family Room



Modern Full Bathroom #3



Bedroom



Modern Full Bathroom #4



Bedroom



Laundry



Bedroom



Modern Full Bathroom #5



Walk-in



Modern Full Bathroom #6



Bedroom/Family Room - Photo #1



Bedroom/Family Room - Photo #2



Full Bathroom #7



HVAC



Closet



Den



Bedroom



Wet Bar



Modern Full Bathroom #9



Basement - Unfinished Area - Photo #1



Basement - Unfinished Area - Photo #1



Basement - HVAC



Basement - HVAC



Additional Front Photo #1



Additional Front Photo #2



Additional Street View



Additional Rear Photo #1



Additional Rear Photo #2



5/Car Detached Garage - Front



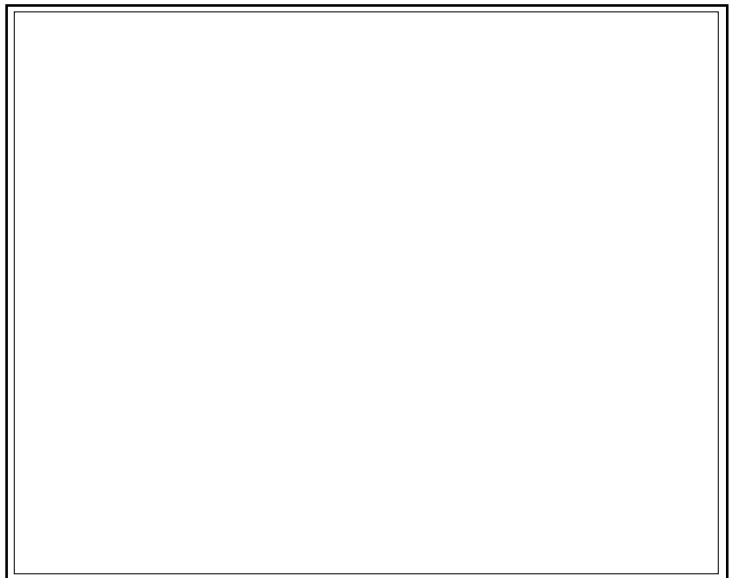
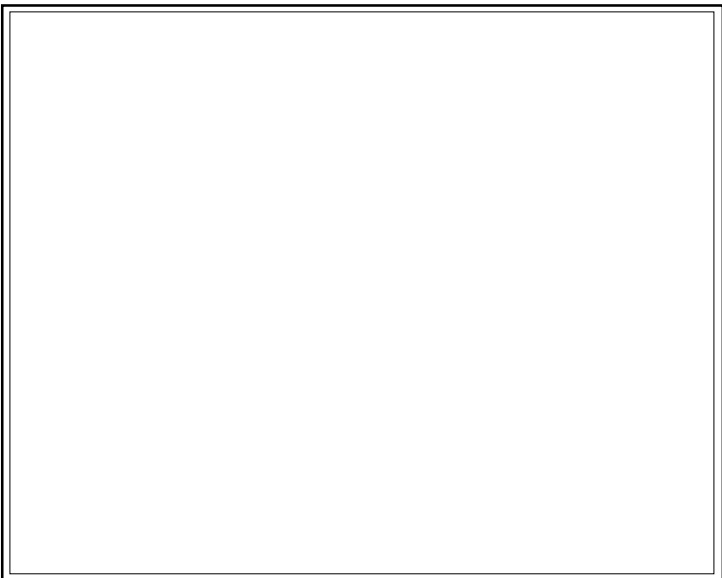
5/Car Detached Garage - Rear



5/Car Detached Garage - Interior



5/Car Detached Garage - Interior



Borrower: N/A

Property Address: 1718 Greenspring Valley Road

City: Stevenson

Lender: Harney Partners

File No.: 1905149

Case No.:

State: MD

Zip: 21153



COMPARABLE SALE #1

703 Abell Ridge Circle
Towson, MD 21204
Sale Date: s12/18;c11/18
Sale Price: \$ 2,035,000



COMPARABLE SALE #2

10510 Burnside Farm Road
Owings Mills, MD 21117
Sale Date: s02/18;c02/18
Sale Price: \$ 1,800,000



COMPARABLE SALE #3

416 Garrison Forest Road
Owings Mills, MD 21117
Sale Date: s07/17;c05/17
Sale Price: \$ 1,010,000

Borrower: N/A

Property Address: 1718 Greenspring Valley Road

City: Stevenson

Lender: Harney Partners

Case No.:

File No.: 1905149

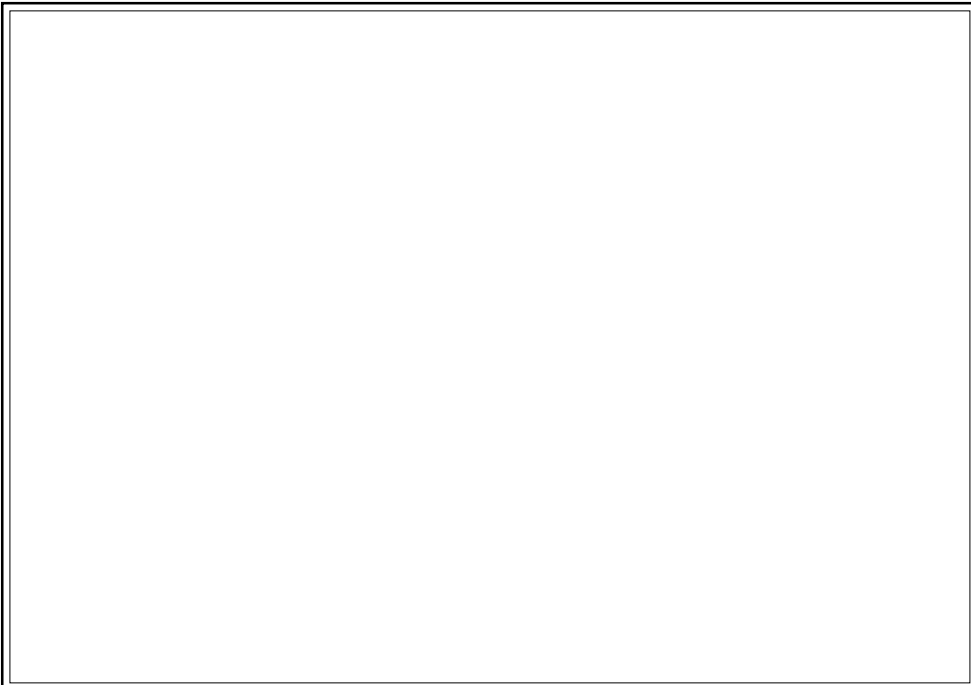
State: MD

Zip: 21153



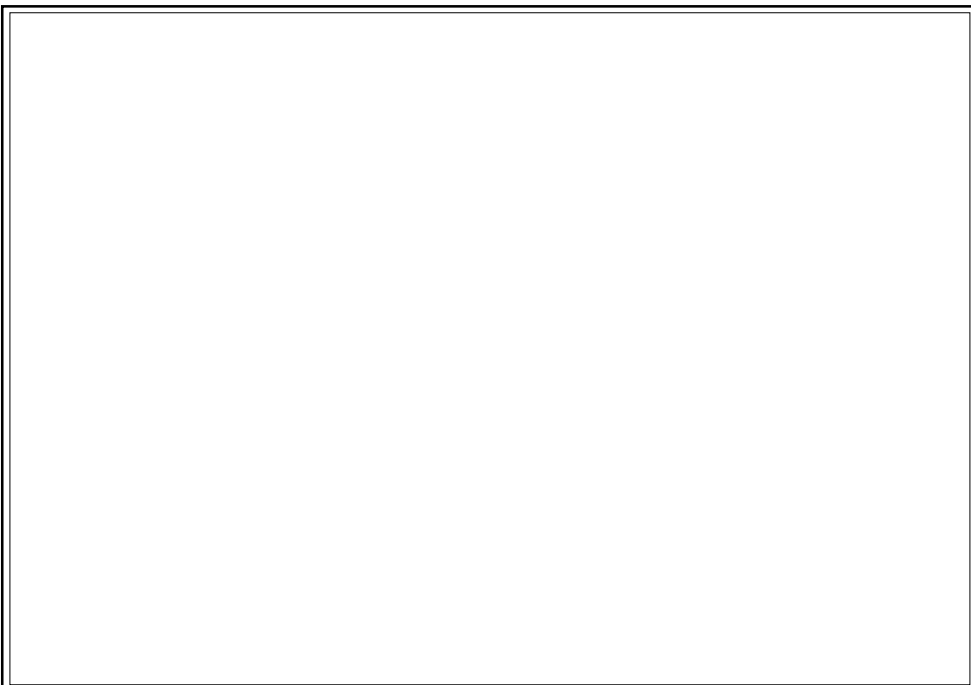
COMPARABLE SALE #4

7300 Brightside Road
Baltimore, MD 21212
Sale Date: Active
Sale Price: \$ 2,400,000



COMPARABLE SALE #5

Sale Date:
Sale Price: \$

