Gladwin Land Appraisal Company, LLC

# Uniform Residential Appraisal Report

91110712
File No. 220428-003

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 695 S. Melita Rd | City Sterling | State MI | Zip Code 48659
Borrower Shepler, Tonya Kay | Owner of Public Record SHEPLER TONYA KAY | County Arenac
Legal Description See Comment Addendum
Assessor's Parcel # 005-0-008-200-020-03 | Tax Year 2021 | R.E. Taxes $ 1,852
Neighborhood Name Deep River Township | Map Reference 26011 | Census Tract 9703.00
Occupant [X] Owner [ ] Tenant [ ] Vacant | Special Assessments $ 0 [ ] PUD HOA $ 0 [ ] per year [ ] per month
Property Rights Appraised [X] Fee Simple [ ] Leasehold [ ] Other (describe)
Assignment Type [ ] Purchase Transaction [X] Refinance Transaction [ ] Other (describe)
Lender/Client Dow Chemical Employees Credit Unio | Address 600 East Lyon Rd , Midland, MI 48640
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? [ ] Yes [X] No
Report data source(s) used, offering price(s), and date(s). MLS & Homeowner

## CONTRACT

I [ ] did [ ] did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

Contract Price $ | Date of Contract | Is the property seller the owner of public record? [ ] Yes [ ] No | Data Source(s)
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? [ ] Yes [ ] No
If Yes, report the total dollar amount and describe the items to be paid.

## NEIGHBORHOOD

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

| Neighborhood Characteristics | | | One-Unit Housing Trends | | | | One-Unit Housing | | Present Land Use % | |
|---|---|---|---|---|---|---|---|---|---|---|
| Location | [ ] Urban | [ ] Suburban [X] Rural | Property Values | [X] Increasing | [ ] Stable | [ ] Declining | PRICE | AGE | One-Unit | 75 % |
| Built-Up | [ ] Over 75% | [X] 25-75% [ ] Under 25% | Demand/Supply | [X] Shortage | [ ] In Balance | [ ] Over Supply | $(000) | (yrs) | 2-4 Unit | % |
| Growth | [ ] Rapid | [ ] Stable [X] Slow | Marketing Time | [X] Under 3 mths | [ ] 3-6 mths | [ ] Over 6 mths | 40 Low | 2 | Multi-Family | % |
| Neighborhood Boundaries | Marilyn Drive to the north. Klenk Road to the south. North Gavord Road | | | | | | 250 High | 100 | Commercial | % |
| to the west. Lilo Road to the east. | | | | | | | 120 Pred. | 60 | Other Vacant | 25 % |

Neighborhood Description The subject is located in a rural setting approximately three miles north of Standish, MI. The neighborhood contains a mixture of residential home sites, larger agricultural parcels, and larger recreational parcels. No adverse factors were noted in the neighborhood.
Market Conditions (including support for the above conclusions) Demand is exceeding supply. Property values are increasing.

## SITE

Dimensions 272.99' x 275.03' x 272.99' x 275.03' | Area 1.72 ac | Shape Rectangular | View N;Res;
Specific Zoning Classification R-1 | Zoning Description Residential
Zoning Compliance [X] Legal [ ] Legal Nonconforming (Grandfathered Use) [ ] No Zoning [ ] Illegal (describe)
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? [X] Yes [ ] No If No, describe. Based upon an analysis of relevant legal, physical, and economic support, the highest and best use of the subject was determined to be residential.

| Utilities | Public | Other (describe) | | Public | Other (describe) | Off-site Improvements? Type | Public | Private |
|---|---|---|---|---|---|---|---|---|
| Electricity | [X] | [ ] | Water | [ ] | [X] Well | Street Asphalt | [X] | [ ] |
| Gas | [ ] | [X] Propane | Sanitary Sewer | [ ] | [X] Septic Tank | Alley None | [ ] | [ ] |

FEMA Special Flood Hazard Area [ ] Yes [X] No | FEMA Flood Zone X | FEMA Map # 26011C0185D | FEMA Map Date 03/16/2015
Are the utilities and off-site improvements typical for the market area? [X] Yes [ ] No If No, describe.
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? [ ] Yes [X] No If Yes, describe. No adverse site conditions or external factors were present.

## IMPROVEMENTS

| GENERAL DESCRIPTION | FOUNDATION | EXTERIOR DESCRIPTION materials/condition | INTERIOR materials/condition |
|---|---|---|---|
| Units [X] One [ ] One with Accessory Unit | [ ] Concrete Slab [ ] Crawl Space | Foundation Walls Concrete Block/Av | Floors Wd/Cpt/Vinyl/Av |
| # of Stories 1 | [X] Full Basement [ ] Partial Basement | Exterior Walls Vinyl/Avg. | Walls Drywall/Avg. |
| Type [X] Det. [ ] Att. [ ] S-Det./End Unit | Basement Area 950 sq. ft. | Roof Surface Shingles/Avg. | Trim/Finish Pine/Avg. |
| [X] Existing [ ] Proposed [ ] Under Const. | Basement Finish 90 % | Gutters & Downspouts Partial Alum/Avg. | Bath Floor Vinyl/Avg. |
| Design (Style) Ranch | [ ] Outside Entry/Exit [ ] Sump Pump | Window Type Insulated Vinyl/Av | Bath Wainscot Drywall/Avg. |
| Year Built 1962 | Evidence of [ ] Infestation | Storm Sash/Insulated None | Car Storage [ ] None |
| Effective Age (Yrs) 30 | [ ] Dampness [ ] Settlement | Screens Aluminum/Avg. | [X] Driveway # of Cars 2 |
| Attic [ ] None | Heating [ ] FWA [X] HWBB [ ] Radiant | Amenities [ ] WoodStove(s) # | Driveway Surface Gravel |
| [ ] Drop Stair [ ] Stairs | [ ] Other Fuel Propane | [ ] Fireplace(s) # [ ] Fence | [X] Garage # of Cars 2 |
| [ ] Floor [X] Scuttle | Cooling [ ] Central Air Conditioning | [X] Patio/Deck Patio [X] Porch Covered | [ ] Carport # of Cars 0 |
| [ ] Finished [ ] Heated | [ ] Individual [X] Other None | [ ] Pool [X] Other Shed | [ ] Att. [X] Det. [ ] Built-in |

Appliances [ ] Refrigerator [ ] Range/Oven [ ] Dishwasher [ ] Disposal [ ] Microwave [ ] Washer/Dryer [X] Other (describe) Personal Property
Finished area above grade contains: 5 Rooms | 3 Bedrooms | 1.0 Bath(s) | 988 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.). None noted.
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C4;No updates in the prior 15 years;Homeowner is in the process of painting one bedroom. No repairs were noted.
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? [ ] Yes [X] No If Yes, describe.
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [X] Yes [ ] No If No, describe.

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There are 0 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 0 to $ 0 .

There are 0 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 0 to $ 0 .

