128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

USA TAX APPEAL LLC

10 HENRY BEACH COURT
MONTVILLE, NJ 07045
Phone: (973) 945-3880

July 6, 2026

Dear Cheryl Moseson:

In accordance with your request, I have inspected the property located on 128 E 4th Avenue, also known as Block 3201, Lot 7, Roselle, New Jersey. I have considered all pertinent data affecting its valuation, and it is my opinion that the **"As Is"** Market Value of the subject property as of **June 9, 2026 is Five Hundred Ninety Thousand Dollars, ($590,000).**

The property rights appraised are leased fee and subject to the underlying assumptions and limiting conditions. The information that led the appraiser to this conclusion is contained in this report. An environmental report is not necessary in the opinion of the appraiser.

Respectfully submitted,

Ryan Smith

Ryan R. Smith, MAI, SRA, CTA
License# 42RG00214900

PROPERTY APPRAISED:

128 E 4TH AVENUE

BLOCK 3201, LOT 7

ROSELLE, NEW JERSEY 07203

PREPARED FOR:

CHERYL MOSESON

PREPARED BY:

RYAN SMITH, MAI, SRA, CTA

USA TAX APPEALS LLC

10 HENRY BEACH COURT

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973-945-3880

Contents

SCOPE OF THE APPRAISAL

The appraisal assignment is to submit a written report estimating the market value of the subject property. Included in the report is a description of the area, site, and improvements. Market value is defined and a highest and best use analysis is performed. A market study is researched to determine land, market, and rental values. If appropriate, the three accepted approaches to value (cost, market, and income) are fully detailed to support the final estimate of value.

No opinion is rendered as to the structural soundness of the improvements, the condition of the soil, or the title of the property and the opinion is subject to the underlying assumptions and limiting conditions found in the report.

APPRAISAL REPORT - DEFINITION

This is an Appraisal Report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Practice for an Appraisal Report. As such, it presents only summary discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated below. The appraiser is not responsible for unauthorized use of this report.

EXTRAORDINARY ASSUMPTIONS

The Appraisal Foundation defines extraordinary assumption as "an assumption directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions."

The appraisal is under the extra ordinary assumption that the comparable sales and rental are accurate as the appraiser relied on 3rd party data and did not inspect the interior of these sales/rentals. The transactions and contracts of the sales/rentals took place before the appraiser was able to inspect the exterior of the properties and research the properties.

The appraiser was not able to inspect all of the rooms. The borrower stated the subject is a registered 11 room plus super's apartment (12 units). The valuation is under the extraordinary assumption that the subject data is accurate. A difference of data may impact the valuation of the subject.

HYPOTHETICAL CONDITIONS

The Appraisal Foundation defines hypothetical condition as “a condition, directly related to a specific assignment, which is contrary to what is known to the appraiser to exist on the effective date of the assignment results, but is used for the purpose analysis.”

There are no hypothetical conditions applicable in this appraisal.

SUMMARY OF SALIENT FACTS

Location:	128 E 4th Avenue Block 3201, Lot 7 Roselle, New Jersey
Property Description:	Three story 3,929 +/- sq. ft. 12 unit (11 rooms & 1 apartment) rooming house building built on a 0.269 acre lot in average condition.
Purpose of the Appraisal:	To estimate market value for a potential sale.
Date of Valuation:	June 9, 2026
Flood Zone	"X" 340472-0033F – 09/20/2006
Zoning:	Residence F
Census Tract:	342.00

128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

Highest & Best Use:	As Vacant: (Multi Family)
	As Improved: Current Use (Rooming house)
Estimated Exposure Time:	6 - 12 months
Estimated Marketing Time:	6 – 12 months
Valuation:	
Cost Approach:	N/A
Market Approach:	$660,000
Income Approach:	$535,000
Final Value Estimate:	$590,000

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to estimate the as is market value for a potential sale on the property located **on 128 E 4th Avenue; also known as Block 3201, Lot 7 Roselle, New Jersey.**

INTENDED USE/USER OF THE APPRIASAL

Cheryl Moseson requested the appraisal for a potential sale. The intended use is for selling the property. Cheryl Moseon is the intended user.

EFFECTIVE DATE OF THE APPRAISAL

The effective date is June 9, 2026.

INSPECTION DATE OF THE APPRAISAL

The inspection date is June 9, 2026.

DATE OF THE APPRAISAL REPORT

The date of the appraisal report is July 6, 2026.

DEFINITION: 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 on the passing of title from seller to buyer under conditions whereby; (1) buyers and seller are typically motivated; (2) both parties are well-informed or well-advised, and each acting in what he considers his 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 sale concessions granted by anyone associated with this sale.

PROPERTY RIGHTS APPRAISED

Since the property is leased to tenants the property rights appraised are the leased fee estate.

LEASED FEE ESTATE EXPLAINED

A leased fee estate is an ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; the rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease. Specific lease terms vary, but a leased fee generally provides for rent to be paid by the lessee (the tenant) to the lessor (the landlord) under stipulated terms. The lessor has the right of repossession at the termination of the lease, default provisions, and the rights to sell, mortgage, or bequeath the property during the lease period. When a lease is legally delivered the lessor must surrender possession of the property to the lessee for the lease period and abide by the lease provisions.

HIGHEST AND BEST USE

The highest and best use is that reasonable and probable use which will support the highest present value as of the date of the appraisal. The appraiser determined what is legally permissible, physically possible, economically feasible, and results in the maximum value. The highest and best use is determined both as if vacant and as improved.

Legally permissible is restricted by zoning laws that are established by the municipality. Zoning takes into consideration particular uses which is allowed and measuring requirements (ie: minimum lot size, maximum height, setbacks etc). Many buildings have been constructed before zoning laws went into effect, as the property does not fall into the requirements of the certain zone. These buildings are grandfathered and are allowed to stay as the current use. When analyzing the study of “as if vacant” and “as improved”, there is a chance that a vacant parcel would not allow for the current “as improved” state, and would yield a different solution. Therefore, the “as improved” use is more common, unless the appraisal involves tearing down more than 50% of the current building.

Legally permissible as though vacant would be what is allowed in the Residence F zone.

Physically possible simply tests if the proposed use could be used with the location and site of the property. Certain topography, climate, accessibility, etc. may restrict the structure to be built. The property may not allow certain utilities for the site as well. The highest and best uses "as if vacant" and "as improved" are generally similar with this particular test.

Physically possible as though vacant would allow building a structure as the site is buildable, has access to all utilities.

Economically feasible directly analyzes the financial numbers required for the intended use. If the project produces a positive net present value, then the use is economically feasible and passes this part of the test. The final cost must be greater than the cost of the land and the improvements. The "as if vacant" is a different approach as there is no cost for demolition and taking into effect the current improvements on the site. The "as improved" study examines the current improvements and the cost to change/demolish and complete the intended use. The economically feasible test weighs heavier on the "as improved" approach as an investment cannot ignore the value of the improvements and cost for demolition.

Economically feasible as though vacant would be to build a mutli family residential building. There is enough demand in the area to fill the spaces.

Maximally productive is the final step in the process of highest and best use. After all the other steps answer "yes", then the maximally productive use finds the most profitable venture to this property. There are four factors of production which must be taken into consideration. These factors are the following: labor, capital, management, and land. After calculating the cost of every proposed use, the most profitable method would ultimately be the highest and best use.

The highest and best use “as vacant” is to build a multi family building in compliance with the Residence F zone for the municipality of Roselle.

The highest and best use “as improved” is analyzed in this property as there is currently a structure on the property. After performing these tests the highest and best use “as improved” of the subject property is to keep the current use of a rooming house building.

§ 650-94 Residence F Zone.

The regulations set forth in this section or set forth elsewhere in this article when referred to in this section are the district regulations in the Residence F Zone.

A. Purpose. The purpose of this zone district is to promote the development of appropriately zoned land within the Borough for residential development at a high density.

