



## **APPRAISAL OF REAL PROPERTY**

**LOCATED AT:**

1350 Michigan Ave  
Ocean Beach Add No 3 PB 2-81 Lot 2 Blk 94  
Miami Beach, FL 33139

**FOR:**

Private  
1040 S. Federal Highway  
Hollywood, FL 33020

**AS OF:**

01/19/2017

**BY:**

Paul Pineda  
Preferred Property Appraisal, Inc.  
10905 N. Kendall Drive Suite 315  
Miami, FL 33176  
Pine1026@comcast.net



## Uniform Residential Appraisal Report

File # PP1350

There are 1 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 1,385,000 to \$ 1,385,000	
There are 3 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 909,950 to \$ 1,700,000	
FEATURE	SUBJECT
Address	1350 Michigan Ave Miami Beach, FL 33139
Proximity to Subject	0.59 miles N
Sale Price	\$ 1,700,000
Sale Price/Gross Liv. Area	\$ 634.57 sq.ft.
Data Source(s)	MLS A10053713
Verification Source(s)	Visual Observation/Tax Record
VALUE ADJUSTMENTS	DESCRIPTION
Sales or Financing	Cash
Concessions	None noted
Date of Sale/Time	May 2016
Location	Interior
Leasehold/Fee Simple	Fee Simple
Site	7,500 sf
View	Residential
Design (Style)	Art Deco
Quality of Construction	Q3
Actual Age	81
Condition	C3
Above Grade	Total Bdrms. Baths
Room Count	6 3 2
Gross Living Area	1,526 sq.ft.
Basement & Finished	0sf
Rooms Below Grade	0
Functional Utility	Average
Heating/Cooling	Central A/C
Energy Efficient Items	Standard
Garage/Carport	1-Car Garage
Porch/Patio/Deck	Open Patio
Net Adjustment (Total)	\$ -267,125
Adjusted Sale Price of Comparables	\$ 1,432,875
<input checked="" type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain	
My research <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) Tax Records/Realquest	
My research <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) Tax Records/Realquest	
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
Date of Prior Sale/Transfer	11/30/2015
Price of Prior Sale/Transfer	940,000
Data Source(s)	Tax Records/Realquest
Effective Date of Data Source(s)	January 2017
Analysis of prior sale or transfer history of the subject property and comparable sales	
Appraiser researched three years of prior sales and/or transfer history for the subject property and one year for the comparables. The result of the research were listed above.	
Summary of Sales Comparison Approach See Supplemental Addendum.	
Remaining Economic Life: 35 years	
Indicated Value by Sales Comparison Approach \$ 1,150,000	
Indicated Value by: Sales Comparison Approach \$ 1,150,000 Cost Approach (if developed) \$ 1,123,487 Income Approach (if developed) \$ 0	
Final reliance is given to the market data approach due to the reliability of market data and represents the motives of the typical purchaser.	
Income approach was not appropriate for this assignment. Due to the lack of vacant land sales, and because the neighborhood is 100 percent built up, no emphasis was given to the cost-depreciation approach.	
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:	
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 \$ 1,150,000, as of 01/19/2017, which is the date of inspection and the effective date of this appraisal.	



## Uniform Residential Appraisal Report

File # PP1350

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

**Property Address** 1350 Michigan Ave **City** Miami Beach **State** FL **Zip Code** 33139

**Borrower** Niel Rosen **Owner of Public Record** Erica Dale Rosen **County** Miami-Dade

**Legal Description** Ocean Beach Add No 3 PB 2-81 Lot 2 Blk 94

**Assessor's Parcel #** 02-4203-009-7240 **Tax Year** 2016 **R.E. Taxes \$** 15,834.85

**Neighborhood Name** Miami Beach **Map Reference** T54-R42-S03 **Census Tract** 0043.04

**Occupant** ☐ Owner ☐ Tenant ☒ Vacant **Special Assessments \$** 0 **PUD** ☐ **HOA \$** 0 ☐ per year ☐ per month

**Property Rights Appraised** ☒ Fee Simple ☐ Leasehold ☐ Other (describe)

**Assignment Type** ☐ Purchase Transaction ☐ Refinance Transaction ☒ Other (describe) **Market Value**

**Lender/Client** Private **Address**

Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? ☐ Yes ☒ No

Report data source(s) used, offering price(s), and date(s).