## SALES COMPARISON APPROACH

| FEATURE | SUBJECT | COMPARABLE SALE NO. 1 | | COMPARABLE SALE NO. 2 | | COMPARABLE SALE NO. 3 | |
|---|---|---|---|---|---|---|---|
| Address | 695 S. Melita Rd Sterling, MI 48659 | 101 S. Railroad St Turner, MI 48765 | | 4686 W. Berry Rd Sterling, MI 48659 | | 1971 Margaret St West Branch, MI 48661 | |
| Proximity to Subject | | 13.07 miles E | | 4.69 miles NE | | 18.47 miles NW | |
| Sale Price | $ | | $ 87,000 | | $ 120,000 | | $ 105,000 |
| Sale Price/Gross Liv. Area | $ 0.00 sq. ft. | $ 58.63 sq. ft. | | $ 96.00 sq. ft. | | $ 116.67 sq. ft. | |
| Data Source(s) | | MLS #1887302;DOM 36 | | MLS #1894178;DOM 80 | | MLS #1894924;DOM 144 | |
| Verification Source(s) | | Tax Records | | Tax Records | | Tax Records | |
| VALUE ADJUSTMENTS | DESCRIPTION | DESCRIPTION | +(-) $ Adjustment | DESCRIPTION | +(-) $ Adjustment | DESCRIPTION | +(-) $ Adjustment |
| Sale or Financing Concessions | | ArmLth Conv;0 | | ArmLth Cash;0 | | ArmLth FHA;6300 | -6,300 |
| Date of Sale/Time | | s06/21;Unk | | s01/22;Unk | | s04/22;Unk | |
| Location | N;Res; | N;Res; | | N;Res; | | N;Res; | |
| Leasehold/Fee Simple | Fee Simple | Fee Simple | | Fee Simple | | Fee Simple | |
| Site | 1.72 ac | 12632 sf | 2,000 | 10.00 ac | -20,000 | 8712 sf | 2,000 |
| View | N;Res; | N;Res; | | N;Res; | | N;Res; | |
| Design (Style) | DT1;Ranch | DT1.5;Farm | 0 | DT1.5;Farm | 0 | DT1;Ranch | |
| Quality of Construction | Q4 | Q4 | | Q4 | | Q4 | |
| Actual Age | 60 | 73 | 0 | 110 | 0 | 57 | 0 |
| Condition | C4 | C4 | | C4 | | C4 | |
| Above Grade Room Count (Total / Bdrms. / Baths) | 5 / 3 / 1.0 | 6 / 4 / 1.0 | -2,000 | 5 / 3 / 1.0 | | 5 / 3 / 1.0 | |
| Gross Living Area | 988 sq. ft. | 1,484 sq. ft. | -7,440 | 1,250 sq. ft. | -3,930 | 900 sq. ft. | 1,320 |
| Basement & Finished Rooms Below Grade | 950sf855sfin 0rr2br0.1ba1o | 967sf0sfin | 8,465 0 | 150sf0sfin | 12,550 0 | 864sf0sfin | 8,980 0 |
| Functional Utility | Adequate | Adequate | | Adequate | | Adequate | |
| Heating/Cooling | HWBB/None | FWA/None | 0 | FWA/None | 0 | FWA/None | 0 |
| Energy Efficient Items | None | None | | None | | None | |
| Garage/Carport | 2gd2dw | 2gd2dw | | 2gd2dw | | 1cp | 4,000 |
| Porch/Patio/Deck | Patio/Porch/Shed | Deck/Porch/Plt S | 0 | Deck/Porch | 500 | Deck/Patio/Porc | 0 |
| Net Adjustment (Total) | | [X] + [ ] - | $ 1,025 | [ ] + [X] - | $ -10,880 | [X] + [ ] - | $ 10,000 |
| Adjusted Sale Price of Comparables | | Net Adj. 1.0% Gross Adj. 23.0% | $ 88,025 | Net Adj. -9.0% Gross Adj. 31.0% | $ 109,120 | Net Adj. 10.0% Gross Adj. 22.0% | $ 115,000 |

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

My research [ ] did [X] did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data source(s) Tax Records

My research [ ] did [X] 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) Multiple Listing Service

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 | | | | |
| Price of Prior Sale/Transfer | | | | |
| Data Source(s) | Tax Records | Multiple Listing Service | Multiple Listing Service | Multiple Listing Service |
| Effective Date of Data Source(s) | 05/17/2022 | 05/17/2022 | 05/17/2022 | 05/17/2022 |

Analysis of prior sale or transfer history of the subject property and comparable sales The appraiser did not find any sales of the subject within the past 36 months or comparables within the past 12 months.

Summary of Sales Comparison Approach. Recent data was very limited. This lack of data forced the appraiser to use data further from the subject than is typically desired, however the comparables are located in competing areas with similar amenities offered to the subject, and would most likely attract the same pool of buyer's as the subject property. The sales chosen are considered to be the best available. Other sales analyzed would have required more overall adjustments and were not used for that reason. Comparable #1 is a four bedroom home larger in gla. Like the subject, this home is located on a basement. Comparable #2 is a three bedroom home like the subject. It is larger in gla, and it is located on a larger parcel. Like the subject, comparable #3 is a three bedroom home on a basement. This home is smaller in gla. There is a wide range of adjusted values, which is typical when data is limited. Consideration is given to all comparables with emphasis given to comparables #1 and #2 as to location, and comparables #2 and #3 as to bedroom count.

Indicated Value by Sales Comparison Approach $ 105,000

## RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 105,000 Cost Approach (if developed) $ Income Approach (if developed) $

Lack of data prevented the development of the income approach to value. The cost approach is an estimate of replacement cost for the structure, less depreciation, plus site value. This approach is not a reflection of the marketplace. The sales comparison approach is a better reflection of current property values in the market as it measures what sellers and buyers are willing to agree upon in the

This appraisal is made [X] "as is," [ ] subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, [ ] subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or [ ] subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is $ 105,000 as of 05/17/2022 , which is the date of inspection and the effective date of this appraisal.

ADDITIONAL COMMENTS

COST APPROACH

## 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) Site value was estimated based upon vacant land sales when possible, or abstraction when land sales were not available.

ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW

Source of cost data

Quality rating from cost service Effective date of cost data

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

Due to the age of the home, measuring the amount of physical depreciation present in the home becomes more difficult and less reliable, and therefore, due to the aforementioned circumstances, the cost approach was rendered inapplicable in this instance.

Estimated Remaining Economic Life (HUD and VA only) 35 Years

| | | | | |
|---|---|---|---|---|
| OPINION OF SITE VALUE | | | | = $ 10,000 |
| Dwelling | 988 Sq. Ft. @ $ | | | = $ |
| Bsmt. 950 | Sq. Ft. @ $ | | | = $ |
| | | | | |
| Garage/Carport | 672 Sq. Ft. @ $ | | | = $ |
| Total Estimate of Cost-New | | | | = $ |
| Less | Physical | Functional | External | |
| Depreciation | $0 | | | = $ ( 0) |
| Depreciated Cost of Improvements | | | | = $ 0 |
| "As-is" Value of Site Improvements | | | | = $ |
| INDICATED VALUE BY COST APPROACH | | | | = $ |

INCOME

## 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 rental data prevented the development of the income approach and rendered this approach inapplicable in this instance.

PUD INFORMATION

## 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.

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.

**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).

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 Jon Van Oosten
Company Name Gladwin Land Appraisal Company, LLC
Company Address PO Box 486
West Branch, MI 48661
Telephone Number 9893453833
Email Address jvanoosten@gladwinland.com
Date of Signature and Report 06/15/2022
Effective Date of Appraisal 05/17/2022
State Certification # 1204000506
or State License # _____
or Other (describe) _____ State # _____
State MI
Expiration Date of Certification or License 07/31/2022

ADDRESS OF PROPERTY APPRAISED
695 S. Melita Rd
Sterling, MI 48659

APPRAISED VALUE OF SUBJECT PROPERTY $ 105,000

LENDER/CLIENT
Name First American Mortgage Solutions
Company Name Dow Chemical Employees Credit Union
Company Address 600 East Lyon Rd
Midland, MI 48640
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 Appraisal Dataset Definitions



## Condition Ratings and Definitions

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

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

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

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

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

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

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

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

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

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

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

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

## Quality Ratings and Definitions

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

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

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

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

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

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

## Definitions of Not Updated, Updated, and Remodeled

### Not Updated

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

### Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.
An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