B. Use regulations. A building or premises shall be used only for the following purposes:
(1) Permitted principal uses.
(a) One-family dwelling.
(b) Two-family dwelling.
(c) Multifamily dwelling, provided that:
[1] The maximum density is 25 dwelling units per acre.
[Amended 9-21-2022 by Ord. No. 2691-22]
[2] Dwellings with three or more livable floor levels shall contain at least one passenger elevator of sufficient capacity to serve all occupants.
(d) Community residence.
(2) Permitted accessory uses.
(a) Family day-care home.
(b) Home occupations, provided that:
[1] Not more than 30% of a single story shall be permitted to be used for a home occupation.
[2] There shall be no display of goods.
[3] No employee other than the resident member(s) of the household shall be permitted.
[4] No signs shall be permitted.
(c) Private garages, including detached and attached garages. The provisions of Roselle Borough Code §§ 46-116 through 46-121[1] and BOCA shall apply and govern the erection and construction of private garages.
[1]Editor's Note: Original Ch. 46, Building Construction, of the 1975 Code, was repealed by Ord. No. 2571-17; §§ 46-116 through 46-121 pertained to garages. See now Ch. 563, Construction Codes, Uniform.
(d) Customary residential storage buildings not in excess of 200 square feet of building area.
(e) Shelters for domestic pets not in excess of 50 square feet of building area, exclusive of runs.
(f) Roof-mounted solar panels, in accordance with § 650-103.
(g) Other customary residential accessory structures such as private swimming pools, private tennis courts, fireplaces, trellises, post lights and the like, including trash enclosures in accordance with § 650-28.
(3) Conditional uses, see § 650-102 for standards.

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(a) Public utility.
(b) Churches, synagogues and places of worship.

C. Bulk regulations.
(1) Principal uses.
(a) Minimum lot area:
[1] One-family dwelling and community residence: 5,000 square feet.
[Amended 9-21-2022 by Ord. No. 2691-22]
[2] Two-family dwelling: 7,000 square feet.
[3] All other uses: 10,000 square feet.
[Amended 9-21-2022 by Ord. No. 2691-22]
(b) Minimum lot width and lot frontage:
[1] One-family dwelling and community residence: 50 feet.
[Amended 9-21-2022 by Ord. No. 2691-22]
[2] Two-family dwelling: 70 feet.
[3] All other uses: 100 feet.
[Amended 9-21-2022 by Ord. No. 2691-22]
(c) Minimum lot depth: 100 feet.
(d) Minimum front yard setback: 25 feet.
(e) Minimum side yard setback:
[1] One-family dwelling and community residence: five feet at the ground story level and seven feet at the second story level.
[Amended 9-21-2022 by Ord. No. 2691-22]
[2] Two-family dwelling: 10 feet.
[3] All other uses: 15 feet.
[Amended 9-21-2022 by Ord. No. 2691-22]
(f) Minimum rear yard setback: 25 feet.
(g) Maximum permitted impervious coverage:
[1] One-family dwelling and community residence: 40%.
[Amended 9-21-2022 by Ord. No. 2691-22]
[2] Two-family dwelling: 50%.
[3] All other uses: 70%.
[Amended 9-21-2022 by Ord. No. 2691-22]
(h) Maximum permitted building height:
[Amended 9-21-2022 by Ord. No. 2691-22]
[1] One- and two-family dwelling and community residence: 32 feet and 2.5 stories.
[2] All other uses: 45 feet and 4 stories.

D. Multifamily dwelling design standards. In addition to the design standards located in Article VI of this Chapter 650, the following design standards shall be followed:
(1) Dwelling units. Each dwelling shall conform to the following requirements:

(a) There shall be access to at least one bathroom without passing through any bedroom.
(b) No dwelling unit or any portion thereof shall be permitted below the first floor of any multifamily dwelling.
(c) A minimum storage area of not less than 500 cubic feet shall be provided for each dwelling unit within the same building. Such storage areas shall be exclusive of any garage or any closet within the dwelling unit.
(2) Off-street parking.
(a) The off-street parking requirements set forth in §§ 650-24 through 650-26 shall apply. In addition, the following regulations shall apply:
[1] No parking shall be permitted within the front yard area. Driveways do not count as parking areas.
[2] Borough Engineer certification required. The parking requirements as herein specified shall be certified by the Borough Engineer for adequacy in an appropriate space or box on the building plans before a building permit is issued by the Borough.
(3) Drainage. Surface water shall be drained so as not to affect adversely abutting properties, and a plan prepared by a licensed professional engineer showing the proposed drainage design shall be submitted to and approved by the Borough Engineer. Said approval of the Borough Engineer shall appear on building plans submitted to the Building Inspector and shall be a prior condition to the issuance of the building permit.
(4) Buffer. Where a multifamily dwelling abuts a residence located in the Residence A or Residence B Zone, a landscaped buffer shall be provided to minimize and screen any adverse impacts or nuisances on a site in accordance with the following:
(a) The landscape buffer shall be a minimum of 10 feet wide, which shall be composed of seventy-five percent evergreens planted 10 feet on center.
(b) The landscaped buffer shall include a mixture of shade trees, evergreens, ornamental trees and understory shrubs planted in a staggered fashion.
(c) At the time of installation, shade trees shall be a minimum three-inch caliper, evergreens shall be a minimum eight feet in height, ornamental trees shall be a minimum of 10 feet in height, and understory shrubs shall be a minimum of 36 inches in height.

The data above is from the Roselle zoning and online code. Based on the data above, the subject is legal nonconforming. If more than 50% of the subject were to be destroyed, a variance may be required to rebuild. This is common for the area and does not negatively impact marketability of the subject.

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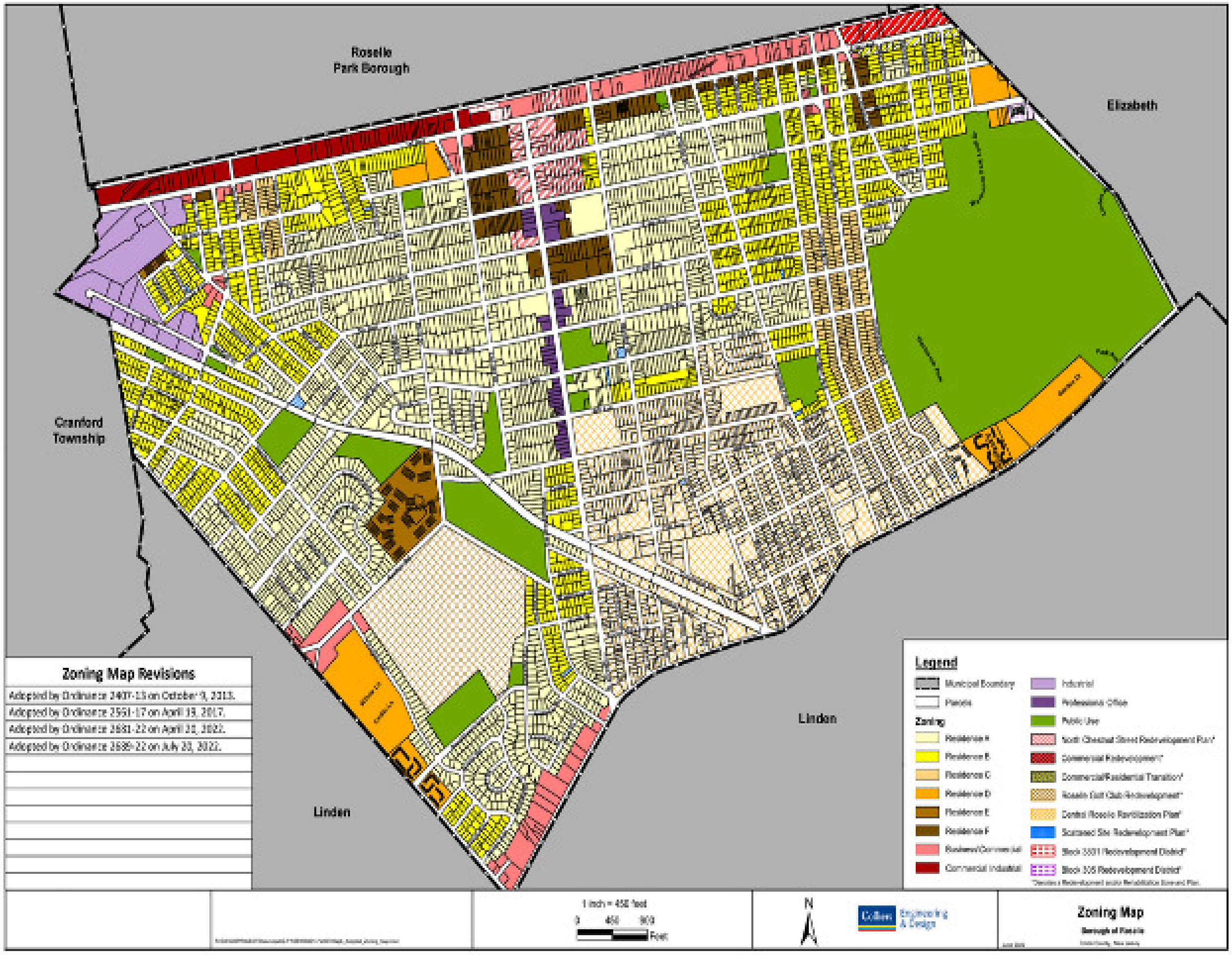
<u>ZONING MAP</u>



128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

Legend

Municipal Boundary

Parcels

Zoning

Residence A

Residence B

Residence C

Residence D

Residence E

Residence F

Business\Commercial

Commercial Industrial

Industrial

Professional Office

Public Use

North Chestnut Street Redevelopment Plan*

Commercial Redevelopment*

Commercial/Residential Transition*

Roselle Golf Club Redevelopment*

Central Roselle Revitilization Plan*

Scattered Site Redevelopment Plan*

Block 3801 Redevelopment District*

Block 305 Redevelopment District*

*Denotes a Redevelopment and/or Rehabilitation Zone and Plan.