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. **Not applicable**

**Contract Price \$** **Date of Contract** **Is the property seller the owner of public record?** ☐ Yes ☐ No **Data Source(s)** **Not applicable**

Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? ☐ Yes ☐ No

If Yes, report the total dollar amount and describe the items to be paid.

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

Neighborhood Characteristics			One-Unit Housing Trends			One-Unit Housing		Present Land Use %	
Location	<input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values	<input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	55 %		
Built-Up	<input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply	<input checked="" type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	%		
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	909	Low	Multi-Family	10 %		
Neighborhood Boundaries			The subject is bound to the North by Dade Blvd, to the South by 17 Street, to the East by Washington Avenue and to the West by Alton Road.			2,725	High	Commercial	20 %
Neighborhood Description			See Supplemental Addendum.			1,085	Pred.	Other	15 %

**Market Conditions (including support for the above conclusions)** See Supplemental Addendum.

**Dimensions** 50X150 **Area** 7,500 sf **Shape** Irregular **View** Residential

**Specific Zoning Classification** RS-4 **Zoning Description** Single Family

**Zoning Compliance** ☒ Legal ☐ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)

Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe

**Utilities** **Public** **Other (describe)** **Public** **Other (describe)** **Off-site Improvements - Type** **Public** **Private**

Electricity ☒ ☐ Water ☒ ☐ Street ☒ ☐

Gas ☐ ☐ Sanitary Sewer ☒ ☐ Alley ☒ ☐ Public Service ☒ ☐

**FEMA Special Flood Hazard Area** ☒ Yes ☐ No **FEMA Flood Zone** AE **FEMA Map #** 12086C0317L **FEMA Map Date** 9/11/2009

Are the utilities and off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☒ No If Yes, describe

General Description		Foundation		Exterior Description		Interior	
Units	<input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input checked="" type="checkbox"/> Crawl Space		Foundation Walls	Concrete/Average	Floors	C.Tile/Average
# of Stories	1	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement		Exterior Walls	CBS/Average	Walls	Drywall/Average
Type	<input type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area	0sf sq.ft.	Roof Surface	Flat Tile/Average	Trim/Finish	Wood/Average
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.		Basement Finish	0 %	Gutters & Downspouts	None	Bath Floor	Ceramic Tile/Avg.
Design (Style)	Art Deco	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump		Window Type	Awings/Average	Bath Wainscot	C. Tile/Average
Year Built	1937	Evidence of <input type="checkbox"/> Infestation <input checked="" type="checkbox"/> None		Storm Sash/Insulated	None	Car Storage	<input checked="" type="checkbox"/> None
Effective Age (Yrs)	30	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement		Screens	None	<input checked="" type="checkbox"/> Driveway	# of Cars 1
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	Concrete Strips
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs		<input type="checkbox"/> Other <input type="checkbox"/> Fuel Elec.		<input checked="" type="checkbox"/> Fireplace(s) # 1 <input checked="" type="checkbox"/> Fence	Rear Wd	<input checked="" type="checkbox"/> Garage	# of Cars 1
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuffie		Cooling <input checked="" type="checkbox"/> Central Air Conditioning		<input checked="" type="checkbox"/> Patio/Deck	Open	<input type="checkbox"/> Carport	# of Cars
<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"/> Att.	<input 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 type="checkbox"/> Disposal <input type="checkbox"/> Microwave		<input type="checkbox"/> Washer/Dryer	Other (describe)		
Finished area	above grade contains: 6 Rooms 3 Bedrooms 2 Bath(s)						
Additional features (special energy efficient items, etc.)		No additional features were considered for this appraisal.					
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.).							
The subject property is a three bedroom/two bathroom home built in 1937. At the time of inspection, the subject property was in the process of being renovated.							
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							
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							