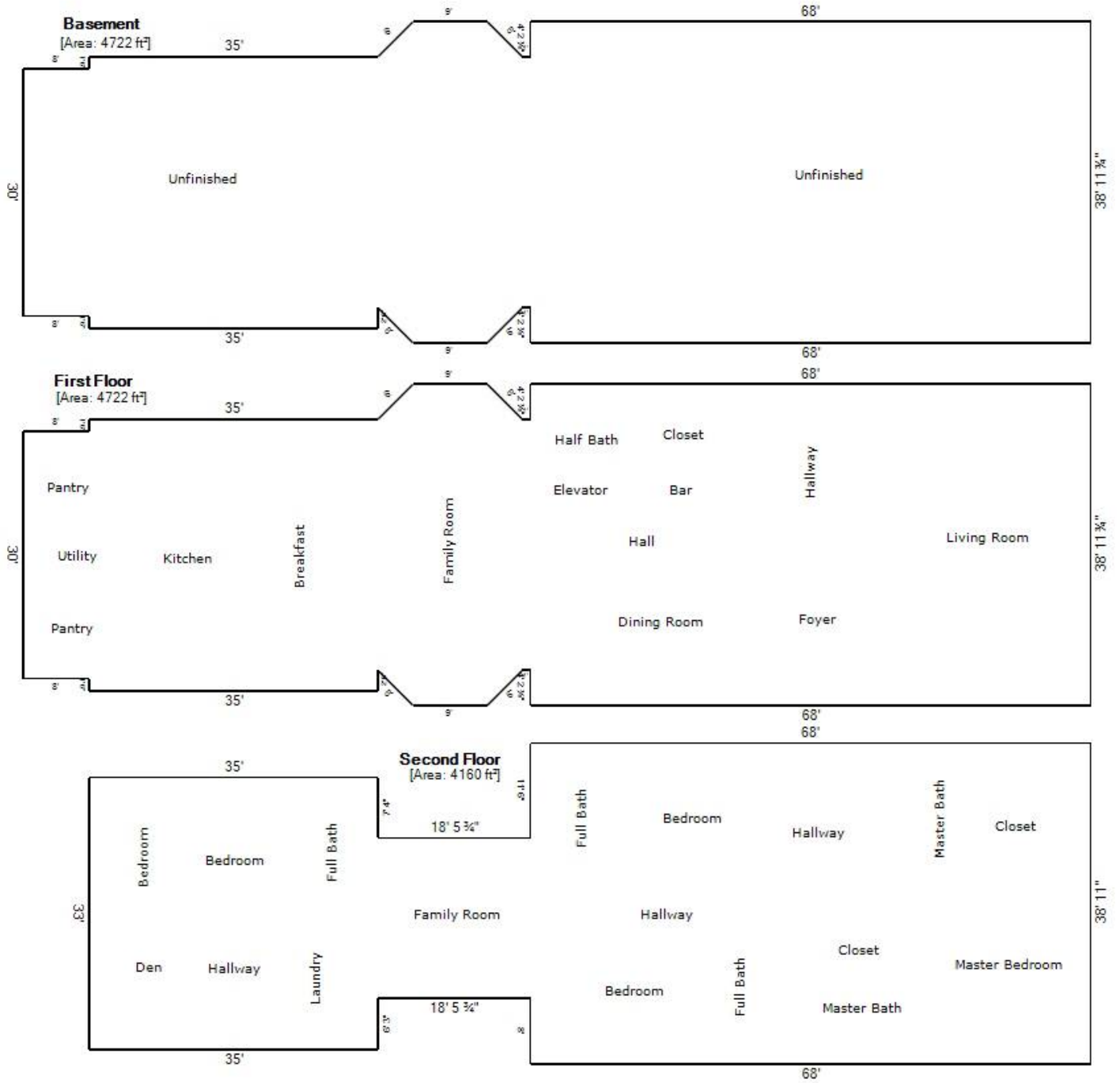


COMPARABLE SALE #6

Sale Date:
Sale Price: \$

| | |
|--|----------------------|
| Borrower: N/A | File No.: 1905149 |
| Property Address: 1718 Greenspring Valley Road | Case No.: |
| City: Stevenson | State: MD Zip: 21153 |
| Lender: Harney Partners | |