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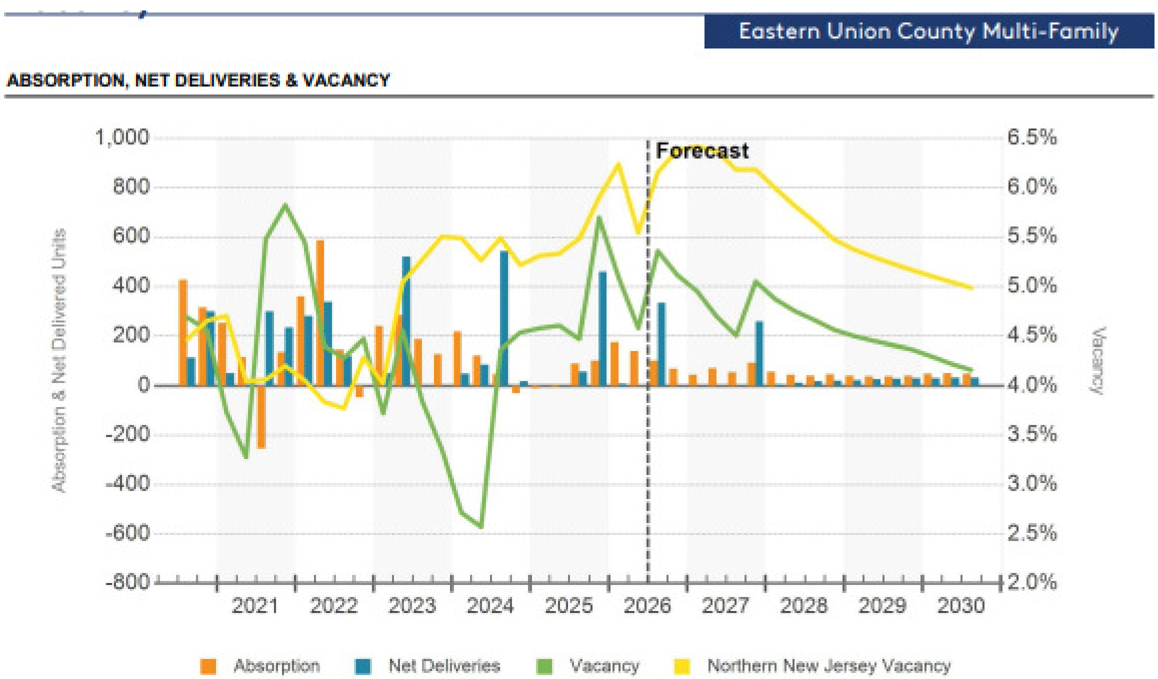
SALES HISTORY

The property is currently owned by Ashley Enterprises LLC and has not been sold within the past 36 months. The most recent sale was on 8/3/2017 for $525,000 from Jassal, Surinder S & Manjit to Ashley Enterprises LLC (Book 6207 / Page 2020). The market has increased since the purchase.

The subject has not been listed for sale on the open market via local MLS, Costar, or Loopnet within the past 12 months.

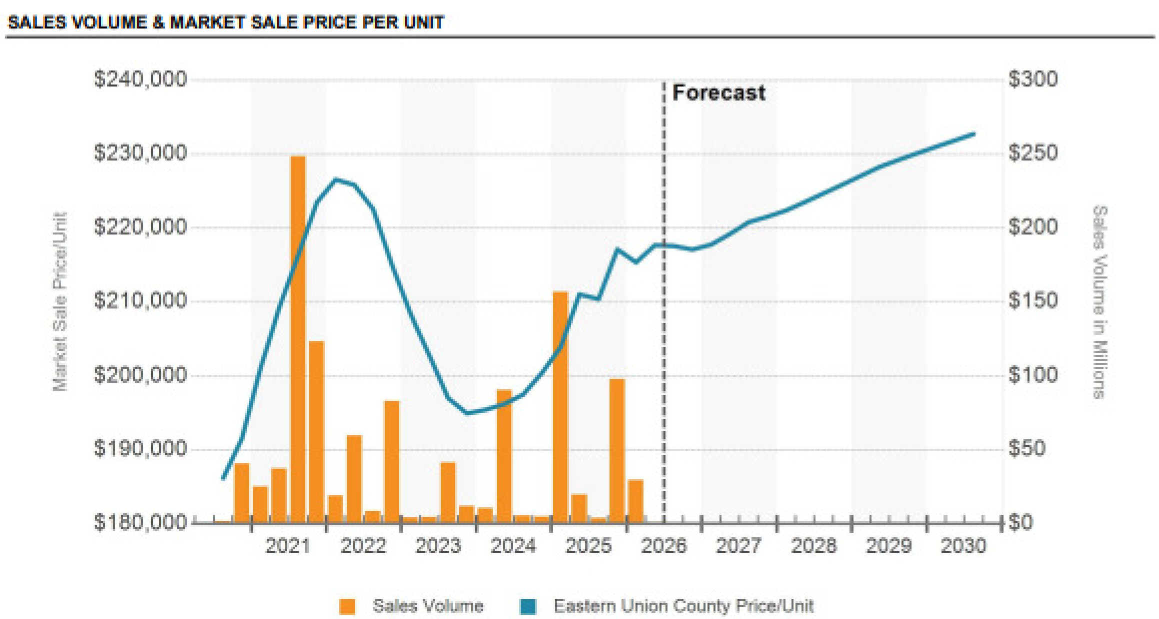
MARKET ABSORPTION/VACANCY (EASTERN UNION COUNTY)

Properly priced the property should sell within nine months. Overall, supply and demand is in balance for the area. Costar Analytics report absorption rates over the past 5 years with a higher absorption in 2020 & 2022. Many larger sales are sold privately, and not through the local MLS. The estimated exposure time was 6-12 months. The estimated marketing time is 6-12 months. Vacancy rates have been volatile, but are higher for rooming house buildings. The data below includes multi family buildings data in the Eastern Union County submarket of New Jersey via Costar analytic.



MARKET TRENDS (EASTER UNION COUNTY)

Multi Family buildings have increasing over the past 24 months. There is a lack of rooming house sales to determine the proper trends. However, rooming house and multi family would follow similar market data. Many investors have the most confidence in apartment buildings rather than office, retail, industrial, or smaller residential dwellings.



MARKET ANALYSIS

Eastern Union County Multi-Family

12 Mo Delivered Units	12 Mo Absorption Units	Vacancy Rate	12 Mo Asking Rent Growth
517	**508**	**4.5%**	**1.5%**

Northern New Jersey's multifamily sector is seeing some erosion in multifamily fundamentals. New construction deliveries have increased for five consecutive quarters, even as demand has recently weakened, resulting in a year-over-year increase in the vacancy rate of more than 100 bps to 5.6%. However, vacancy remains comfortably below the national average of 8.6%.

The Eastern Union County submarket is performing differently from the broader metro. Though vacancy at 4.5% is below the metro average, demand has steadily declined for three consecutive years.

However, on a quarterly basis, absorption has improved somewhat at the beginning of 2026, with the first quarter registering more than 100 units of absorption for the first time since 24Q2.

Eastern Union County has experienced strong levels of multifamily development over the past five years, with more than 3,000 units delivered, resulting in a 13% increase in total inventory. Despite a double-digit increase in inventory, it's still considerably lower than the broader Northern New Jersey market, which saw an 18% increase over the same period. Eastern Union County still has 590 units underway, which accounts for approximately 2.2% of the inventory. The largest project under construction is 15 N Wood Ave., a 300-unit property scheduled to deliver in 2026.

