

American Realty Appraisals, LLC  
**LAND APPRAISAL REPORT**

File No.

Borrower NA Census Tract 0020.00 Map Reference 35084  
 Property Address 35 Smith St  
 City Newark County Essex State NJ Zip Code 07106  
 Legal Description Block 4199 Lot 11  
 Sale Price \$ NA Date of Sale NA Loan Term NA yrs. Property Rights Appraised  Fee  Leasehold  De Minimis PUD  
 Actual Real Estate Taxes \$ NA (yr) Loan charges to be paid by seller \$ NA Other sales concessions NA  
 Lender/Client Invest Newark Address NA  
 Occupant Vacant Appraiser Evan Siegel Instructions to Appraiser Determine Fair Market Value

**NEIGHBORHOOD**

Location  Urban  Suburban  Rural  
 Built Up  Over 75%  25% to 75%  Under 25%  
 Growth Rate  Fully Dev.  Rapid  Steady  Slow  
 Property Values  Increasing  Stable  Declining  
 Demand/Supply  Shortage  In Balance  Oversupply  
 Marketing Time  Under 3 Mos.  4-6 Mos.  Over 6 Mos.  
 Present 65 % One-Unit 15 % 2-4 Unit 5 % Apts. 10 % Condo  
 Land Use          % Industrial          % Vacant 5 % Other  
 Change in Present Land Use  Not Likely  Likely (\*)  Taking Place (\*)  
 Predominant Occupancy  Owner  Tenant          % Vacant  
 One-Unit Price Range \$ 48,000 to \$ 820,000 Predominant Value \$ 331,000  
 One-Unit Age Range New yrs. to 150 yrs. Predominant Age 70 yrs.  
 Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise)

Employment Stability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Schools	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recreational Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy of Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Protection from Detrimental Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Police and Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**SITE**

Dimensions 25 X 100 = 2,500 sf  Corner Lot  
 Zoning Classification R-2 (1-2 Family) Present Improvements  Do  Do Not Conform to Zoning Regulations  
 Highest and Best Use  Present Use  Other (specify) Multifamily  
 Public  Other (Describe)           
 Elec.  Gas  Water  San. Sewer  Underground Elect. & Tel.   
 OFF SITE IMPROVEMENTS  
 Street Access  Public  Private  
 Surface Maintenance  Public  Private  
 Storm Sewer  Curb/Gutter  Street Lights  
 Sidewalk  
 Topo Level Size Average Shape Rectangular View Average Drainage Average  
 Is the property located in a FEMA Special Flood Hazard Area?  Yes  No  
 Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions)

The undersigned has recited the following recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	<u>35 Smith St Newark, NJ 07106</u>	<u>46 Columbia Ave Newark, NJ 07106</u>	<u>323 S 19th St Newark, NJ 07103</u>	<u>739 S 19th St Newark, NJ 07103</u>
Proximity to Subject		<u>0.85 miles SE</u>	<u>1.18 miles E</u>	<u>1.59 miles SE</u>
Sales Price	\$ <u>NA</u>	\$ <u>120,000</u>	\$ <u>122,500</u>	\$ <u>143,000</u>
Price \$/Sq. Ft.	\$ <u>        </u>	\$ <u>        </u>	\$ <u>        </u>	\$ <u>        </u>
Data Source(s)	<u>Inspection</u>	<u>GSMLS#3745910/tax record</u>	<u>GSMLS#3794879/tax record</u>	<u>GSMLS#3792336/tax record</u>
ITEM	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION
Date of Sale/Time Adj.	<u>NA</u>	<u>03/09/2022</u>	<u>08/18/2022</u>	<u>07/25/2022</u>
Location	<u>Average</u>	<u>Average</u>	<u>Average</u>	<u>Average</u>
Site/View	<u>25 X 100</u>	<u>25 X 100</u>	<u>28 X 100</u>	<u>37 X 100</u>
Zone	<u>Residential</u>	<u>Residential</u>	<u>Res R-2 (1-2 Fam)</u>	<u>Res/RDV</u>
Sales or Financing Concessions	<u>NA</u>			
Net Adj. (Total)		<input type="checkbox"/> + <input type="checkbox"/> - \$ <u>        </u>	<input type="checkbox"/> + <input type="checkbox"/> - \$ <u>        </u>	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ <u>-12,000</u>
Indicated Value of Subject		<u>Net 0.0 %</u> <u>Gross 0.0 %</u> \$ <u>120,000</u>	<u>Net 0.0 %</u> <u>Gross 0.0 %</u> \$ <u>122,500</u>	<u>Net 8.4 %</u> <u>Gross 8.4 %</u> \$ <u>131,000</u>

Comments on Market Data 159 Ivy St is close in proximity and is in the same neighborhood, however a bit dated as it sold in August 2021. It is a vacant 25 X 100 lot for \$125,000.