## Uniform Residential Appraisal Report

File # PP1350

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 the 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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**URAR: Cost Approach Comments** The cost approach portion of this report includes a section for land value. An attempt was made to locate vacant land sales and listings of vacant sites; however, very few exists in the subject's market area. The subject property is located in a built-up area where land sales do not exist. In light of these foregoing circumstances, the primary focus the appraisal report is the Sales Comparison Analysis of homes in the immediate area which is how buyers and sellers in the market would estimate the worth of a particular property. Since the building improvements are depreciated and there is no direct evidence available to accurately estimate land value, the results from the cost approach would be highly subjective. Furthermore, it is not an approach considered relevant by the buyers and sellers in the subject's market area. Henceforth, this approach is not applicable with respect to the appraisal. This helps explain why the market value established by the Sales Comparison Approach does not coincide with the "Indicated Value By Cost Approach."

ADDITIONAL COMMENTS

## 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)

See above comment

COST APPROACH

ESTIMATED	<input type="checkbox"/> REPRODUCTION OR	<input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$	750,000
Source of cost data	Marshall & Swift		DWELLING	1,526 Sq.Ft. @ \$	400.00 = \$ 610,400
Quality rating from cost service	3.5	Effective date of cost data	01/17	0sf Sq.Ft. @ \$	= \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)			Appliances & CAC		
The subject's site value has been derived from market abstractions techniques applied to improved land sales from the subject's market area as well as analysis of assessed value.			Garage/Carport	273 Sq.Ft. @ \$	200.00 = \$ 54,600
			Total Estimate of Cost-New	= \$	675,000
			Less	Physical	Functional
			Depreciation	311,513	= \$( 311,513)
Subject's land to total value is common for properties in the subject's market area and does not adversely affect its marketability and/or value.			Depreciated Cost of Improvements	= \$	363,487
			"As-is" Value of Site Improvements	= \$	10,000
Estimated Remaining Economic Life (HUD and VA only)			Landscape/Driveway		
35 Years			INDICATED VALUE BY COST APPROACH	= \$	1,123,487

INCOME

## INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ 0 X Gross Rent Multiplier 0 = \$ 0 Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM) The income approach was not relevant for the purpose of this appraisal report.

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 existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion.Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data SourceAre 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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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

Paul Pineda

Signature

Name

Paul Pineda

Company Name

Preferred Property Appraisal, Inc.

Company Address

10905 N. Kendall Drive Suite 315, Miami, FL

33176

Telephone Number

(305) 457-0985

Email Address

Pine1026@comcast.net

Date of Signature and Report

01/20/2017

Effective Date of Appraisal

01/19/2017

State Certification #

RD4259

or State License #

or Other (describe)

State #

State

FL

Expiration Date of Certification or License

11/30/2018

## ADDRESS OF PROPERTY APPRAISED

1350 Michigan Ave

Miami Beach, FL 33139

APPRAISED VALUE OF SUBJECT PROPERTY \$

1,150,000

## LENDER/CLIENT

Name

Company Name

Private

Company Address

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

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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.



**Supplemental Addendum**

File No. PP1350

Borrower	Niel Rosen				
Property Address	1350 Michigan Ave				
City	Miami Beach	County	Miami-Dade	State	FL Zip Code 33139
Lender/Client	Private				

At the time of this appraisal analysis there was a shortage of recent sales within the lender/clients preferred 90-day sales period, and Fannie Mae preferred 6-months sales period. Therefore, in order to provide a reasonable and credible opinion of market value; it was better to remain inside the subject's market area of South Beach and compare it with dated sales from within the development and competing projects.

For the use of comparable sales that are over ninety days and/or six months old, the appraiser made a diligent effort in finding sales within this criteria. However, there is a lack of valid inventory of single family homes similar to the subject property.