Significant new development has caused fluctuations in Eastern Union County's vacancy rate. Currently at 4.5%, the vacancy rate is significantly elevated relative to the recent nadir of 2.6% in 24Q2. Vacancy is highest in the 4 & 5 Star segment at 9.2%, though it has moderated dramatically from the recent peak of 22.4% in 21Q4.

Market asking rent in the Eastern Union County submarket is $2,060/month, about a 10% discount to the metro average of $2,260/month. Rents increased by 1.5% over the past 12 months, on par with the metro average growth rate of 1.2%. Rent growth has decelerated quickly in recent quarters, falling from 4.8% as recently as 24Q2.

Looking ahead, the baseline forecast projects vacancy spiking in late 2026, corresponding with additional new supply deliveries, and thereafter declining gradually. Rent growth is expected to begin accelerating at the end of 2026, in line with the broader market. There is more downside risk than upside potential in the forecast: if inflation persists and the labor market continues to weaken, it is possible that this could negatively impact renter demand.

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	5,796	9.2%	$2,630	$2,496	8	0	258
3 Star	4,241	6.8%	$2,296	$2,228	1	0	334
1 & 2 Star	17,399	2.4%	$1,607	$1,605	0	0	0
Submarket	**27,436**	**4.5%**	**$2,060**	**$2,004**	**9**	**0**	**592**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	0% (YOY)	4.5%	4.6%	7.9%	2019 Q4	2.6%	2024 Q2
Absorption Units	508	322	243	1,623	2020 Q4	(88)	2003 Q4
Delivered Units	517	344	203	1,553	2020 Q2	10	2012 Q4
Demolished Units	0	1	1	20	2019 Q1	0	2026 Q2
Asking Rent Growth	1.5%	1.6%	1.5%	7.0%	2001 Q1	-5.4%	2010 Q1
Effective Rent Growth	0.7%	1.5%	1.3%	7.0%	2001 Q1	-5.7%	2010 Q1
Sales Volume	$132.7M	$83.1M	N/A	$450.6M	2022 Q2	$6.5M	2009 Q2

*Costar

The subject's use is a rooming house and is inferior to a typical multi family building with a higher vacancy rate, expense ratio, and capitalization ratio.

CPI CHANGE

Consumer Price Index Historical Tables for U.S. City Average

CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS (CPI-U)
(not seasonally adjusted)

ALL ITEMS (1982-84=100)	U.S. City Average											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Consumer Price Index												
2016	236.916	237.111	238.132	239.261	240.229	241.018	240.628	240.849	241.428	241.729	241.353	241.432
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524
2018	247.867	248.991	249.554	250.546	251.588	251.989	252.006	252.146	252.439	252.885	252.038	251.233
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.571	256.558	256.759	257.346	257.208	256.974
2020	257.971	258.678	258.115	256.389	256.394	257.797	259.101	259.918	260.280	260.388	260.229	260.474
2021	261.582	263.014	264.877	267.054	269.195	271.696	273.003	273.567	274.310	276.589	277.948	278.802
2022	281.148	283.716	287.504	289.109	292.296	296.311	296.276	296.171	296.808	298.012	297.711	296.797
2023	299.170	300.840	301.836	303.363	304.127	305.109	305.691	307.026	307.789	307.671	307.051	306.746
2024	308.417	310.326	312.332	313.548	314.069	314.175	314.540	314.796	315.301	315.664	315.493	315.605
2025	317.671	319.082	319.799	320.795	321.465	322.561	323.048	323.976	324.800	(1) -	324.122	324.054
2026	325.252	326.785	330.213	333.020	335.123							
Percent change from 12 months ago												
2016	1.4	1.0	0.9	1.1	1.0	1.0	0.8	1.1	1.5	1.6	1.7	2.1
2017	2.5	2.7	2.4	2.2	1.9	1.6	1.7	1.9	2.2	2.0	2.2	2.1
2018	2.1	2.2	2.4	2.5	2.8	2.9	2.9	2.7	2.3	2.5	2.2	1.9
2019	1.6	1.5	1.9	2.0	1.8	1.6	1.8	1.7	1.7	1.8	2.1	2.3
2020	2.5	2.3	1.5	0.3	0.1	0.6	1.0	1.3	1.4	1.2	1.2	1.4
2021	1.4	1.7	2.6	4.2	5.0	5.4	5.4	5.3	5.4	6.2	6.8	7.0
2022	7.5	7.9	8.5	8.3	8.6	9.1	8.5	8.3	8.2	7.7	7.1	6.5
2023	6.4	6.0	5.0	4.9	4.0	3.0	3.2	3.7	3.7	3.2	3.1	3.4
2024	3.1	3.2	3.5	3.4	3.3	3.0	2.9	2.5	2.4	2.6	2.7	2.9
2025	3.0	2.8	2.4	2.3	2.4	2.7	2.7	2.9	3.0		2.7	2.7
2026	2.4	2.4	3.3	3.8	4.2							

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DEMOGRAPHICS

Population

	2 miles	5 miles	10 miles
2020 Population	113,032	522,138	2,048,325
2025 Population	117,376	533,692	2,089,008
2030 Population Projection	122,558	555,136	2,160,457
Annual Growth 2020-2025	0.8%	0.4%	0.4%
Annual Growth 2025-2030	0.9%	0.8%	0.7%
Median Age	41.1	40.1	39.6
Bachelor's Degree or Higher	30%	32%	35%
U.S. Armed Forces	12	88	994

Income

	2 miles	5 miles	10 miles
Avg Household Income	$121,623	$121,336	$121,021
Median Household Income	$94,036	$92,102	$89,869
< $25,000	4,333	23,475	111,920
$25,000 - 50,000	5,473	26,824	108,546
$50,000 - 75,000	6,625	27,146	99,344
$75,000 - 100,000	6,133	25,498	85,478
$100,000 - 125,000	3,919	19,385	71,896
$125,000 - 150,000	3,901	14,839	54,147
$150,000 - 200,000	5,376	20,481	75,127
$200,000+	6,442	32,129	134,843

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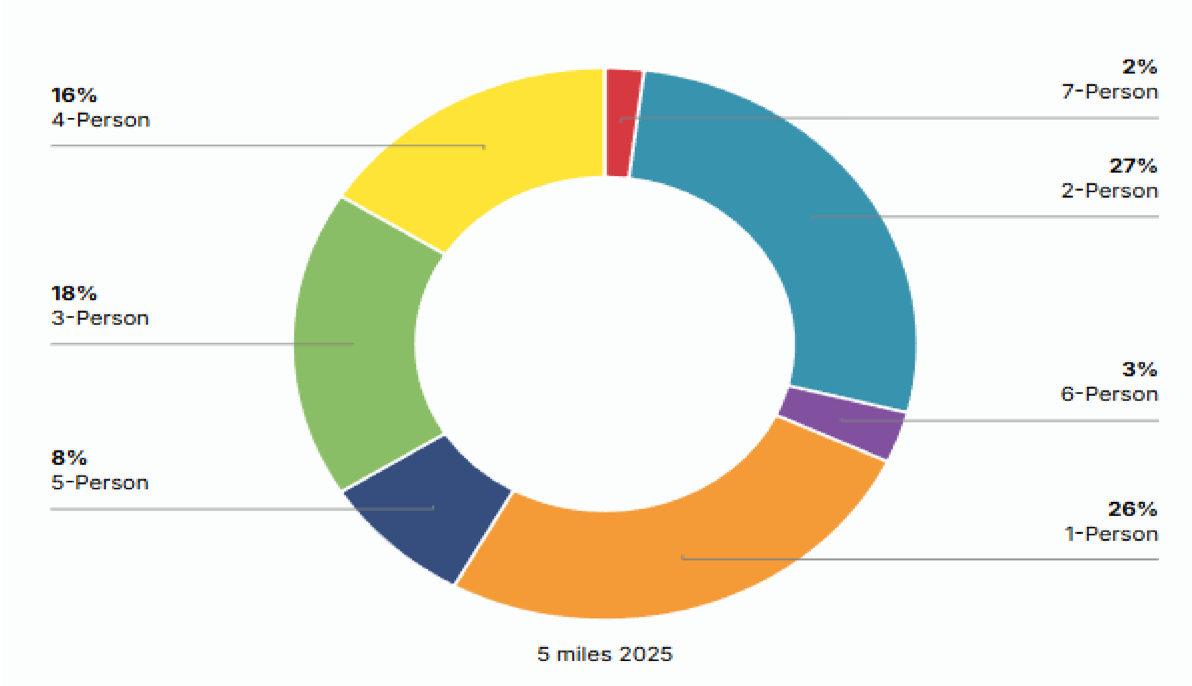
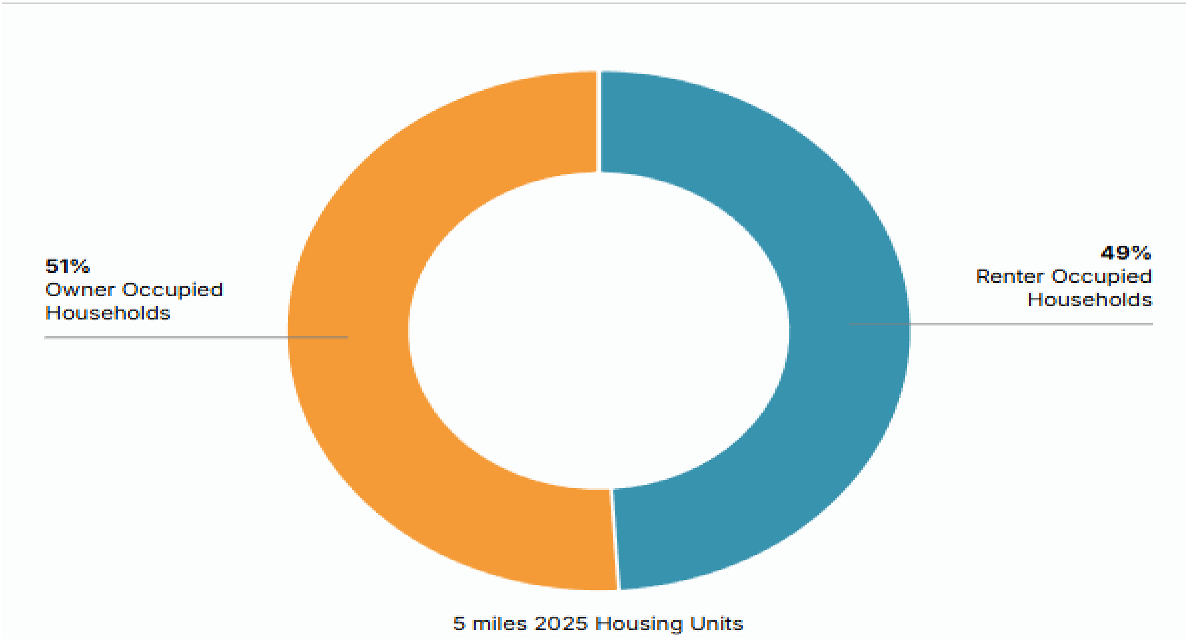
Household Size