Comments and Conditions of Appraisal All comparables are considered in the final value estimate.

Final Reconciliation Based on the adjusted range of \$120,000 to \$131,000, the value for each lot is estimated to be \$125,000.

**RECONCILIATION**

I (WE) ESTIMATE THE MARKET VALUE AS DETERMINED, OF THE SUBJECT PROPERTY AS OF 01/04/2023 TO BE \$ 125,000  
 Appraiser Evan Siegel Supervisory Appraiser (if applicable)           
 Date of Signature and Report 01/06/2023 Date of Signature           
 Title          Title           
 State Certification # 42RC00171300 ST NJ State Certification #          ST           
 Or State License #          ST          Or State License #          ST           
 Expiration Date of State Certification or License 12/31/2023 Expiration Date of State Certification or License           
 Date of Inspection (if applicable) 01/04/2023  Did  Did Not Inspect Property Date of Inspection

# Subject Photo Page

Borrower	NA						
Property Address	35 Smith St						
City	Newark	County	Essex	State	NJ	Zip Code	07106
Lender/Client	Invest Newark						



## Subject Front

35 Smith St  
Sales Price NA  
Gross Living Area  
Total Rooms  
Total Bedrooms  
Total Bathrooms  
Location Average  
View 25 X 100  
Site  
Quality Average  
Age



## Subject Street



## Subject Street

## Comparable Photo Page

Borrower	NA				
Property Address	35 Smith St				
City	Newark	County	Essex	State	NJ
Lender/Client	Invest Newark			Zip Code	07106



### Comparable 1

46 Columbia Ave  
 Prox. to Subject 0.85 miles SE  
 Sale Price 120,000  
 Gross Living Area  
 Total Rooms  
 Total Bedrooms  
 Total Bathrooms  
 Location Average  
 View 25 X 100  
 Site  
 Quality Average  
 Age



### Comparable 2

323 S 19th St  
 Prox. to Subject 1.18 miles E  
 Sale Price 122,500  
 Gross Living Area  
 Total Rooms  
 Total Bedrooms  
 Total Bathrooms  
 Location Average  
 View 28 X 100  
 Site  
 Quality Average  
 Age



### Comparable 3

739 S 19th St  
 Prox. to Subject 1.59 miles SE  
 Sale Price 143,000  
 Gross Living Area  
 Total Rooms  
 Total Bedrooms  
 Total Bathrooms  
 Location Average  
 View 37 X 100  
 Site  
 Quality Average  
 Age

## Supplemental Addendum

File No.

Borrower	NA						
Property Address	35 Smith St						
City	Newark	County	Essex	State	NJ	Zip Code	07106
Lender/Client	Invest Newark						

### Addenda:

The Intended User of this appraisal report is the Client. The Intended Use is to evaluate the property that is the subject of this appraisal and determine market value, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended Users are identified by the appraiser.

#### • Land : Neighborhood - Market Conditions

In the Spring of 2020, the Covid-19 pandemic was at its height causing many homes to be pulled off the market and a dip in market value. By the early summer of 2020, when stay at home mandates were lifted, there was a built up demand for home buying along with an influx of buyers coming out of New York City. This caused tremendous bidding wars and appreciation rates throughout the year and well into 2022. Over the past couple years, appreciation has ranged from 10-30% depending on the market. While interest rates have increased to 5-6% from all-time lows in the 2-3% range, demand still remains high in 2022 as inventory is still low. Typical marketing times range between one to three months or 30 to 90 days.

#### Adverse Environmental Conditions

In this appraisal assignment, the existence of potentially hazardous material used in the construction or maintenance of the improvements, such as the presence of urea-formaldehyde insulation and /or the existence of toxic radon waste gas, which may or may not be present on the property is not observed by the appraisers. Nor does the appraiser have any knowledge of the existence of such materials on or in the property. The appraisers are not qualified to detect such substances. The existence of urea-formaldehyde foam insulation or other potentially hazardous materials may have an effect on the value of the property. The appraisers urge the client to retain an expert in this field if so desired.

#### Sales Comparison Comments

After an extensive search of the MLS and Tax Records, the appraiser has selected the comparables that are found to be the most recent, similar and proximate to the subject. The other adjustments demonstrate market considerations for differing amenities and the nature of the physical condition.