Sketch



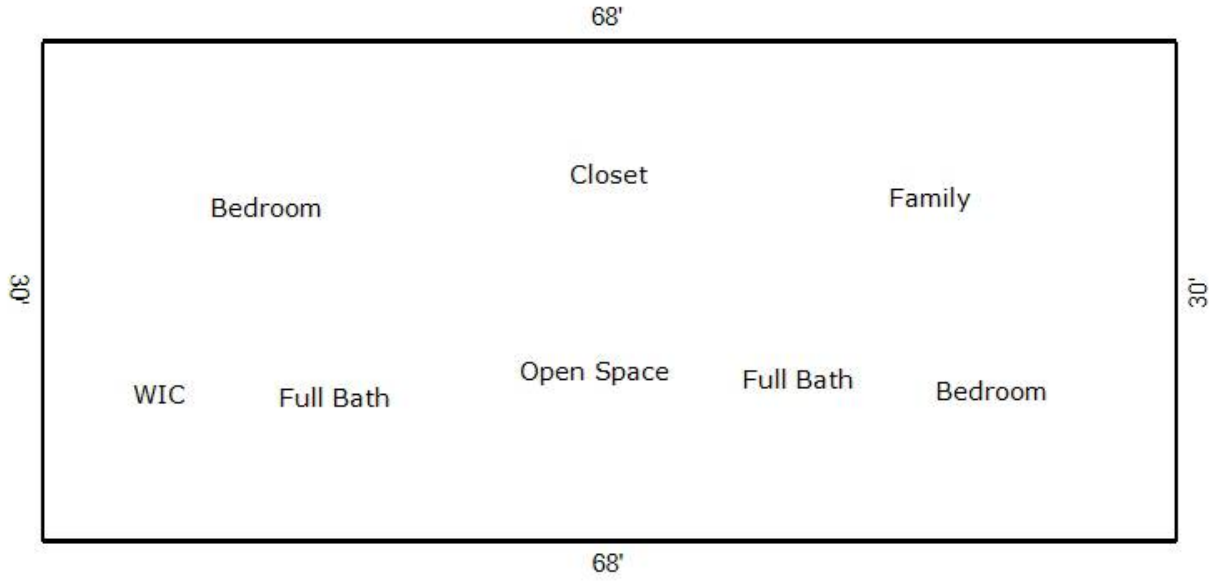
| Living Area | Nonliving Area | |
|-------------------------------------|-----------------|--|
| First Floor | 4722.17 ft² | Basement 4722.17 ft² |
| Second Floor | 4160.26 ft² | |
| Total Living Area (rounded): | 8882 ft² | Total Non-Living Area (rounded): 4722 ft² |

| | |
|--|----------------------|
| Borrower: N/A | File No.: 1905149 |
| Property Address: 1718 Greenspring Valley Road | Case No.: |
| City: Stevenson | State: MD Zip: 21153 |
| Lender: Harney Partners | |