Housing Occupancy



128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

Daytime Employment

Radius	2 miles			5 miles			10 miles		
	Employees	Businesses	Employees Per Business	Employees	Businesses	Employees Per Business	Employees	Businesses	Employees Per Business
Service-Producing Industri...	**26,087**	**3,678**	**7**	**173,597**	**20,094**	**9**	**659,208**	**72,795**	**9**
Trade Transportation & Uti...	5,455	587	9	36,345	3,186	11	110,620	9,897	11
Information	275	44	6	2,215	287	8	15,498	1,198	13
Financial Activities	2,352	428	5	11,052	2,107	5	51,831	7,657	7
Professional & Business S...	3,976	590	7	25,517	2,944	9	79,020	10,289	8
Education & Health Services	7,808	1,092	7	50,219	6,849	8	240,010	26,839	9
Leisure & Hospitality	2,588	274	9	18,039	1,551	12	63,023	5,651	11
Other Services	2,890	581	5	14,938	2,949	5	49,030	9,810	5
Public Administration	943	82	12	15,274	409	37	50,176	1,474	34
Goods-Producing Industries	**4,853**	**456**	**11**	**27,357**	**2,106**	**13**	**65,648**	**6,199**	**11**
Natural Resources & Mining	15	3	5	69	11	6	230	50	5
Construction	2,280	268	9	8,438	1,257	7	25,526	4,200	6
Manufacturing	2,558	185	14	18,850	838	22	39,892	1,949	20
Total Daytime Employment	**30,940**	**4,134**	**7**	**200,954**	**22,200**	**9**	**724,856**	**78,994**	**9**

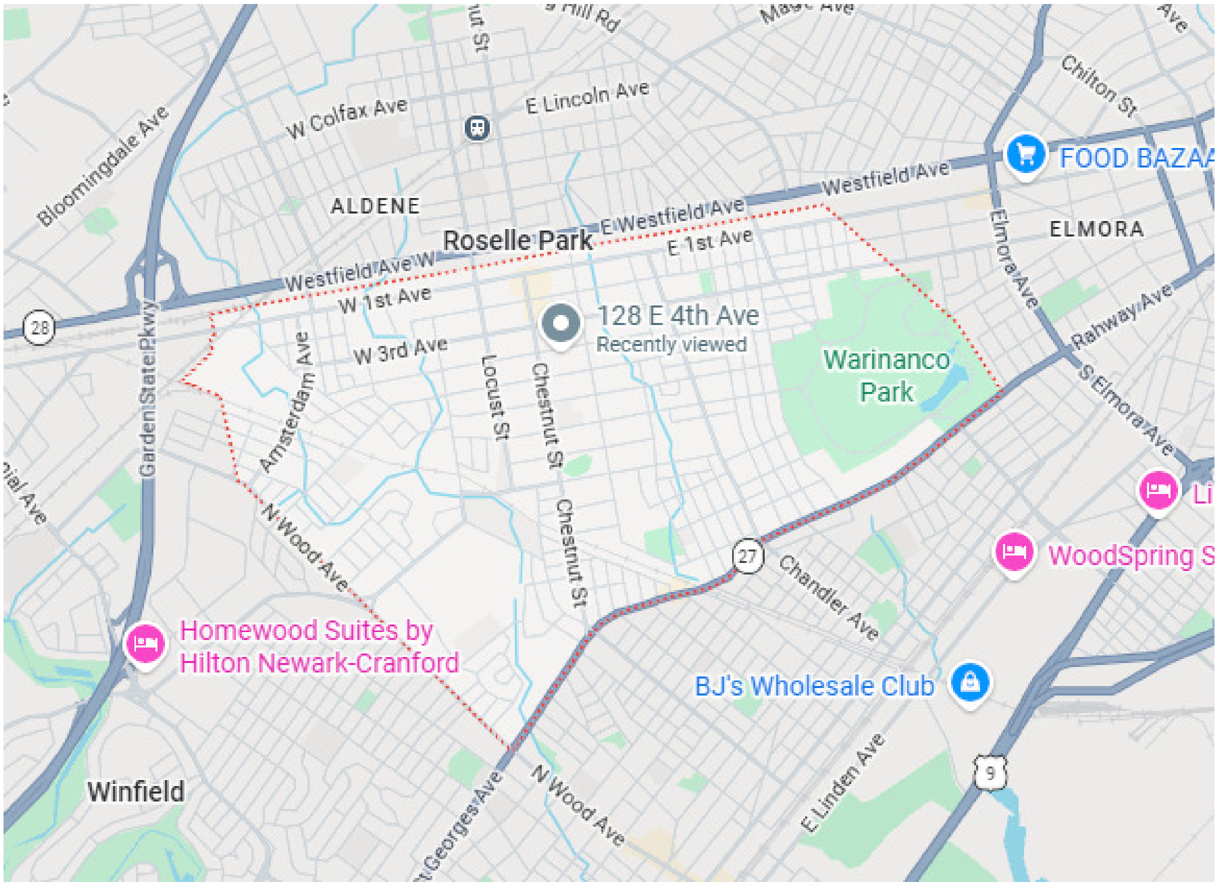
Consumer Spending By Industry

2025 2030

Radius	2 miles			5 miles			10 miles		
Expand All	Total Spending	Avg Household	Per Capita	Total Spending	Avg Household	Per Capita	Total Spending	Avg Household	Per Capita
Apparel	$78,562,499	$1,862	$669	$352,223,589	$1,856	$660	$1,370,794,5...	$1,849	$656
Entertainment, Hobbies & P...	$186,231,735	$4,413	$1,587	$828,330,771	$4,365	$1,552	$3,221,575,8...	$4,346	$1,542
Food & Alcohol	$397,143,265	$9,411	$3,384	$1,766,235,2...	$9,307	$3,309	$6,870,399,...	$9,268	$3,289
Household	$233,942,400	$5,543	$1,993	$1,028,908,1...	$5,422	$1,928	$4,031,641,0...	$5,439	$1,930
Transportation & Maintena...	$354,454,028	$8,399	$3,020	$1,532,824,0...	$8,077	$2,872	$5,751,270,7...	$7,758	$2,753
Health Care	$63,951,391	$1,515	$545	$282,715,434	$1,490	$530	$1,114,762,749	$1,504	$534
Education & Daycare	$95,796,600	$2,270	$816	$437,072,628	$2,303	$819	$1,745,591,833	$2,355	$836
Total Specified Consumer ...	$1,410,081,918	$33,413	$12,013	$6,228,309,...	$32,819	$11,670	$24,106,036,...	$32,519	$11,539

128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

MAP OF ROSELLE



The subject is located near the center of Roselle near the borders of Roselle Park and Elizabeth. It is in close proximity to Routes 27, 28, 9, and Garden State Parkway for transportation. There is adequate housing, employment, schooling, and entertainment in the area. The area is an adequate location for a rooming house building.