#### Final Reconciliation

This appraisal report is a complete report as defined by the appraisal standards board of the Appraisal Foundation. The sales comparison approach is given the greatest weight as it best reflects the actions of buyers and sellers in this marketplace. The cost approach is not developed. There have been few transactions of comparable homes that were rented at the time of sale. Due to the lack of sufficient and reliable data, the income approach has not been utilized in this report. The appraisers have no present or contemplated future interest in the subject property being appraised. The employment of these appraisers is not based upon the appraisers estimating a specific value or value range. No personal property is considered within this report. It is assumed within this report that there are no structural defects hidden by floor or wall coverings or any hidden or unapparent conditions that would have an impact on the value or marketability of the subject property. The appraisers do not profess to have the skill or expertise needed to make such inspections. The analysis, opinions and conclusions are developed and this report is prepared in conformity with the uniform standards of professional practice.

#### Signature(s)

The signature(s) is (are) electronic and should be considered original.

#### FIRREA/USPAP Addendum:

The appraisers are not home inspectors. This report should not be relied upon to disclose any conditions present in the subject property. The appraisal report does not guarantee that the property is free of defects. A professional home inspection is recommended.

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.

#### Definition of Market Value:

## Supplemental Addendum

File No.

Borrower	NA						
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City	Newark	County	Essex	State	NJ	Zip Code	07106
Lender/Client	Invest Newark						

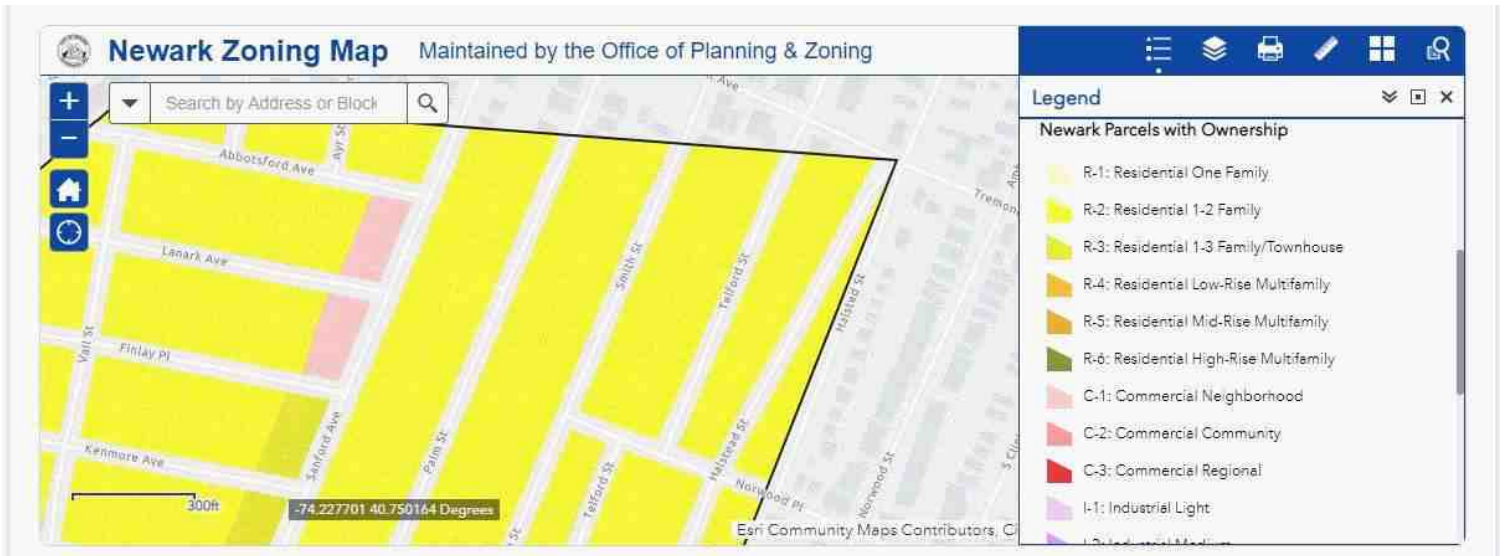
The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under condition 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.

Highest and Best Use Per the Appraisal Institute's Dictionary of Real Estate Appraisal, Sixth Edition, the highest and best use of a property is defined as: "The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity." Based on an analysis of these four factors, the highest and best use of the subject property was concluded to be its present use.

I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved. My compensation is not contingent on an action or event resulting from the analysis, opinion or conclusions in, or the use of, this review report. My analysis, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.