### Remodeled

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

## Explanation of Bathroom Count

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

Gladwin Land Appraisal Company, LLC

# Uniform Appraisal Dataset Definitions

91110712
File No. 220428-003

## Abbreviations Used in Data Standardization Text

| Abbrev. | Full Name | Appropriate Fields |
|---|---|---|
| ac | Acres | Area, Site |
| AdjPrk | Adjacent to Park | Location |
| AdjPwr | Adjacent to Power Lines | Location |
| A | Adverse | Location & View |
| ArmLth | Arms Length Sale | Sale or Financing Concessions |
| AT | Attached Structure | Design(Style) |
| ba | Bathroom(s) | Basement & Finished Rooms Below Grade |
| br | Bedroom | Basement & Finished Rooms Below Grade |
| B | Beneficial | Location & View |
| BsyRd | Busy Road | Location |
| cp | Carport | Garage/Carport |
| Cash | Cash | Sale or Financing Concessions |
| CtySky | City View Skyline View | View |
| CtyStr | City Street View | View |
| Comm | Commercial Influence | Location |
| c | Contracted Date | Date of Sale/Time |
| Conv | Conventional | Sale or Financing Concessions |
| cv | Covered | Garage/Carport |
| CrtOrd | Court Ordered Sale | Sale or Financing Concessions |
| DOM | Days On Market | Data Sources |
| DT | Detached Structure | Design(Style) |
| dw | Driveway | Garage/Carport |
| Estate | Estate Sale | Sale or Financing Concessions |
| e | Expiration Date | Date of Sale/Time |
| FHA | Federal Housing Authority | Sale or Financing Concessions |
| g | Garage | Garage/Carport |
| ga | Garage - Attached | Garage/Carport |
| gbi | Garage - Built-in | Garage/Carport |
| gd | Garage - Detached | Garage/Carport |
| GR | Garden Structure | Design(Style) |
| GlfCse | Golf Course | Location |
| Glfvw | Golf Course View | View |
| HR | High Rise Structure | Design(Style) |
| Ind | Industrial | Location & View |
| in | Interior Only Stairs | Basement & Finished Rooms Below Grade |
| Lndfl | Landfill | Location |
| LtdSght | Limited Sight | View |
| Listing | Listing | Sale or Financing Concessions |
| MR | Mid-Rise Structure | Design(Style) |
| Mtn | Mountain View | View |
| N | Neutral | Location & View |
| NonArm | Non-Arms Length Sale | Sale or Financing Concessions |
| op | Open | Garage/Carport |
| o | Other | Basement & Finished Rooms Below Grade |
| O | Other | Design(Style) |
| Prk | Park View | View |
| Pstrl | Pastoral View | View |
| PwrLn | Power Lines | View |
| PubTrn | Public Transportation | Location |
| rr | Recreational (Rec) Room | Basement & Finished Rooms Below Grade |
| Relo | Relocation Sale | Sale or Financing Concessions |
| REO | REO Sale | Sale or Financing Concessions |
| Res | Residential | Location & View |
| RT | Row or Townhouse | Design(Style) |
| RH | Rural Housing - USDA | Sale or Financing Concessions |
| SD | Semi-detached Structure | Design(Style) |
| s | Settlement Date | Date of Sale/Time |
| Short | Short Sale | Sale or Financing Concessions |
| sf | Square Feet | Area, Site, Basement |
| sqm | Square Meters | Area, Site, Basement |
| Unk | Unknown | Date of Sale/Time |
| VA | Veterans Administration | Sale or Financing Concessions |
| wo | Walk Out Basement | Basement & Finished Rooms Below Grade |
| wu | Walk Up Basement | Basement & Finished Rooms Below Grade |
| WtrFr | Water Frontage | Location |
| Wtr | Water View | View |
| w | Withdrawn Date | Date of Sale/Time |
| Woods | Woods View | View |

## Other Appraiser-Defined Abbreviations

| Abbrev. | Full Name | Appropriate Fields | Abbrev. | Full Name | Appropriate Fields |
|---|---|---|---|---|---|
| | | | | | |

# ADDENDUM

| | | |
|---|---|---|
| Borrower: Shepler, Tonya Kay | | File No.: 220428-003 |
| Property Address: 695 S. Melita Rd | | Case No.: 91110712 |
| City: Sterling | State: MI | Zip: 48659 |
| Lender: Dow Chemical Employees Credit Union | | |

Legal Description
A PARCEL OF LAND IN THE NORTHWEST 1/4 OF SECTION 8, T. 19 N-R.4 E., DEEP RIVER TOWNSHIP, ARENEC COUNTY, MICHIGAN RLESCHBED AS FOLLOWS: BEGINNING AT A POINT ON THE WEST LINE OF SAIRL SECTION 8WHICH IS396.25 FEET, N.O1D-21'-13"W. OF THE WEST 1/4 CORNER OF SAID SECTION,' THENCE CONTINUING N. O1'D-21'-13"W, ON SAID WEST SECTION LINE. 272.99 FEET; THENCE S89D-42'-18"E., PARALLEL WITH THE EAST & WEST 1/4 LINE OF SAID SECTION, 275.03 FEET; THENCE S.01D-21'-13"E., PARALLEL WITH SAID WEST SECTION LINE, 272.99 FEET; THENCE N.89D-42'-18"W., PARALLEL WITH SEIRL EAST & WEST 1/4 LINE, 275.03 FEET TO THE POINT OF BEGINNING, CONTAINING 1.72 ACRES OF LAND END SUBJECT TO ANY EASEMENTS OF RECORD SPLIT FROM 005-0-008-200-020-00 (14) 108.86 AC

The appraiser used Square Footage-Method for Calculating: ANSI® Z765-2021 (American National Standards Institute®) for measuring, calculating,and reporting gross living area (GLA) for the subject

MARKETABILITY OF SUBJECT

Upon the day of inspection the utilities were on and in working order. The heating, plumbing, and electrical systems appeared to be in average condition, however, the appraiser has limited knowledge in these areas and is not a licensed contractor in any of these areas. In order to truly ascertain the condition of these components, hidden elements, and environmental conditions, an inspection by a licensed individual would be necessary.

The subject has a private water supply, and private sewage disposal system. They appeared to be in working order, but to truly ascertain their condition an inspection by a licensed individual would be necessary. Private water supply and sewage disposal is typical in the subject market area as public water and sewer is not available. No adverse marketability problems with the subject are anticipated because of this.

The appraiser did not access the attic, and the condition of this area is unknown. Any information concerning insulation in the home was provided to the appraiser by either the homeowner, realtor, or the builder.

COMPARABLE SEARCH COMMENTS

An initial search for comparable sales data was conducted in the subject neighborhood. If the appraiser was unable to find comparable sales data in this area the search was expanded to include competing surrounding areas, which may include surrounding counties. Sometimes this results in comparables being located over 30 miles from the subject. Using data over 30 miles from the subject is not uncommon in this market. The subject property is located in a colder northern climate that is sparsely populated. The majority of sales occur in the limited warmer months, and therefore, the number of sales in a 12 month time frame is very limited. Therefore, the appraiser is sometimes forced to use sales over 12 months old. This is not uncommon in this market. Because sales are limited, values in this market do not change rapidly, and sales over 12 months old are still considered to be representative of the current market.

ADDITIONAL COMPARABLE SALES COMMENTS

The appraiser has chosen what are believed to be the best comparable sales available form an extensive market search, which meets not only investor underwriting standards, but also guidelines established by appraisal organizations.

The number of property sales in the subject market area are very limited, which may create adjustments that exceed underwriting percentage guidelines, large distances between subject and comparables, and somewhat older comparable sales data.

Large site value adjustments are also common for this area, due to the varying sizes of parcels in area.

Zeros in the market grid represent that the appraiser considered an adjustment, however, after consideration the appraiser determined the difference was so minimal that the market does not recognize it, therefore, no adjustment was deemed necessary.

CONDITIONS OF THE APPRAISAL

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 in behalf of the lender has influenced or attempted to influence the development, reporting, result or review of this assignment through coercion extortion, collusion, compensation, instruction, inducement, intimidation, bribery or in any other manner. I have not been contacted by anyone other than the intended user (lender/client as identified on the first page of the report), borrower or designated contact to make an appointment to enter the property. I agree to immediately report any unauthorized contacts either personally by phone or electronically to vendor management.

The intended user of this appraisal report is the Lender/Client. The intended use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated scope of work, purpose of the appraisal, reporting requirements of the appraisal report form, and definition of market value. No additional intended users are identified by the appraiser.