Sketch

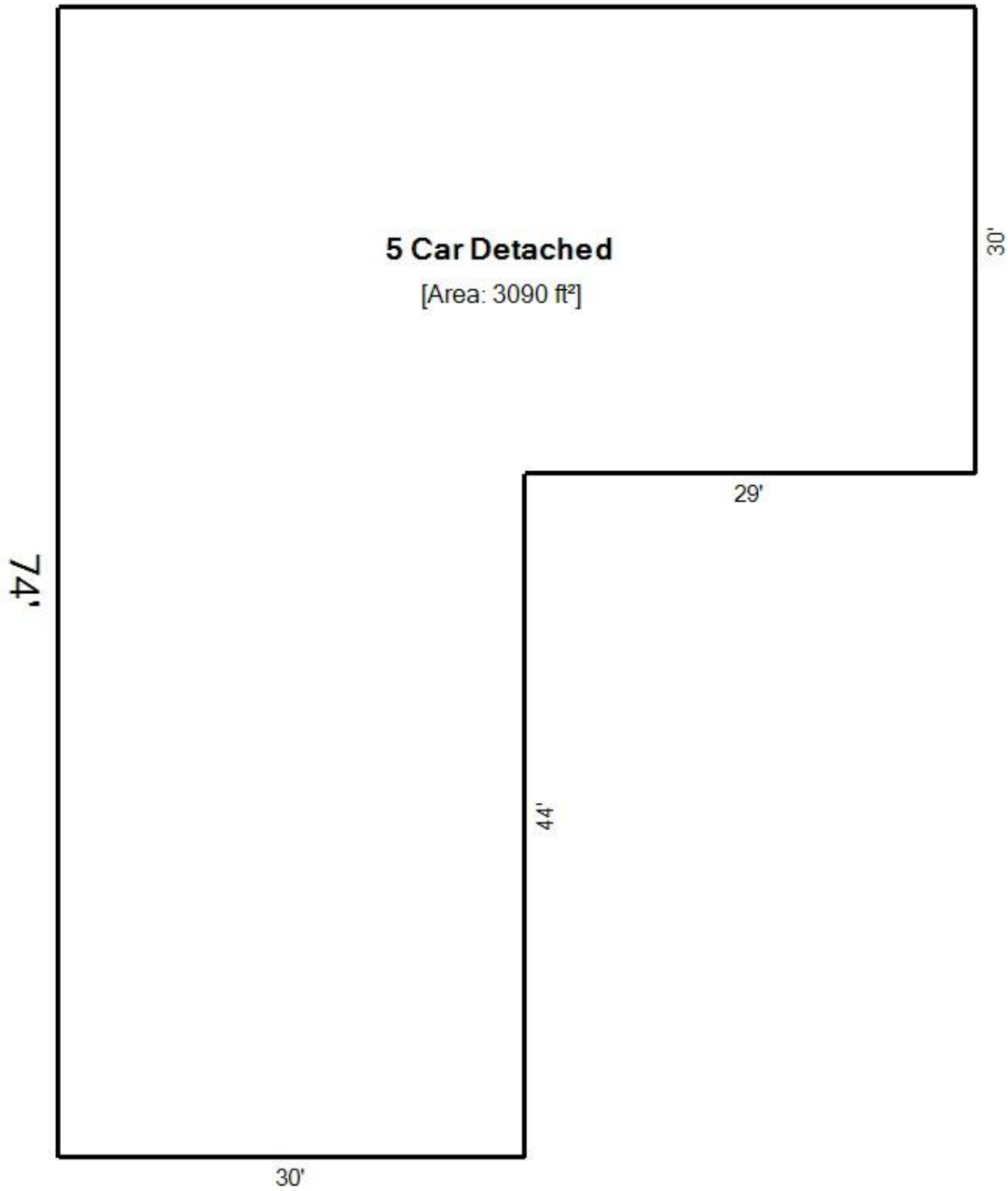
Third Floor

[Area: 2040 ft²]



5 Car Detached

[Area: 3090 ft²]



| Living Area | Nonliving Area | |
|-------------------------------------|---|----------------------------|
| Third Floor | 2040 ft ² 5 Car Detached | 3090 ft ² |
| Total Living Area (rounded): | 2040 ft² Total Non-Living Area (rounded): | 3090 ft² |

| | |
|--|----------------------|
| Borrower: N/A | File No.: 1905149 |
| Property Address: 1718 Greenspring Valley Road | Case No.: |
| City: Stevenson | State: MD Zip: 21153 |
| Lender: Harney Partners | |



FLOOD INFORMATION

Community: Baltimore County Unincorporated Areas
 Property is **NOT** in a FEMA Special Flood Hazard Area
 Map Number: 2400100240F
 Panel: 0240F
 Zone: X
 Map Date: 09-26-2008
 FIPS: 24005
 Source: FEMA DFIRM