SWOT ANALYSIS

SWOT analysis is a common practice completed by appraisers to discuss the Strengths, Weaknesses, Opportunities, and Threats to the current subject. Below is a breakdown of each:

Strengths – Area of high population and low vacancy. Adequate transportation nearby.

Weaknesses – Rooming houses typically have a smaller market for investors than general multi family dwellings.

Opportunities – Renovating the building could potentially increase the rent and value of the subject.

Threats – The vacancy rates for the overall real estate market are very low. Rising could lower the value in the future. Some economists have predicted a recession in the future.

128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

TAX INFORMATION

Legal Description:	Block 3201, Lot 7 Roselle, New Jersey

ASSESSMENT:

Land:	$ 60,800
Improvement:	$ 133,300
Total:	$ 194,100

2025 Tax Rate:	$ 9.147
2025 Taxes:	$17,754.33
2026 Ratio:	28.06%

Based on the equalization ratio, Roselle values the subject to be about $691,732. The 2026 tax rate was not yet published, so the 2025 rate was used.

128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

SITE ANALYSIS

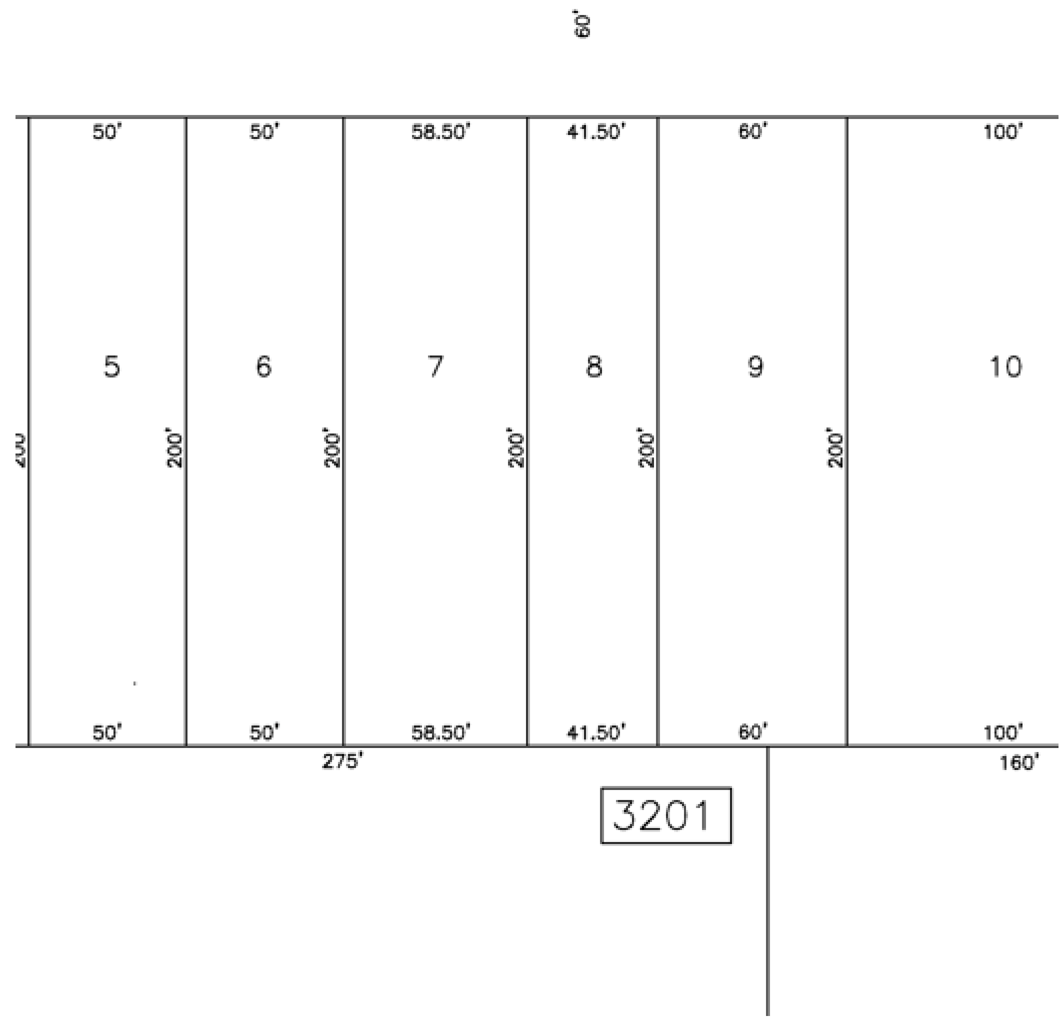
The site is a rectangular shaped parcel with 58.5 feet of frontage along the Southern side of E 4th Avenue and a depth of 200 feet. The site map is included below. In total, the lot measures 11,700 +/- sq. ft. or 0.269 acre. The site slopes above grade and it has access to all utilities including gas, electric, city water, and sewer. It is located in a flood hazard area (X) which is not an active flood zone. There is no off street parking offered on the site. Zoning for the site is Residence F and is the site is legal nonconforming.   The use is legal and grandfathered. There are no noted easement, encroachments, hazardous materials, or negative soil conditions noted upon inspection.

Properties in the area are both residential and commercial. The adjacent properties are both multi family.

In summary, the site is adequately located in an average neighborhood for a rooming house.

128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

SITE MAP



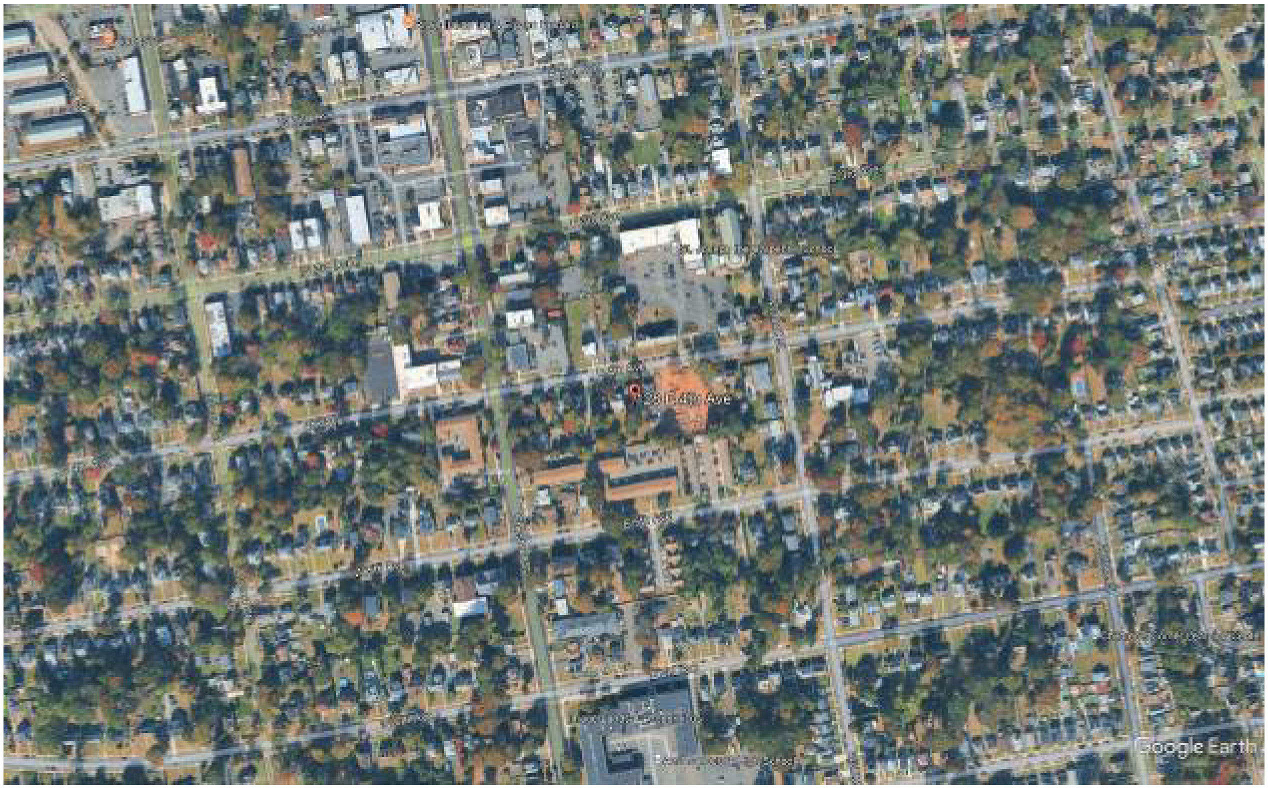
128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