The appraiser certifies and agrees that this appraisal was prepared in accordance with the requirements of Title XI of the Financial Institutions, Reform, Recovery, and Enforcement Act (FIRREA of 1989, as amended (12 U.S.C. 3331 et seq.), and any applicable implementing regulations in effect at the time the appraiser signs the appraisal certification.

The legal description was obtained from county records and is assumed to be correct.

The site size was obtained from the Statewide Subdivision Plat Map whenever possible.

Personal property was not considered in the final value estimate of this report.

The appraisal was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

Based upon historical market conditions, the reasonable exposure time for the subject property would have been approximately one to three months. This is based upon the analysis of current market trends in the general area and takes into account the size, condition, and price range of the subject property and properties in the surrounding areas. It presupposes that the listed price would have been at or near the appraised value. It also assumes it would have been marketed by an aggressive professional and by a reputable local real estate office.

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

This is an appraisal. I have complied with the Uniform Standards of Professional Appraisal Practice as promulgated by the Standards Board of Appraisal Foundation.

Brett Barriger, a limited licensed appraiser assisted in the field work, data gathering, and or preparation of this report.

In Michigan, appraisers are required to be licensed/certified and are regulated by the Michigan Department of Licensing and Regulatory Affairs, Licensing Division, P.O. Box 30018, Lansing, Michigan 48909.

# ADDENDUM

| | | |
|---|---|---|
| Borrower: Shepler, Tonya Kay | | File No.: 220428-003 |
| Property Address: 695 S. Melita Rd | | Case No.: 91110712 |
| City: Sterling | State: MI | Zip: 48659 |
| Lender: Dow Chemical Employees Credit Union | | |

As of April 13, 2021, the State of Michigan changed all appraiser license numbers. This change has yet to be updated to the ASC and/or HUD, therefore, my prior license number is being reported. My current (new) license number is 1204000506. You may verify my new license number through the State of Michigan at: https://www.lara.michigan.gov/colaLicVerify/ (If you are yet to receive a copy).
Per request, additional comparables were provided for a reconsideration of value. The following comparables were provided:

1. 5040 Lentz Rd., Standish, MI 48658
This home had extensive remodeling within the last two years, and it was considered far superior in condition in comparison to the subject, and therefore, was not deemed representative of the subject property.

2. 2100 Jose Rd., Kawkawlin, MI 48631

3. 626 E. Beaver Rd., Kawkawlin, MI 48631

4. 603 Scheurmann Rd., Essexville, MI 48732

Comparables #2, #3, and #4 were located in different school districts with higher property values than the subject area, and therefore, they were not considered representative of the subject.

# SUBJECT PROPERTY PHOTO ADDENDUM

| | | |
|---|---|---|
| Borrower: Shepler, Tonya Kay | | File No.: 220428-003 |
| Property Address: 695 S. Melita Rd | | Case No.: 91110712 |
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| Lender: Dow Chemical Employees Credit Union | | |



FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date:
Appraised Value: $



REAR VIEW OF
SUBJECT PROPERTY

STREET SCENE



# Subject Photos

| | | |
|---|---|---|
| Borrower: Shepler, Tonya Kay | | File No.: 220428-003 |
| Property Address: 695 S. Melita Rd | | Case No.: 91110712 |
| City: Sterling | State: MI | Zip: 48659 |
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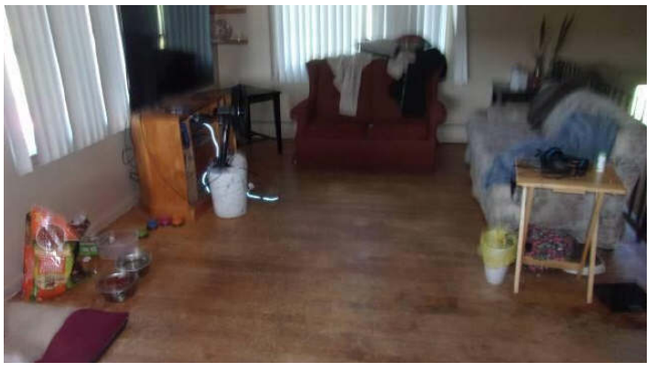
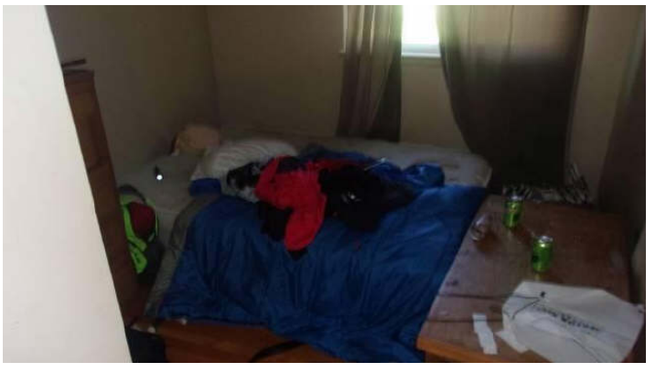
Kitchen



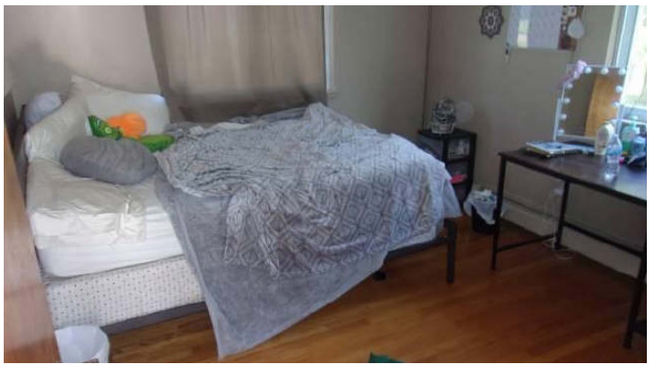
Dining Area



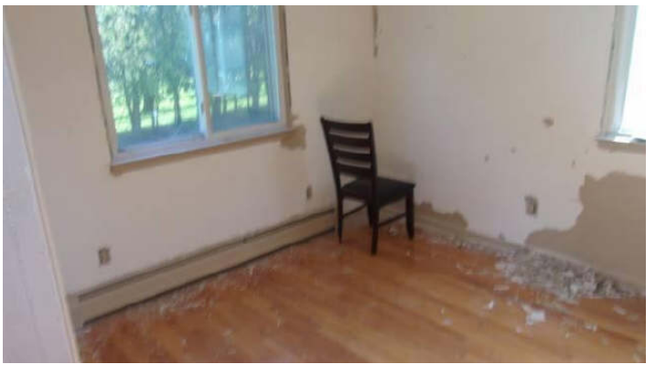
Living Room



Bedroom



Bedroom



Bedroom

Subject Photos

| | | |
|---|---|---|
| Borrower: Shepler, Tonya Kay | | File No.: 220428-003 |
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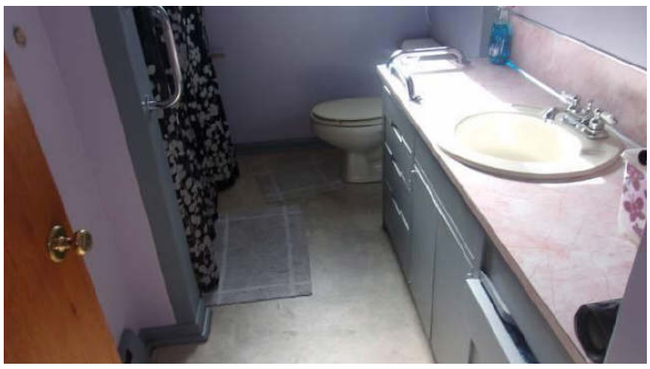
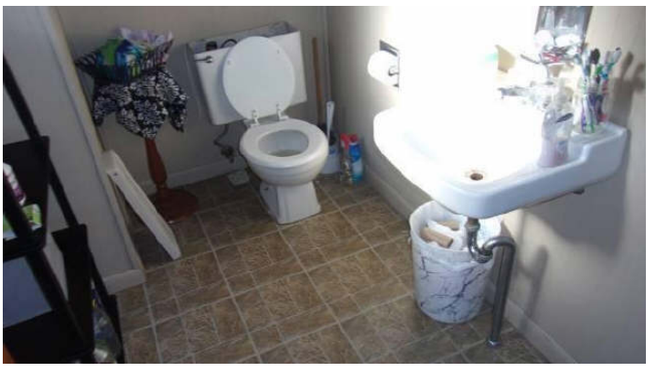
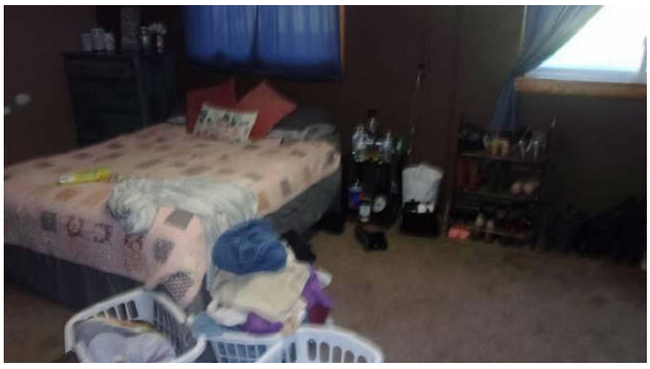