All comparables are similar to the subject in terms of age, design and appeal. A thorough and diligent search was made to find comparables that offer the same gross living area as the subject, however, none were available. This is not uncommon, especially within this neighborhood, and in no way detrimental to the subject's marketability. Due to these circumstances, across the board adjustments were warranted to all comparables for the difference in gross living area and condition. No adjustment was warranted for the difference in bedroom count as this is taken into account in the gross living area.

After careful analysis and consideration of market conditions, the market reflects that a renovated home sells between \$20,000 to \$150,000 more than a non-renovated home; all depending on the extent of renovations and grade finish. As such, comparable one warranted an downward adjustment of \$100,000 under the condition section since this property underwent complete renovation with high end finishes.

The subject's estimated market value of \$1,150,000 falls above the neighborhood's predominant price range of \$550,000. Nevertheless, the fact that the subject's estimated market value is below the predominant price does not imply that the subject property is an under-improvement for this neighborhood; nor does it have an adverse effect on the subject's marketability. The fact of the matter is, that many properties with the subject's characteristics, are well within this price spectrum.



**Supplemental Addendum**

File No. PP1350

Borrower	Niel Rosen				
Property Address	1350 Michigan Ave				
City	Miami Beach	County	Miami-Dade	State	FL Zip Code 33139
Lender/Client	Private				

**Neighborhood Description**

The subject property is located within the City of Miami Beach. Miami Beach is a barrier island connected to the mainland city of Miami by a series of bridges. The City of Miami Beach encompasses 7.1 square miles of land and 10 miles of water. City boundaries extend from Government Cut to the south, 87th Street to the north, Biscayne Bay to the west and the Atlantic Ocean to the east. The Board Walk runs from 21<sup>st</sup> Street to 46<sup>th</sup> Street, and then includes a small portion of the beach on South Pointe Park, the beach walk runs in and along the beach from 5<sup>th</sup> Street to 14<sup>th</sup> Lane, and ends on 21<sup>st</sup> Street.

Miami Beach is divided into three geographic sections because they are all mutually distinct from one another. The three divisions of Miami Beach are South Beach (5th-41<sup>st</sup> Street), Mid Beach (41<sup>st</sup>-79<sup>th</sup> Street) and North Beach (79<sup>th</sup>-87<sup>th</sup> Street). Even though all of Miami Beach has and is still experiencing tremendous growth in both population and development, South Beach has probably experienced the most growth. It has transcended positively into one of the most pedestrian- friendly communities.

The subject is located within "South Beach". South Beach is traversed by numerical streets which run east-west, starting with First Street and the largely pedestrianized Lincoln Road (between 16th and 17th). It also has 13 principal Roads and Avenues running north-south, which, from the Biscayne Bay side, are Bay Road, West Avenue, Alton Road, Lenox Avenue, Michigan Avenue, Jefferson Avenue, Meridian Avenue, Euclid Avenue, Pennsylvania Avenue, Drexel Avenue, Washington Avenue, Collins Avenue and Ocean Drive. There are three smaller avenues (that do not run the entire length of the beach) in the Collins Park area, named Park, Liberty, and James. Most locals agree that South Beach's northern boundary runs along Dade Boulevard from Lincoln Road on the bay side of the island, and heads east-north-east until it connects with 23rd Street, which forms the northern boundary on the ocean side.

In both daytime and at nightfall, the South Beach section of Miami Beach is a major entertainment destination with hundreds of nightclubs, restaurants, boutiques and hotels. The area is popular with both American and international tourist, with some having permanent or second homes.

Just south of the subject is South Pointe Park. Recently refurbished, South Pointe Park offers incredible light display, walking paths, and cascading water fountains facing towards Fisher Island and cruise ship alley which leads to the Atlantic Ocean. The Miami Beach Marina, which is located at 300 Alton Road, offers a gourmet food market and a local favorite restaurant known as "Monty's". These properties (marina and public recreational park) account for this neighborhood's "Other" present land use. However, this type of use is in no way detrimental to either the subject's neighborhood nor to the subject's marketability.