FLOOD MAP

Special Flood Hazard Area (SFHA)	Distance to 100 yr Flood Plain	Flood Zone Code
Out	851 ft	X
County	FIPS Code	Community Name
Union	34039	Roselle, Borough Of
Community Participation Status	Community Number - Map Panel & Suffix	Panel Date
R - Regular	340472-0033F	September, 20, 2006
Original Panel Firm Date	Coastal Barrier Resource Area (CBRA)	Letter of Map Amendment (LOMA)
July, 17, 1978	Out	N/A

128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

AERIAL VIEW



128 E 4^{th} Avenue, Roselle, NJ 07203 Block 3201 Lot 7

IMPROVEMENT ANALYSIS

Type:	Rooming House
# of Stories:	3
Gross Building Area:	3,929 +/- sq. ft.
Unit Breakdown:	12 units (11 rooms & 1 apartment)
Year Built:	1890 +/-
Exterior Walls:	Vinyl
Roof:	Asphalt Shingle
Windows:	Double Hung
Basement Foundation:	Concrete Block
Plumbing:	Adequate – bathrooms on each floor
Electric:	Adequate
Heating:	Hot Water Baseboard
Cooling:	Window Units
Parking:	Street

Comments:

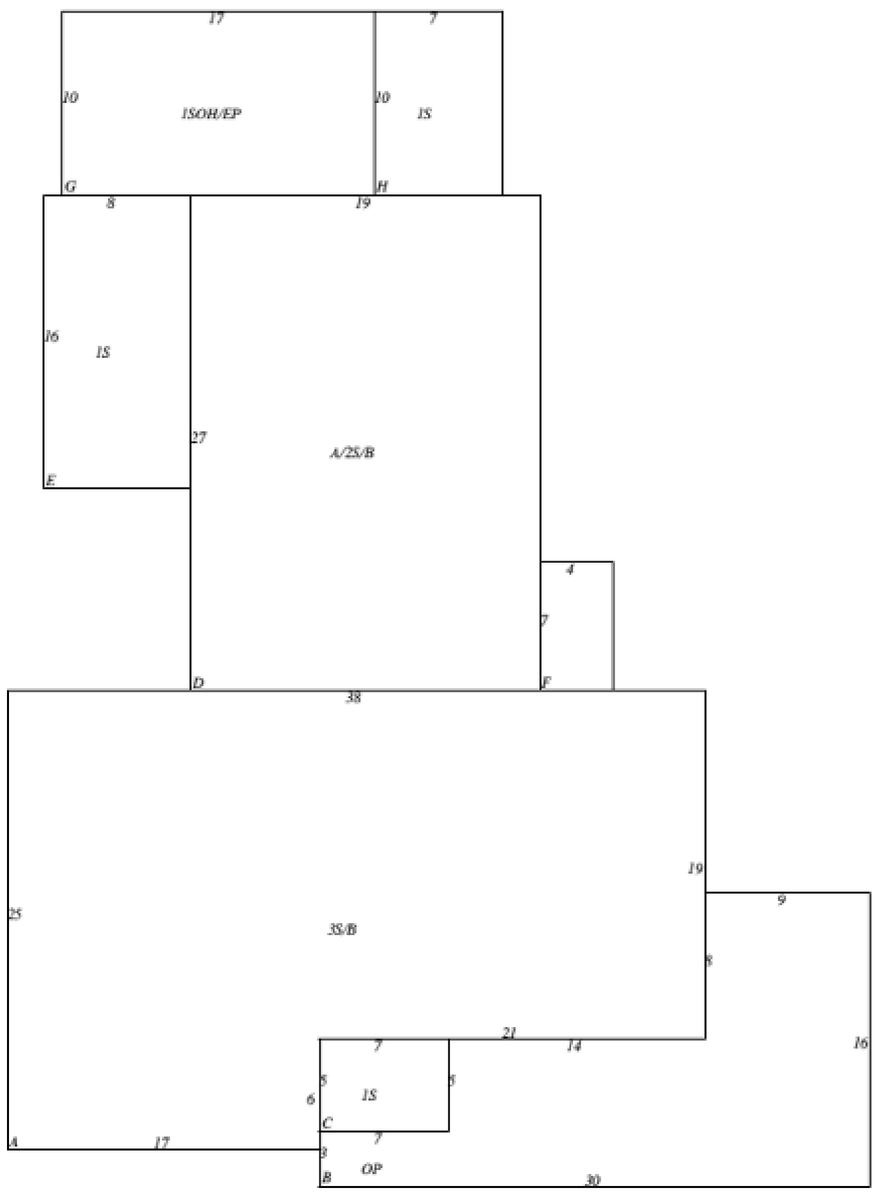
The subject is a 3,929 +/- sq. ft. rooming house building covering 3 stories. There is 1 full unit that is utilized by the supper that is noted to be a 1 bedroom apartment. There is a kitchen and a full bathroom on each floor.

Interior and exterior photos are included in the report. Overall, the subject is noted to be in average condition for the area.

128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

PROPERTY RECORD CARD

SKETCH



128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

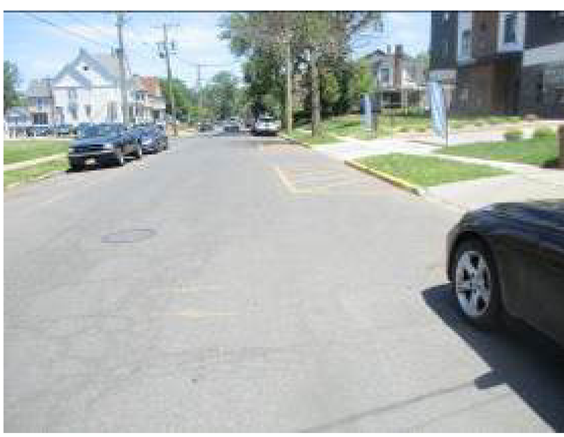
SUBJECT PHOTOS

FRONT

REAR

SIDE

SIDE



STREET

STREET

128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

STAIRWELL

ROOM

HALLWAY

BATHROOM

KITCHEN

ROOM

128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

ROOM

BATHROOM

BATHROOM

FURNACE/WATER HEATER

ELECTRIC PANEL

BASEMENT

APPRAISAL PROCESS

An appraisal is an estimate of value determined by the appraiser after he has thoroughly investigated the property and all the market factors that influence its value. There are three approaches traditionally considered by the appraiser and they are the Cost Approach, Market Data Approach and the Income Approach. These methods of evaluation are separate analyses yet are interrelated by their supporting data.

THE COST APPROACH - estimates what it would cost to reproduce or replace the improvements minus all forms of depreciation (physical, functional, economic). It then adds a land value that is determined from other sales of vacant land.

The cost approach is not applicable due to the difficulty estimating the short term and long term depreciation. Many investors/buyers do not examine the cost approach when determined the price to purchase this type of property.

THE MARKET DATA APPROACH - analyzes recent sales of similar properties from the immediate or surrounding areas and compares them with the subject property. Adjustments are made for differences to equate them to the property being appraised.

The market data approach is a good method of valuation for mixed use buildings. The unit of comparison would be analyzed on a price per room/unit basis.

THE INCOME APPROACH - typifies what a prospective purchaser would pay for the property after analyzing it as an investment alternative. Market income and expenses are estimated based on the history of the property and a comparison with comparable properties from the area. The Net Income is then capitalized at a market rate that is paid for competing properties and investments.

The income approach is a good methodology for this type of property. Many buyers/investors would analyze the potential income and expenses when determining a fair price to purchase the property.

From these three approaches the best supported estimate of value is determined. In a perfect market the three approaches should be similar yet various conditions could exist that effect their outcomes. It is the appraiser's job to arrive at the best supported estimate of value based on the market data that is currently available. In conclusion, all approaches were analyzed. However, only 2 approaches (sales comparison & income) and were developed in the appraisal.