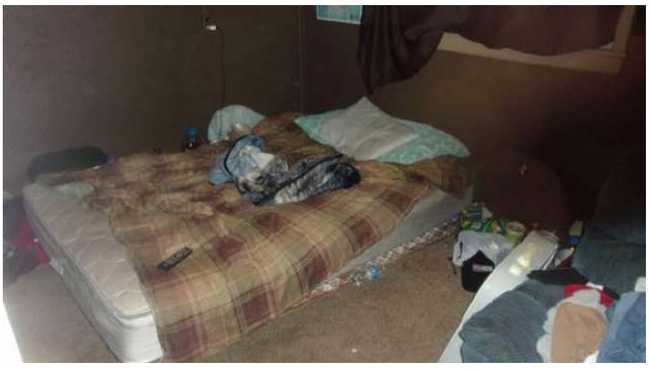
Bathroom



Basement 1/2 Bath



Basement Bedroom



Basement Bedroom



Laundry Room



Garage

SUBJECT PHOTO ADDENDUM

| | | |
|---|---|---|
| Borrower: Shepler, Tonya Kay | | File No.: 220428-003 |
| Property Address: 695 S. Melita Rd | | Case No.: 91110712 |
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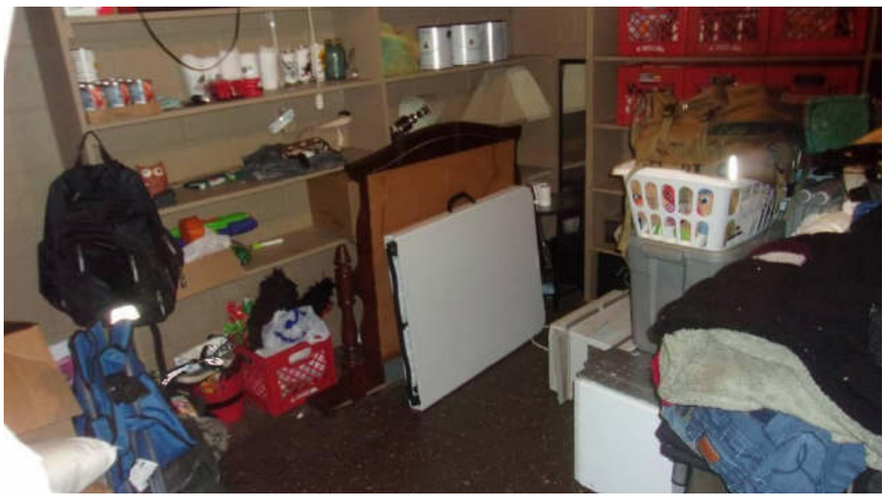
Garage



Shed





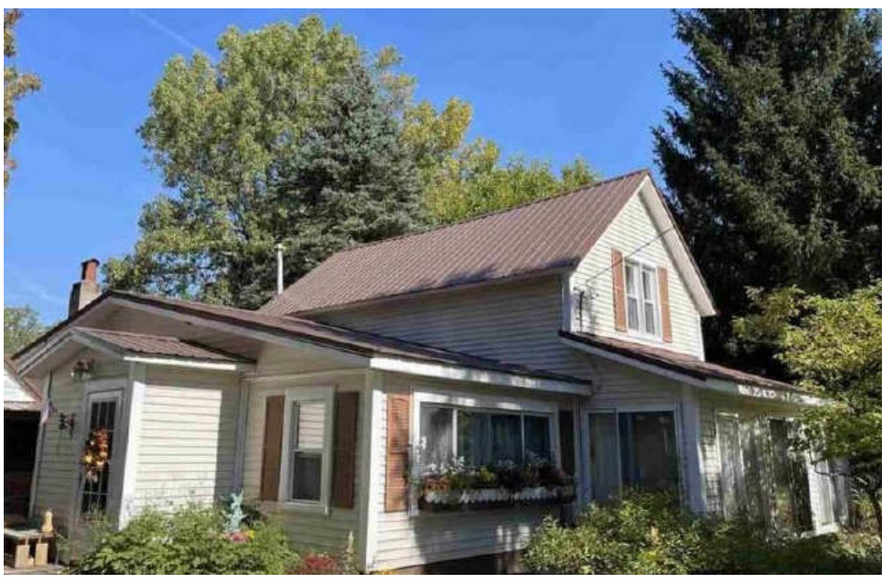
# COMPARABLE PROPERTY PHOTO ADDENDUM

| | | |
|---|---|---|
| Borrower: Shepler, Tonya Kay | | File No.: 220428-003 |
| Property Address: 695 S. Melita Rd | | Case No.: 91110712 |
| City: Sterling | State: MI | Zip: 48659 |
| Lender: Dow Chemical Employees Credit Union | | |