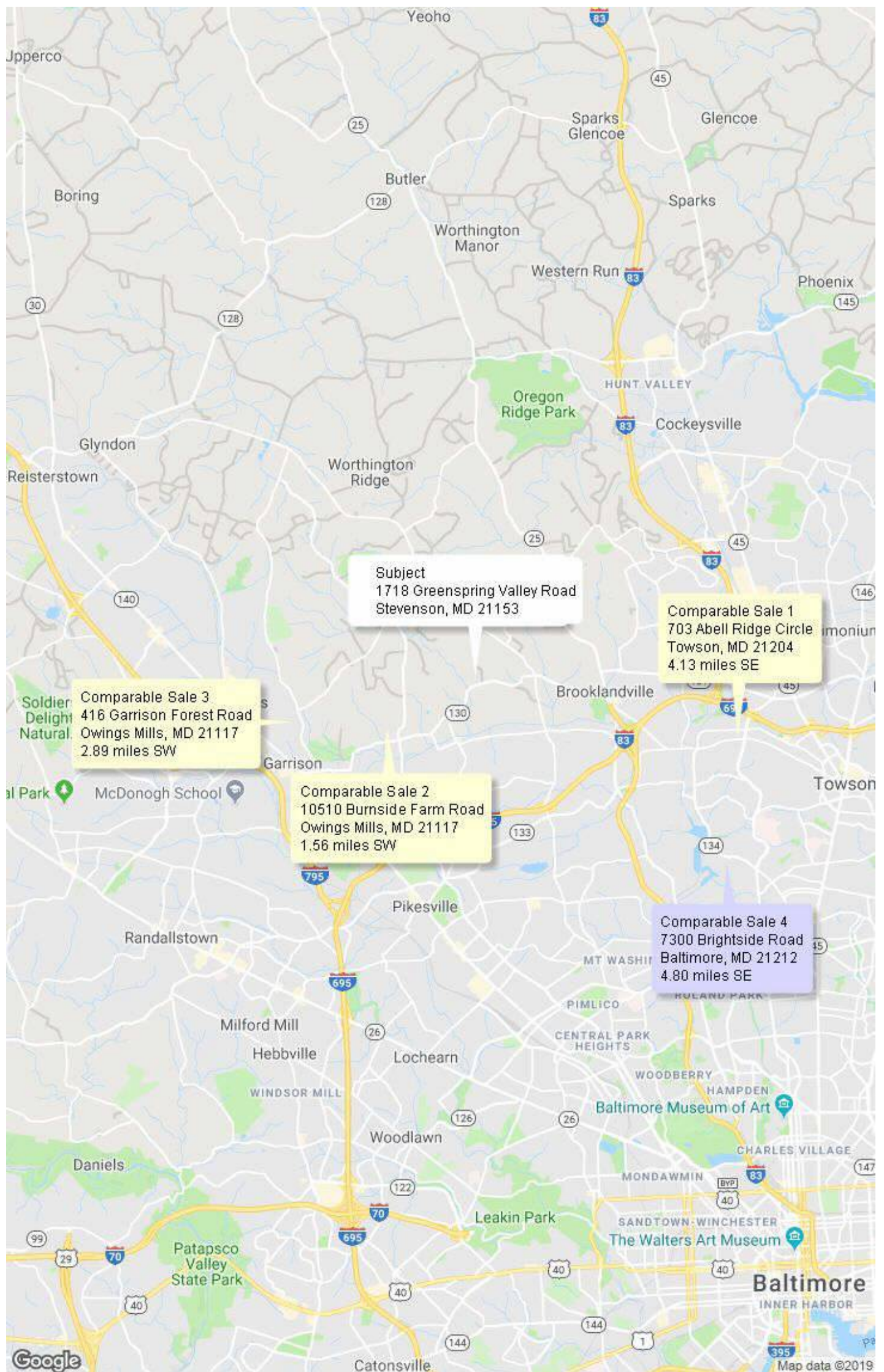
LEGEND

-  = 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.: 1905149 | |
| Property Address: 1718 Greenspring Valley Road | Case No.: | |
| City: Stevenson | State: MD | Zip: 21153 |
| Lender: Harney Partners | | |



Borrower: N/A

File No.: 1905149

Property Address: 1718 Greenspring Valley Road

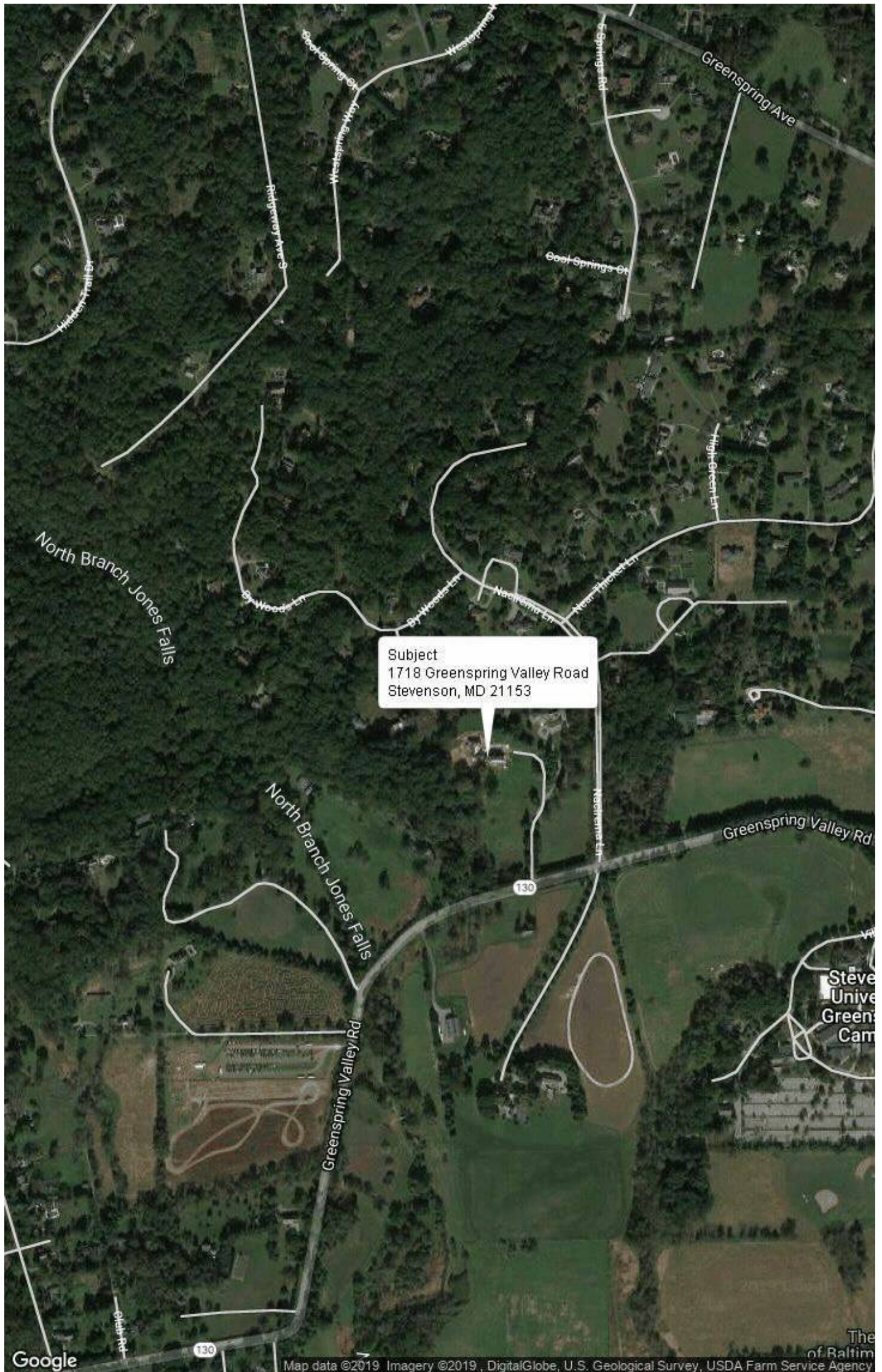
Case No.:

City: Stevenson

State: MD

Zip: 21153

Lender: Harney Partners



Subject
1718 Greenspring Valley Road
Stevenson, MD 21153

| | |
|--|-------------------|
| Borrower: N/A | File No.: 1905149 |
| Property Address: 1718 Greenspring Valley Road | Case No.: |
| City: Stevenson | State: MD |
| Lender: Harney Partners | Zip: 21153 |

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.: 1905149 |
| Property Address: 1718 Greenspring Valley Road | Case No.: |
| City: Stevenson | State: MD |
| Lender: Harney Partners | Zip: 21153 |

MARYLAND STATE COMMISSION OF REAL ESTATE APPRAISERS AND HOME INSPECTORS

ADDENDUM FOR APPRAISAL ASSISTANTS

1905149

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: 1718 Greenspring Valley Road, Stevenson, MD, 21153

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: 05-30-2019 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
1CA2FDBACBD245C

EXHIBIT 5

B. Type of Loan

| | | | | | |
|---------------------------------|---------------------------------------|--|----------------------------------|-------------|--------------------------------|
| 1. <input type="checkbox"/> FHA | 2. <input type="checkbox"/> RHS | 3. <input type="checkbox"/> Conv. Unins. | 6. File No. NLT19-7063 | 7. Loan No. | 8. Mortgage Insurance Case No. |
| 4. <input type="checkbox"/> VA | 5. <input type="checkbox"/> Conv Ins. | | | | |

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 "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

| | | |
|--|--|---|
| D. Name & Address of Borrower: Daniel Joseph Miller and Lia Miriam Miller | E. Name & Address of Seller: Gregory S. Milligan, Receiver | F. Name & Address of Lender: |
| G. Property Location: 1718 Greenspring Valley Road Stevenson, MD 21153 | H. Settlement Agent: New Line Title & Escrow Company Place of Settlement: 10461 Mill Run Circle Suite 125A Owings Mills, MD 21117 | I. Settlement Date: 08/23/2019 Funding Date: 08/23/2019 Disbursement Date: 08/23/2019 |

J. Summary of Borrower's Transaction

| | |
|---|-----------------------|
| 100. Gross Amount Due from Borrower | |
| 101. Contract sales price | \$1,400,000.00 |
| 102. Personal property | |
| 103. Settlement charges to borrower (line 1400) | \$24,145.00 |
| 104. | |
| 105. | |
| Adjustment for items paid by seller in advance | |
| 106. City/Town Taxes | |
| 107. County Taxes 08/23/2019 to 12/31/2019 | \$6,194.14 |
| 108. Assessments | |
| 109. | |
| 110. | |
| 111. | |
| 112. | |
| 120. Gross Amount Due from Borrower | \$1,430,339.14 |
| 200. Amount Paid by or in Behalf of Borrower | |
| 201. Deposit | \$140,000.00 |
| 202. Principal amount of new loan(s) | |
| 203. Existing loan(s) taken subject to | |
| 204. | |
| 205. | |
| 206. | |
| 207. | |
| 208. Seller Credit | \$50,000.00 |
| 209. | |
| Adjustments for items unpaid by seller | |
| 210. City/Town Taxes | |
| 211. County Taxes | |
| 212. Assessments | |
| 213. | |
| 214. | |
| 215. | |
| 216. | |
| 217. | |
| 218. | |
| 219. | |
| 220. Total Paid by/for Borrower | \$190,000.00 |
| 300. Cash at Settlement from/to Borrower | |
| 301. Gross amount due from borrower (line 120) | \$1,430,339.14 |
| 302. Less amounts paid by/for borrower (line 220) | \$190,000.00 |
| 303. Cash <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower | \$1,240,339.14 |

K. Summary of Seller's Transaction

| | |
|---|-----------------------|
| 400. Gross Amount Due to Seller | |
| 401. Contract sales price | \$1,400,000.00 |
| 402. Personal property | |
| 403. | |
| 404. | |
| 405. | |
| Adjustment for items paid by seller in advance | |
| 406. City/Town Taxes | |
| 407. County Taxes 08/23/2019 to 12/31/2019 | \$6,194.14 |
| 408. Assessments | |
| 409. | |
| 410. | |
| 411. | |
| 412. | |
| 420. Gross Amount Due to Seller | \$1,406,194.14 |
| 500. Reductions in Amount Due to Seller | |
| 501. Excess deposit (see instructions) | |
| 502. Settlement charges to seller (line 1400) | \$110,759.44 |
| 503. Existing loan(s) taken subject to | |
| 504. Payoff of First Mortgage | |
| 505. Payoff of Second Mortgage | |
| 506. | |
| 507. | |
| 508. Seller Credit | \$50,000.00 |
| 509. | |
| Adjustments for items unpaid by seller | |
| 510. City/Town Taxes | |
| 511. County Taxes | |
| 512. Assessments | |
| 513. | |
| 514. | |
| 515. | |
| 516. | |
| 517. | |
| 518. | |
| 519. | |
| 520. Total Reduction Amount Due Seller | \$160,759.44 |
| 600. Cash at Settlement to/from Seller | |
| 601. Gross amount due to seller (line 420) | \$1,406,194.14 |
| 602. Less reductions in amounts due seller (line 520) | \$160,759.44 |
| 603. Cash <input checked="" type="checkbox"/> To <input type="checkbox"/> From Seller | \$1,245,434.70 |