**Comment Regarding Market Conditions**

A reasonable estimate of 'Exposure Time' for a property of similar value and with similar features to the subject would be in the range of 30-90 days. The trend for property values market wide are either stable or increasing. There are many pockets within the overall market that are currently experiencing a trend of increasing values. The subject's immediate market is one of these pockets. This was derived through analyzation of all the appraiser's data sources (RealQuest, MLS, and the Miami-Dade County records) as all sources show homes are starting to increase in value from when originally purchased for.

Like most of South Florida, including Miami-Dade, Monroe, Broward and Palm Beach County, this neighborhood is currently experiencing a "seller's market" in which demand currently exceeds supply.

**Comparable Sales Analysis & Reconciliation**

All of the comparable sales used in this appraisal report were considered the best available at the time of inspection because they best reflect the actions of buyers and sellers of compatible residential property located inside the subjects residential neighborhood of South Beach.

The dates of sale reported for the comparable sales are the contract dates. The contract dates reflect the actual "meeting of the minds" and sale date between the buyer and seller, adjustments for market conditions are adjusted from these dates. All of the sales have closed as of the date of this appraisal report. In light of recent market conditions and because research indicates a shift towards stabilization in property value, no adjustments for market conditions were deemed necessary for all sales.

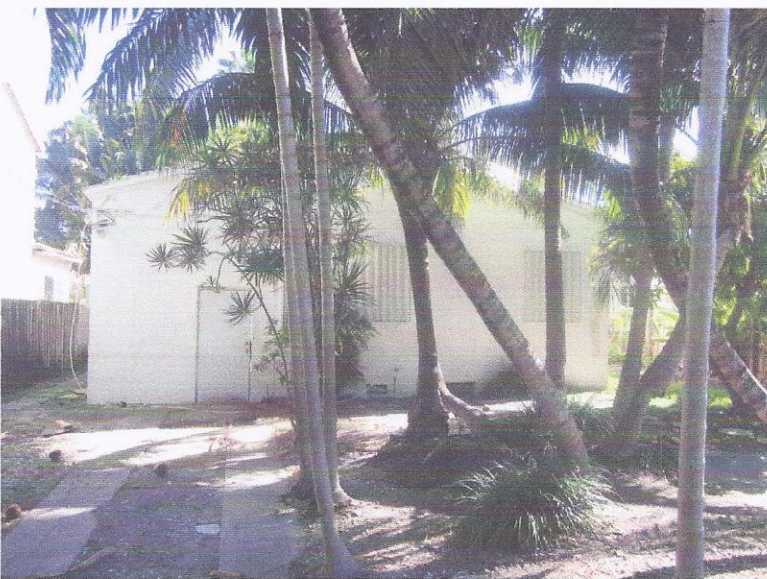


**Subject Photo Page**

Borrower	Niel Rosen					
Property Address	1350 Michigan Ave					
City	Miami Beach	County	Miami-Dade	State	FL	Zip Code 33139
Lender/Client	Private					

**Subject Front**

1350 Michigan Ave  
Sales Price  
G.L.A. 1,526  
Tot. Rooms 6  
Tot. Bedrms. 3  
Tot. Bathrms. 2  
Location Interior  
View Residential  
Site 7,500 sf  
Quality Q3  
Age 81

**Subject Rear****Subject Street**



Borrower	Niel Rosen		File No.	PP1350
Property Address	1350 Michigan Ave			
City	Miami Beach	County	Miami-Dade	State FL Zip Code 33139
Lender/Client	Private			

**APPRAISAL AND REPORT IDENTIFICATION**

This Report is one of the following types:

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

**Comments on Standards Rule 2-3**

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

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

**Comments on Appraisal and Report Identification**

Note any USPAP related issues requiring disclosure and any State mandated requirements:

**APPRAISER:**

Signature:

Name: Paul Pheda

State Certification #: RD4259

or State License #:

State: FL Expiration Date of Certification or License: 11/30/2018

Date of Signature and Report: 01/20/2017

Effective Date of Appraisal: 01/19/2017

Inspection of Subject: ☐ None ☒ Interior and Exterior ☐ Exterior-Only

Date of Inspection (if applicable): 01/19/2017

**SUPERVISORY or CO-APPRAISER (if applicable):**

Signature:

Name:

State Certification #:

or State License #:

State: Expiration Date of Certification or License:

Date of Signature:

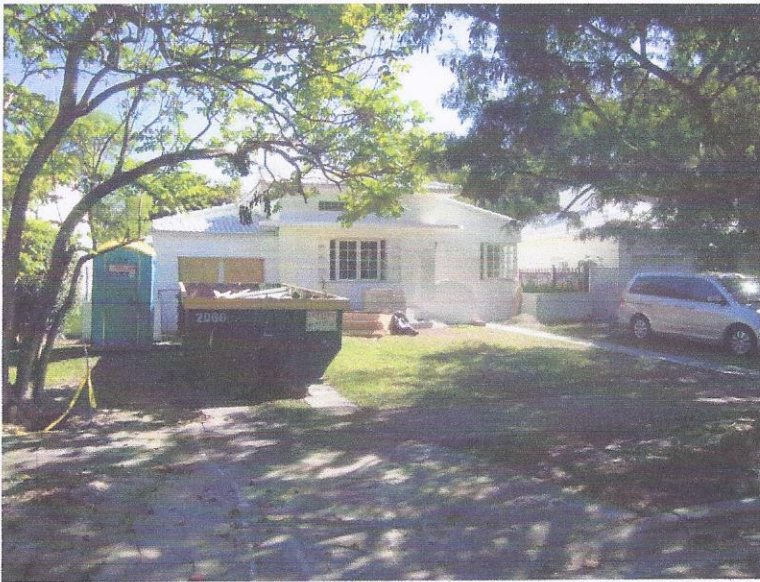
Inspection of Subject: ☐ None ☐ Interior and Exterior ☐ Exterior-Only

Date of Inspection (if applicable):



**Comparable Photo Page**

Borrower	Niel Rosen					
Property Address	1350 Michigan Ave					
City	Miami Beach	County	Miami-Dade	State	FL	Zip Code 33139
Lender/Client	Private					

**Comparable 1**

1760 Lenox Ave  
 Proximity 0.59 miles N  
 Sale Price 1,700,000  
 GLA 2,679  
 Total Rooms 10  
 Total Bedrms 5  
 Total Bathrms 4.1  
 Location Interior  
 View Residential  
 Site 7,500 sf  
 Quality Q3  
 Age 82

**Comparable 2**

1729 Lenox Avenue  
 Proximity 0.56 miles N  
 Sale Price 975,000  
 GLA 1,745  
 Total Rooms 8  
 Total Bedrms 4  
 Total Bathrms 3  
 Location Interior  
 View Residential  
 Site 8,000 sf  
 Quality Q3  
 Age 81

**Comparable 3**

1435 Lenox Avenue  
 Proximity 0.15 miles NW  
 Sale Price 909,950  
 GLA 1,573  
 Total Rooms 6  
 Total Bedrms 3  
 Total Bathrms 2  
 Location Interior  
 View Residential  
 Site 7,500 sf  
 Quality Q3  
 Age 76







# License

FHA/VA Case No.

RICK SCOTT, GOVERNOR

KEN LAWSON, SECRETARY

STATE OF FLORIDA  
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION  
FLORIDA REAL ESTATE APPRAISAL BD

LICENSE NUMBER

RD4259

The CERTIFIED RESIDENTIAL APPRAISER  
Named below IS CERTIFIED  
Under the provisions of Chapter 475 FS.  
Expiration date: NOV 30, 2018

PINEDA, PAUL FRANCISCO  
10905 SW 88 ST. #315  
MIAMI FL 33176



ISSUED: 12/11/2016

DISPLAY AS REQUIRED BY LAW

SEQ # L1612110001745