## COMPARABLE SALE #1

101 S. Railroad St
Turner, MI 48765
Sale Date:
Sale Price: $



## COMPARABLE SALE #2

4686 W. Berry Rd
Sterling, MI 48659
Sale Date:
Sale Price: $

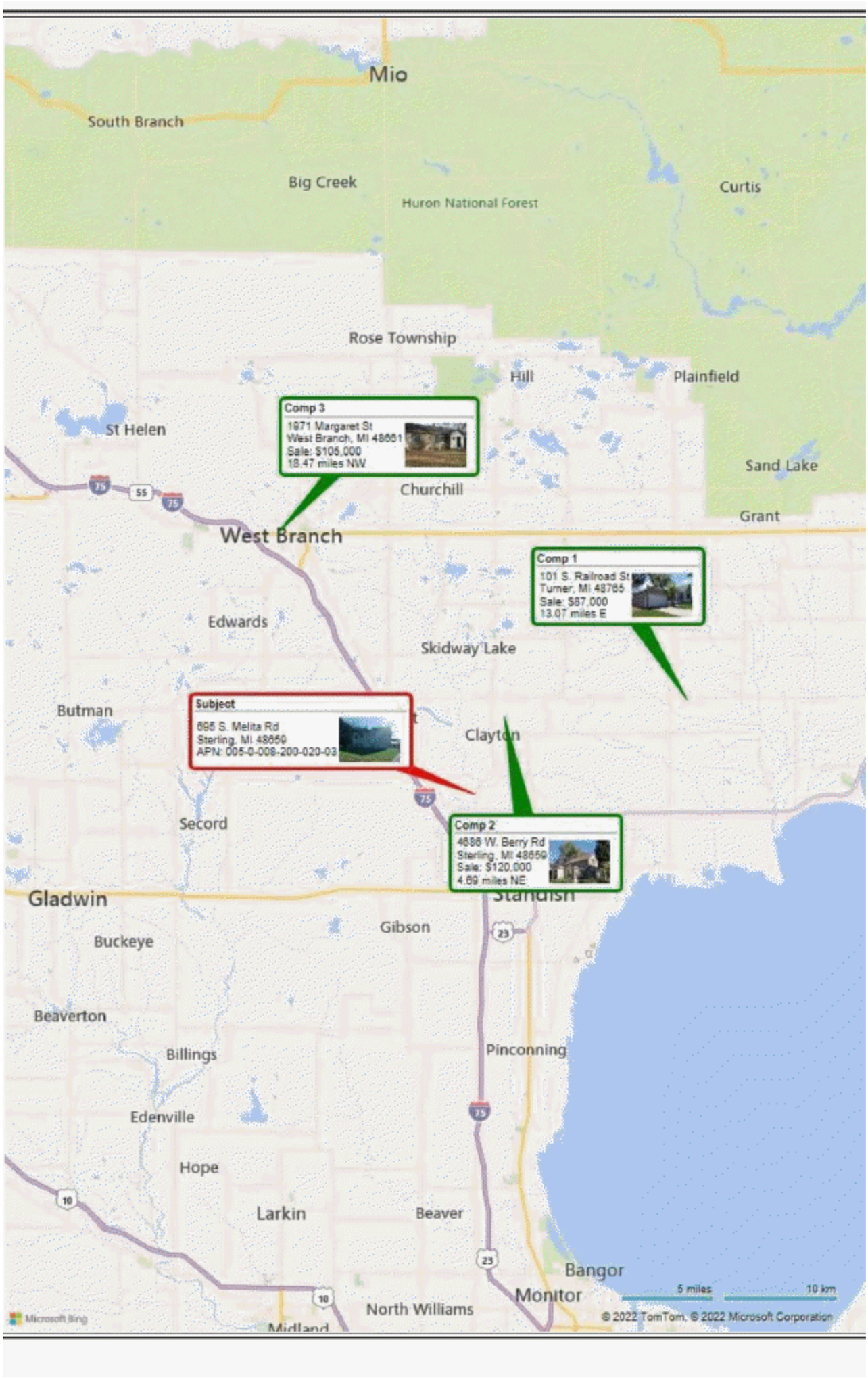


## COMPARABLE SALE #3

1971 Margaret St
West Branch, MI 48661
Sale Date:
Sale Price: $

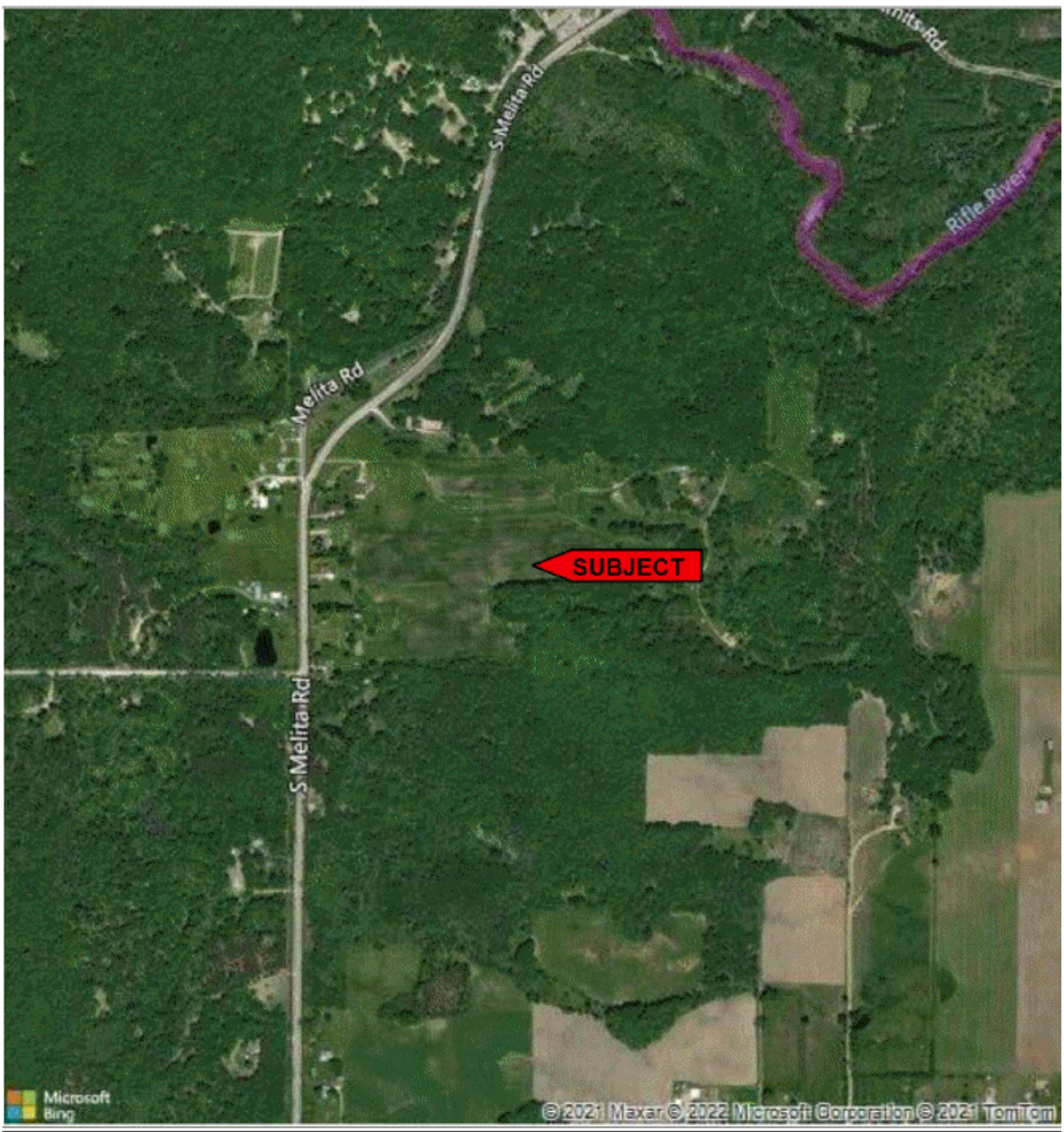
LOCATION MAP

| | | |
|---|---|---|
| Borrower: Shepler, Tonya Kay | | File No.: 220428-003 |
| Property Address: 695 S. Melita Rd | | Case No.: 91110712 |
| City: Sterling | State: MI | Zip: 48659 |
| Lender: Dow Chemical Employees Credit Union | | |



# FLOOD MAP

| | | | |
|---|---|---|---|
| Borrower: Shepler, Tonya Kay | | File No.: | 220428-003 |
| Property Address: 695 S. Melita Rd | | Case No.: | 91110712 |
| City: Sterling | State: MI | Zip: | 48659 |
| Lender: Dow Chemical Employees Credit Union | | | |




## Flood Map Legends

Flood Zones

- Areas inundated by 100-year flooding
- Areas inundated by 500-year flooding
- Areas of undetermined but possible flood hazards
- Floodway areas with velocity hazard
- Floodway areas
- COBRA zone

## Flood Zone Determination

| | |
|---|---|
| In Special Flood Hazard Area (Flood Zone): | Out |
| Within 250 ft. of multiple flood zones? | Not within 250 feet |
| Community: | 260350 |
| Community Name: | DEEP RIVER, TOWNSHIP OF |
| Map Number: | 26011C0185D |
| Zone: X | Panel: 26011C 0185D Panel Date: 03/16/2015 |
| FIPS Code: 26011 | Census Tract: 9703.00 |