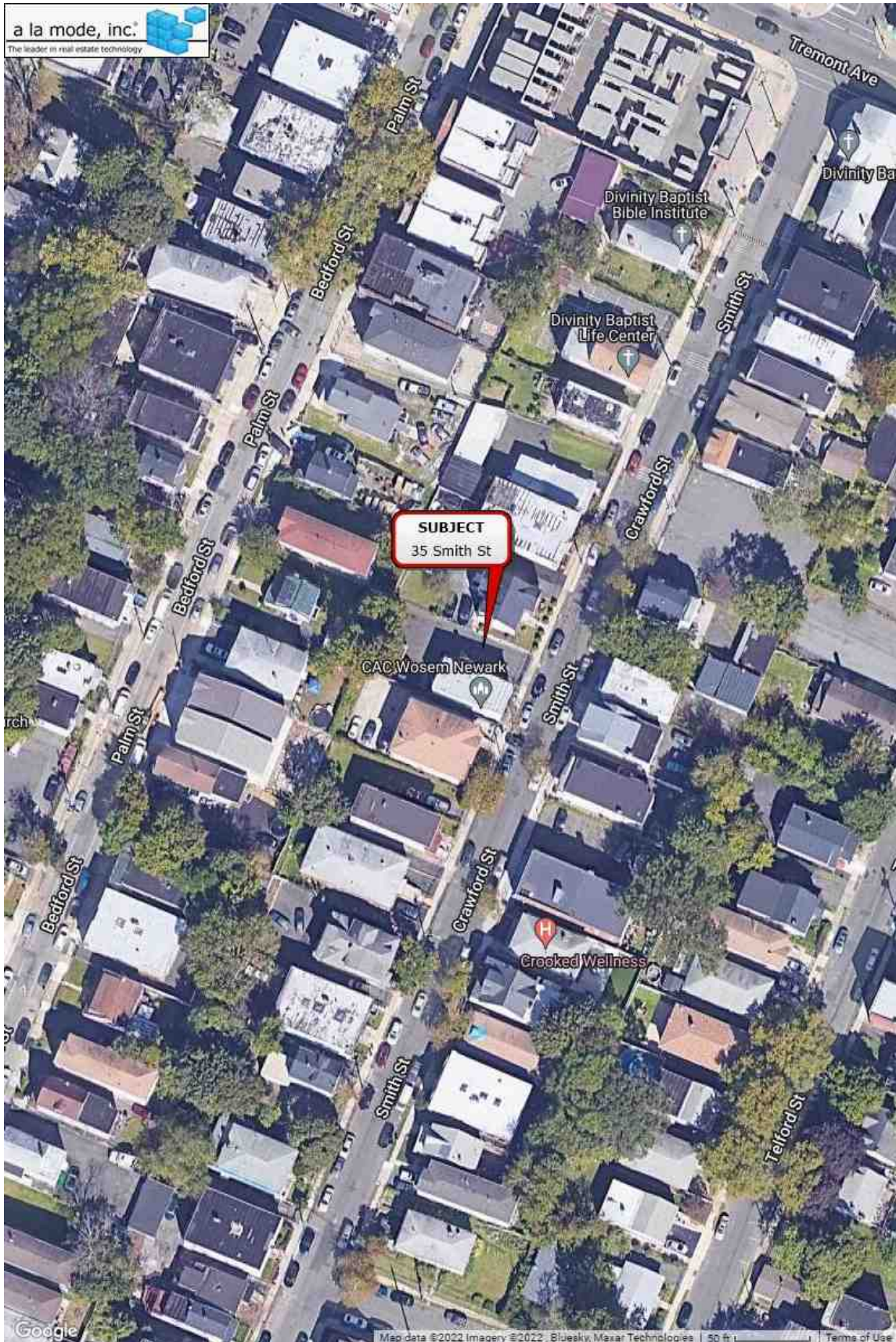






# Aerial Map

Borrower	NA						
Property Address	35 Smith St						
City	Newark	County	Essex	State	NJ	Zip Code	07106
Lender/Client	Invest Newark						





## Location Map

Borrower	NA				
Property Address	35 Smith St				
City	Newark	County	Essex	State	NJ
Lender/Client	Invest Newark			Zip Code	07106





THIS DOCUMENT IS PRINTED ON WATERMARKED PAPER, WITH A MULTI-COLORED BACKGROUND AND MULTIPLE SECURITY FEATURES. PLEASE VERIFY AUTHENTICITY.

**State Of New Jersey**  
**New Jersey Office of the Attorney General**  
**Division of Consumer Affairs**

DCA

THIS IS TO CERTIFY THAT THE  
**Real Estate Appraisers Board**

HAS CERTIFIED

**Evan S. Siegel**  
**5 Fairhill Road**  
**Westfield, NJ 07090**

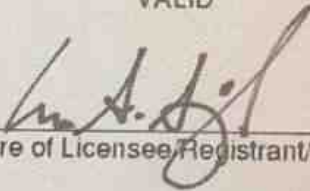
FOR PRACTICE IN NEW JERSEY AS A(N): **Cert Residential Appraiser**

**11/15/2021 TO 12/31/2023**

VALID

**42RC00171300**

LICENSE/REGISTRATION/CERTIFICATION #



Signature of Licensee/Registrant/Certificate Holder



ACTING DIRECTOR