Section 5 of the Real Estate Settlement Procedures Act (RESPA) requires the following: • HUD must develop a Special Information Booklet to help persons borrowing money to finance the purchase of residential real estate to better understand the nature and costs of real estate settlement services; • Each lender must provide the booklet to all applicants from whom it receives or for whom it prepares a written application to borrow money to finance the purchase of residential real estate; • Lenders must prepare and distribute with the Booklet a Good Faith Estimate of the settlement costs that the borrower is likely to incur in connection with the settlement. These disclosures are mandatory.

Section 4(a) of RESPA mandates that HUD develop and prescribe this standard form to be used at the time of loan settlement to provide full disclosure of all charges imposed upon the borrower and seller. These are third party disclosures that are designed to provide the borrower with pertinent information during the settlement process in order to be a better shopper.

L. Settlement Charges

| | Paid From Borrower's Funds at Settlement | Paid From Seller's Funds at Settlement |
|--|--|--|
| 700. Total Real Estate Broker Fees | | |
| Division of commission (line 700) as follows : | | |
| 701. \$42,000.00 to Monument Sotheby's International Realty | | |
| 702. \$42,000.00 to Monument Sotheby's International Realty | | |
| 703. Commission paid at settlement | | \$84,000.00 |
| 704. | | |
| 705. Admin Fee to Monument Sotheby's International Realty | \$495.00 | |
| 706. Admin Fee to Monument Sotheby's International Realty | | \$495.00 |
| 800. Items Payable in Connection with Loan | | |
| 801. Our origination charge | | |
| 802. Your credit or charge (points) for the specific interest rate chosen | | |
| 803. Appraisal fee | | |
| 804. Credit report | | |
| 805. Tax service | | |
| 806. Flood certification | | |
| 807. | | |
| 808. | | |
| 809. | | |
| 810. | | |
| 900. Items Required by Lender to be Paid in Advance | | |
| 901. Daily interest charges from 08/23/2019 to 09/01/2019 | | |
| 902. Mortgage insurance premium | | |
| 903. Homeowner's insurance | | |
| 904. Property Taxes to Baltimore County, MD | | \$8,719.44 |
| 1000. Reserves Deposited with Lender | | |
| 1001. Initial deposit for your escrow account | | |
| 1002. Homeowner's insurance | | |
| 1003. Mortgage insurance | | |
| 1004. Property taxes | | |
| 1005. | | |
| 1006. | | |
| 1007. Aggregate Adjustment \$0.00 | | |
| 1100. Title Charges | | |
| 1101. Settlement or closing fee to New Line Title & Escrow Company | | |
| 1102. Owner's title insurance to Fidelity National Title Insurance Company | \$6,090.00 | |
| 1103. Lender's title insurance to Fidelity National Title Insurance Company | | |
| 1104. Lender's title policy limit \$ | | |
| 1105. Owner's title policy limit \$1,400,000.00 | | |
| 1106. | | |
| 1107. | | |
| 1108. | | |
| 1200. Government Recording and Transfer Charges | | |
| 1201. Recording fees: Deed \$60.00 Mortgage \$ Release \$ to Clerk of the Circuit Court | \$60.00 | |
| 1202. City/County tax/stamps Deed \$21,000.00 Mortgage \$ to Baltimore County MD | \$10,500.00 | \$10,500.00 |
| 1203. State tax/stamps Deed \$7,000.00 Mortgage \$ to Clerk of the Circuit Court | \$3,500.00 | \$3,500.00 |
| 1204. Recordation Tax Deed \$7,000.00 to Baltimore County MD | \$3,500.00 | \$3,500.00 |
| 1300. Additional Settlement Charges | | |
| 1301. | | |
| 1302. | | |
| 1303. Wire Fee to NLTEC | | \$45.00 |
| 1304. | | |
| 1305. | | |
| 1306. | | |
| 1307. | | |
| 1308. | | |
| 1309. | | |
| 1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K) | \$24,145.00 | \$110,759.44 |

See signature addendum

Signature Addendum

Daniel Joseph Miller

Date

Lia Miriam Miller

Date

Gregory S. Milligan, Receiver

By:

Date

The HUD-1 settlement statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement

Settlement Agent

Date