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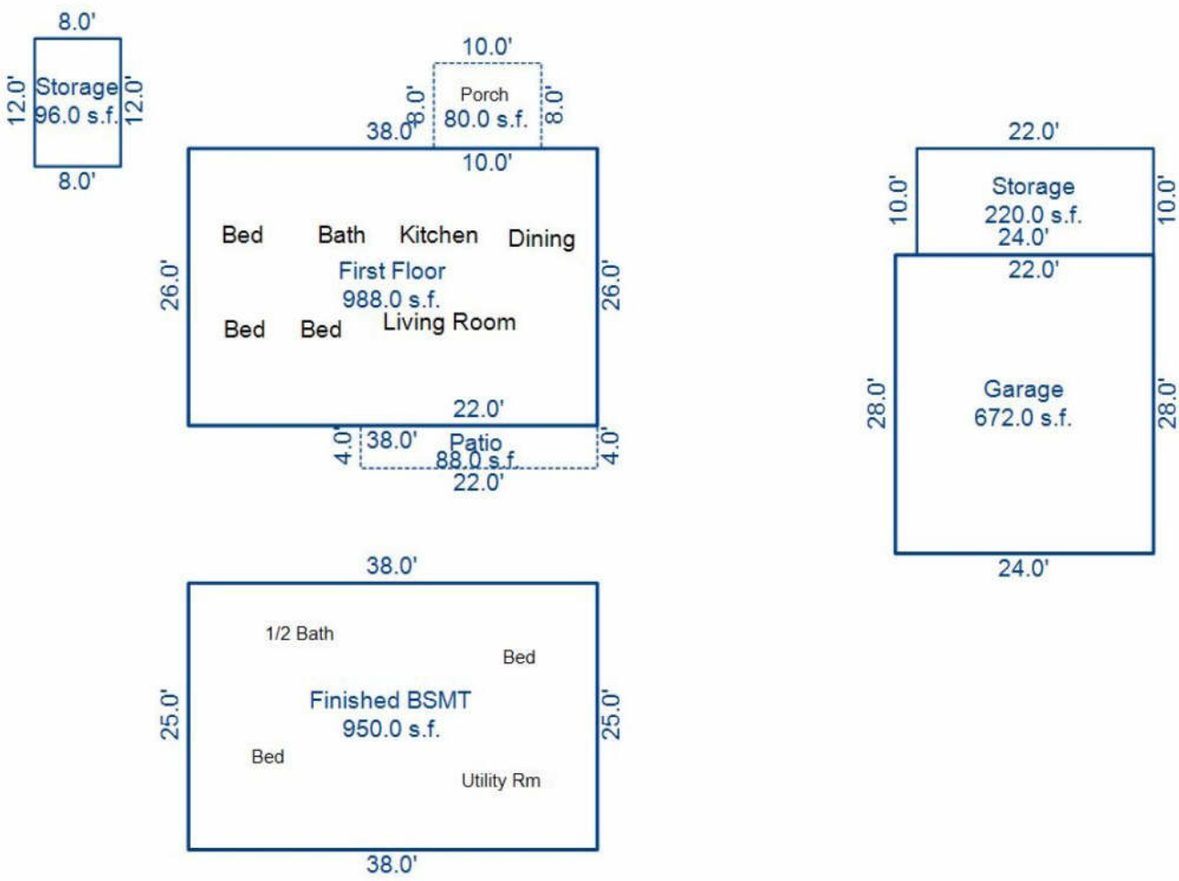
# AERIAL MAP

| | | |
|---|---|---|
| Borrower: Shepler, Tonya Kay | | File No.: 220428-003 |
| Property Address: 695 S. Melita Rd | | Case No.: 91110712 |
| City: Sterling | State: MI | Zip: 48659 |
| Lender: Dow Chemical Employees Credit Union | | |



# FLOORPLAN SKETCH

| | | |
|---|---|---|
| Borrower: Shepler, Tonya Kay | | File No.: 220428-003 |
| Property Address: 695 S. Melita Rd | | Case No.: 91110712 |
| City: Sterling | State: MI | Zip: 48659 |
| Lender: Dow Chemical Employees Credit Union | | |




Sketch by Apex Sketch

**AREA CALCULATIONS SUMMARY**

| Code | Description | Factor | Net Size | Perimeter | Net Totals |
|---|---|---|---|---|---|
| GLA1 | First Floor | 1.0 | 988.0 | 128.0 | 988.0 |
| BSMT | Finished BSMT | 1.0 | 950.0 | 126.0 | 950.0 |
| GAR | Garage | 1.0 | 672.0 | 104.0 | 672.0 |
| OTH | Storage | 1.0 | 96.0 | 40.0 | |
| | Storage | 1.0 | 220.0 | 64.0 | 316.0 |
| P/P | Wood Deck | 1.0 | 80.0 | 36.0 | |
| | Patio | 1.0 | 88.0 | 52.0 | 168.0 |
| | Net LIVABLE | | | (rounded) | 988 |

**AREA CALCULATIONS BREAKDOWN**

| Name | Base | x | Height | x | Width | = | Area |
|---|---|---|---|---|---|---|---|
| First Floor | | | 38.0 | x | 26.0 | = | 988.0 |
| 1 total items | | | | | | (rounded) | 988 |

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Gladwin Land Appraisal Company, LLC

# Market Conditions Addendum to the Appraisal Report

91110712
File No. 220428-003

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 695 S. Melita Rd City Sterling State MI Zip Code 48659

Borrower Shepler, Tonya Kay

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

## MARKET RESEARCH & ANALYSIS

| Inventory Analysis | Prior 7-12 Months | Prior 4-6 Months | Current - 3 Months | Overall Trend | | |
|---|---|---|---|---|---|---|
| Total # of Comparable Sales (Settled) | 0 | 0 | 0 | ☐ Increasing | ☒ Stable | ☐ Declining |
| Absorption Rate (Total Sales/Months) | 0.00 | 0.00 | 0.00 | ☐ Increasing | ☒ Stable | ☐ Declining |
| Total # of Comparable Active Listings | 0 | 0 | 0 | ☐ Declining | ☒ Stable | ☐ Increasing |
| Months of Housing Supply (Total Listings/Ab.Rate) | 0.00 | 0.00 | 0.00 | ☐ Declining | ☒ Stable | ☐ Increasing |
| **Median Sale & List Price, DOM, Sale/List %** | **Prior 7-12 Months** | **Prior 4-6 Months** | **Current - 3 Months** | **Overall Trend** | | |
| Median Comparable Sale Price | 0 | 0 | 0 | ☐ Increasing | ☒ Stable | ☐ Declining |
| Median Comparable Sales Days on Market | 0 | 0 | 0 | ☐ Declining | ☒ Stable | ☐ Increasing |
| Median Comparable List Price | 0 | 0 | 0 | ☐ Increasing | ☒ Stable | ☐ Declining |
| Median Comparable Listings Days on Market | 0 | O | 0 | ☐ Declining | ☒ Stable | ☐ Increasing |
| Median Sale Price as % of List Price | 0.00% | 0.00% | 0.00% | ☐ Increasing | ☒ Stable | ☐ Declining |
| Seller-(developer, builder, etc.)paid financial assistance prevalent? ☐ Yes ☒ No | | | | ☐ Declining | ☒ Stable | ☐ Increasing |

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

Seller financing concessions are occurring, but are not commonplace. Seller contributions are ranging from 3% to 5% and are typically used to cover purchaser's closing costs and pre-paid expenses.

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).

Foreclosures represent a small portion of the properties competitive with the subject property. Foreclosures are more prevalent in lower price markets.

Cite data sources for above information. Northern Great Lakes Realtors Multiple Listing Service

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

The market data above is those properties believed to be competitive with the subject property. The parameters for the search of comparable sales and listings included a search by geographic area (subject neighborhood and neighborhoods deemed competing), gross living area, and price range. Due to a lack of statistically verifiable data the appraiser was unable to derive any market trends. Data is also skewed due to the subject's location in a cold climate where sales and listings decrease in winter months. Whenever possible the appraiser's estimation of value trends comes from the re-appraisal of properties in the subject neighborhood and competitive neighborhoods as well as the examination of available listing data.

## CONDO / CO-OP PROJECTS

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

| Subject Project Data | Prior 7-12 Months | Prior 4-6 Months | Current - 3 Months | Overall Trend | | |
|---|---|---|---|---|---|---|
| Total # of Comparable Sales (Settled) | | | | ☐ Increasing | ☐ Stable | ☐ Declining |
| Absorption Rate (Total Sales/Months) | | | | ☐ Increasing | ☐ Stable | ☐ Declining |
| Total # of Active Comparable Listings | | | | ☐ Declining | ☐ Stable | ☐ Increasing |
| Months of Unit Supply (Total Listings/Ab. Rate) | | | | ☐ Declining | ☐ Stable | ☐ Increasing |

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

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

## APPRAISER

| APPRAISER | SUPERVISORY APPRAISER (ONLY IF REQUIRED) |
|---|---|
| Signature | Signature |
| Name Jon Van Oosten | Name |
| Company Name Gladwin Land Appraisal Company, LLC | Company Name |
| Company Address PO Box 486<br>West Branch, MI 48661 | Company Address |
| State License/Certification # 1204000506 State MI | State License/Certification # State |
| Email Address jvanoosten@gladwinland.com | Email Address |

Appraisal Company, LLC

220428-003

# USPAP ADDENDUM

File No. 91110712

Borrower: Shepler, Tonya Kay
Property Address: 695 S. Melita Rd
City: Sterling County: Arenac State: MI Zip Code: 48659
Lender/Client: Dow Chemical Employees Credit Union

## APPRAISAL AND REPORT IDENTIFICATION

This appraisal report is one of the following types:

- [X] Appraisal Report — This report was prepared in accordance with the requirements of the Appraisal Report option of USPAP Standards Rule 2-2(a).
- [ ] Restricted Appraisal Report — This report was prepared in accordance with the requirements of the Restricted Appraisal Report option of USPAP Standards Rule 2-2(b). The intended user of this report is limited to the identified client. This is a Restricted Appraisal Report and the rationale for how the appraiser arrived at the opinions and conclusions set forth in the report may not be understood properly without the additional information in the appraiser's workfile.

## ADDITIONAL CERTIFICATIONS

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

- The statements of fact contained in this report are true and correct.
- The report analyses, opinions, and conclusions are limited only by the reported assumptions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or specified) personal interest with respect to the parties involved.
- I have no bias with respect to the property or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- This appraisal report was prepared in accordance with the requirements of Title XI of FIRREA and any implementing regulations.

## PRIOR SERVICES

- [X] I have NOT performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- [ ] I HAVE performed services, as an appraiser or in another capacity, regarding the property that is subject of this report within the three-year period immediately preceding acceptance of this assignment. Those services are described in the comments below.

## PROPERTY INSPECTION

- [ ] I have NOT made a personal inspection of the property that is the subject of this report.
- [X] I HAVE made a personal inspection of the property that is the subject of this report.

## APPRAISAL ASSISTANCE

Unless otherwise noted, no one provided significant real property appraisal assistance to the person signing this certification. If anyone did provide significant assistance, they are hereby identified along with a summary of the extent of the assistance provided in the report.

## ADDITIONAL COMMENTS

Additional USPAP related issues requiring disclosure and/or any state mandated requirements:

## MARKETING TIME AND EXPOSURE TIME FOR THE SUBJECT PROPERTY

- [X] A reasonable marketing time for the subject property is 30-60 day(s) utilizing market conditions pertinent to the appraisal assignment.
- [X] A reasonable exposure time for the subject property is 30-60 day(s).

| APPRAISER: | SUPERVISORY APPRAISER (only if required): |
|---|---|
| Signature: | Signature: |
| Name: Jon Van Oosten | Name: |
| Date Signed: 06/15/2022 | Date Signed: |
| State Certification #: 1204000506 | State Certification #: |
| or State License #: | or State License #: |
| or Other (describe): State #: | State: |
| State: MI | Expiration Date of Certification or License: |
| Expiration Date of Certification or License: 07/31/2022 | Supervisory Appraiser inspection of Subject Property: |
| Effective Date of Appraisal: 05/17/2022 | [ ] Did Not [ ] Exterior-only from street [ ] Interior and Exterior |

| | | |
|---|---|---|
| Borrower: Shepler, Tonya Kay | | File No.: 220428-003 |
| Property Address: 695 S. Melita Rd | | Case No.: 91110712 |
| City: Sterling | State: MI | Zip: 48659 |
| Lender: Dow Chemical Employees Credit Union | | |

E & O Insurnace

File No.
Case No.

LIA Administrators & Insurance Services

ASPEN

**APPRAISAL, VALUATION AND PROPERTY SERVICES**
**PROFESSIONAL LIABILITY INSURANCE POLICY**

**DECLARATIONS**

**Aspen American Insurance Company**
(Referred to below as the "Company")
590 Madison Avenue, 7th Floor
New York, NY 10022
877-245-3510

| Date Issued | Policy Number | Previous Policy Number |
|---|---|---|
| 8/19/2021 | AAI00203"-0" | AAI00203"-06 |

THIS IS A **CLAIMS** MADE AND REPORTED POLICY. COVERAGE IS LIMITED TO LIABILITY FOR ONLY THOSE **CLAIMS** THAT ARE FIRST MADE AGAINST THE **INSURED** DURING THE **POLICY PERIOD** AND THEN REPORTED TO THE COMPANY IN WRITING NO LATER THAN SIXTY (60) DAYS AFTER EXPIRATION OR TERMINATION OF THIS POLICY, OR DURING THE **EXTENDED REPORTING PERIOD**, IF APPLICABLE, FOR A **WRONGFUL ACT** COMMITTED ON OR AFTER THE **RETROACTIVE DATE** AND BEFORE THE END OF THE **POLICY PERIOD**. PLEASE READ THE POLICY CAREFULLY.

1. Customer ID: 107802
   Named **Insured**:
   GLADWIN LAND APPRAISAL COMPANY, LLC
   3275 W. M 76
   West Branch, MI 48661

2. **Policy Period:** From: 08/23/2021 To: 08/23/2022
   12:01 A.M. Standard Time at the address stated in 1 above.

3. **Deductible:** $1000 Each **Claim**

4. **Retroactive Date:** 08/23/2006

5. **Inception Date:** 08/23/2015

6. **Limits of Liability:** **A.** $1,000,000 Each Claim
   **B.** $1,000,000 Aggregate

   **Subpoena Response:** $5,000 Supplemental Payment Coverage
   **Pre-Claim Assistance:** $5,000 Supplemental Payment Coverage
   **Disciplinary Proceeding:** $7,500 Supplemental Payment Coverage
   **Loss of Earnings:** $500 per day Supplemental Payment Coverage

7. **Covered Professional Services (as defined in the Policy and/or by Endorsement):**

| | | | | | |
|---|---|---|---|---|---|
| Real Estate Appraisal and Valuation: | Yes | X | No | | |
| Residential Property: | Yes | X | No | | |
| Commercial Property: | Yes | | No | X | |
| Bodily Injury and Property Damage Caused During Appraisal Inspection ($100,000 Sub-Limit): | Yes | X | No | | If "yes", added by endorsement) |
| Right of Way Agent and Relocation: | Yes | | No | X | |
| Machinery and Equipment Valuation: | Yes | | No | X | |
| Personal Property Appraisal: | Yes | | No | X | If "yes", added by endorsement) |
| Real Estate Sales/Brokerage: | Yes | | No | X | If "yes", added by endorsement) |

Aspen American Insurance Company
LIA001 (04/19)

Page 1 of 2

| | | |
|---|---|---|
| Borrower: Shepler, Tonya Kay | | File No.: 220428-003 |
| Property Address: 695 S. Melita Rd | | Case No.: 91110712 |
| City: Sterling | State: MI | Zip: 48659 |
| Lender: Dow Chemical Employees Credit Union | | |

File No.
Case No.

GRETCHEN WHITMER
GOVERNOR

0014264

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF PROFESSIONAL LICENSING

CERTIFIED RESIDENTIAL APPRAISER
LICENSE

JON HOWARD VANOOSTEN

| LICENSE NO. | EXPIRATION DATE | AUDIT NO | |
|---|---|---|---|
| 1204000506 | 07/31/2022 | 3482512 | THIS DOCUMENT IS DULY ISSUED UNDER THE LAWS OF THE STATE OF MICHIGAN |