COST APPROACH

The Cost Approach is based on the proposition that an informed purchaser would pay no more than the cost of producing a substitute property for the same use. It is particularly applicable when the property is proposed or involves relatively new improvements and the amount of accrued depreciation is measurable from the market or when there are relatively unique or specialized improvements and no comparable properties on the market are similar.

Cost approach is not typically used for older buildings due to difficulty of estimating both short term and long term depreciation.

SALES COMPARISON APPROACH

The sales comparison approach uses sales of rooming houses in Northern New Jersey and compares them with the subject property. The unit of measurement could be number of rooms or sq. ft. Sq. ft. was utilized as the room sizes could be difference and the common space or amenities could enhance the appeal of the rooms. Price per room/rentable unit. was used in this analysis. There were 6 sales that ranged in price from $165.23 - $198.16 per sq. ft. After analyzing the sales, the subject has an estimated value of $55,000 per room or $660,000 for his 12 rentable unit building.

The following pages shows the adjustment grid, explanation of adjustments, and comparable sales.

128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

Residential Comparable Adjustments							
		Sale #1	Sale #2	Sale #3	Sale #4	Sale #5	Sale #6
Address	*128 E 4th Ave*	*209 Mt Prospect Ave*	*18 Babcock Pl*	*22 Babcock Pl*	*66 Euclid Ave*	*29 Union St*	*31 Union St*
	Roselle	*Newark*	*West Orange*	*West Orange*	*Hackensack*	*Montclair*	*Montclair*
Sold Price		$735,000	$472,500	$472,500	$600,000	$600,000	$612,500
Total Rooms/Rental Units	12	13	10	8	10	10	11
Price/Room & Rentable		**$56,538**	**$47,250**	**$59,063**	**$60,000**	**$60,000**	**$55,682**
Sold/Effective Date	6/9/2026	12/1/2025	5/27/2025	5/27/2025	9/16/2025	9/27/2024	6/12/2024
		2.00%	**4.33%**	**4.33%**	**3.00%**	**7.00%**	**8.00%**
Location	Average	Average	Average	Average	Average	Superior	Superior
						-15.00%	**-15.00%**
Condition	Average	Average	Average	Average	Average	Average	Average
Parking	Street	On Site	On Site	On Site	On Site	On Site	On Site
		-2.00%	**-2.00%**	**-2.00%**	**-2.00%**	**-2.00%**	**-2.00%**
Price adj		*0.00%*	*2.33%*	*2.33%*	*1.00%*	*-10.00%*	*-9.00%*
Ind Value	**$55,000**	$56,538	$48,351	$60,439	$60,600	$54,000	$50,670
Low	$48,351	High	$60,600				
Median	$55,269	Mean	$55,100				

EXPLANATION OF ADJUSTMENT GRID

Sales are adjusted as if they have the same characteristics of the subject property. Adjustments are based on a review of market sales and discussed with local Brokers, owners, builders and appraisers.

TIME: Market adjustments were made at 0.33% per month or 4% per year.

LOCATION: Sales located in Montclair are superior to Elizabeth and adjusted at -15%.

CONDITION: No adjustments made.

PARKING: None / On Site → -2%

MARKET SALE #1

Location:	209 Mount Prospect Avenue Block 531, Lot 45 Newark, New Jersey
Property Description	2,292 sq. ft. 13 unit rooming house built on a 4,500 sq. ft. lot in average condition
Date of Sale:	December 1, 2025
Consideration	$735,000
Confirmed	Costar/Tax Records/MLS
Grantor	209 Mt Prospect LLC
Grantee	Hilal Realty LLC
Sales Analysis	Sold at $56,538 per room or $320.68 per sq. ft.

MARKET SALE #2

Location:	18 Babcock Place Block 116.02, Lot 18 West Orange, New Jersey
Property Description	2,282 sq. ft. 10 unit rooming house built on a 7,749 sq. ft. lot in average condition
Date of Sale:	May 27, 2025
Consideration	$472,500
Confirmed	Costar/Tax Records/MLS
Grantor	18 Babcock LLC
Grantee	Landmark Real Estate Developer II
Sales Analysis	Sold at $47,250 per room or $207.06 per sq. ft.

MARKET SALE #3

Location:	22 Babcock Place Block 116.02, Lot 16 West Orange, New Jersey
Property Description	1,956 sq. ft. 8 unit rooming house built on a 5,114 sq. ft. lot in average condition
Date of Sale:	May 27, 2025
Consideration	$472,500
Confirmed	Costar/Tax Records/MLS
Grantor	22 Babcock, LLC
Grantee	Landmark Real Estate Developer II
Sales Analysis	Sold at $59,063 per room or $241.56 per sq. ft.

MARKET SALE #4

Location:	66 Euclid Avenue Block 506, Lot 25 Hackensack, New Jersey
Property Description	1,736 sq. ft. 10 unit rooming house built on a 5,000 sq. ft. lot in average condition
Date of Sale:	September 16, 2025
Consideration	$600,000
Confirmed	Costar/Tax Records/MLS
Grantor	Collins, Kathleen & Esther
Grantee	Euclid Rooming House LLC
Sales Analysis	Sold at $60,000 per room or $346.62 per sq. ft.

MARKET SALE #5

Location:	29 Union Street Block 3104, Lot 7 Montclair, New Jersey
Property Description	3,302 sq. ft. 10 room rooming house built on a 3,996 sq. ft. lot in average condition
Date of Sale:	September 27, 2024
Consideration	$600,000
Confirmed:	Costar/Tax Records/Broker
Grantor	Shulman, Carol
Grantee	29 Union St LLC
Sales Analysis:	Sold at $60,000 per room or $181.71 per sq. ft.

MARKET SALE #6

Location:	31 Union Street Block 3104, Lot 8 Montclair, New Jersey
Property Description	3,646 sq. ft. 11 room rooming house built on a 6,466 sq. ft. lot in average condition
Date of Sale:	June 12, 2024
Consideration	$612,500
Confirmed	Costar/Tax Records/MLS
Grantor	Shulman, Carol M
Grantee	Union St Management LLC
Sales Analysis:	Sold at $55,682 per room or $168.00 per sq. ft.

128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

INCOME APPROACH

Gross Rent Potential						
Monthly Rent		8,500.00				$102,000.00
Vacancy & Rent Loss		*8.00%*				$8,160
Effective Gross Income						$93,840
Expenses						
	Taxes	Assessment & Tax Rate				$17,754
	Insurance	Given by owner				$9,822
	Heat/Electric	Given by owner				$10,986
	Water/Sewer	Given by owner				$1,816
	Repairs/Reserves	*5% of the EGI*				$4,692
	Management	5% of EGI				$4,692
	Professional Fees	Legal and Accounting				$1,200
Total Expenses						$50,962
Net Operating Income						**$42,878**
Capitalization Rate		8.00%				$535,975
Value Through Income Approach						$535,000

INCOME ANALYSIS

The appraiser was given the rent roll. It is assumed that the market rent for the units are $700 per month and the super's apartment is leased at $800 per month. Therefore, potential gross rent is $8,500 per month or $102,000 per year.

The expenses that are shown in the report are estimated for this type of building along with actual expenses given by the owner. The expenses totaled $50,962 ($4,247 per rentable unit), which calculates a Net Operating Income of $42,878 (expense ratio of 54.3%).

After factoring into an 8.00% capitalization rate, the subject has a value of $535,975 or $535,000.

EXPLANATION OF CAPITALIZATION

The appraiser used the mortgage equity analysis to arrive at a capitalization rate. It is not common for many lenders to give loans for rooming houses. Therefore, seller financing is an option or buyer/investor leverage other properties to fund the purchase. It would assume that a typical mortgage rate for this project to be 8.00%, which is above market for multi family or other similar real estate loans. This creates a mortgage constant of 9.62% (assuming a 25 year term with 65% LTV). The equity return demand for this type of investment currently is 5%, which is lower than the typical equity return for rooming houses. This creates an overall rate of 8.00%. Below is how the capitalization rate was calculated.

Mortgage Rate	8.00%				
Mortgage Constant	9.62%		65%		6.25%
Equity Rate	5.00%		35%		1.75%
Total Rate					8.00%

128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

SURVEY

Table 1

OVERALL CAPITALIZATION RATE ANALYSIS

Second Quarter 2026

	OVERALL CAP RATES			BASIS-POINT CHANGE		EXPECTED SHIFT (IN SIX MONTHS) (1)		
	Low	High	Average	Quarterly	Year Ago	Increase	Decrease	Hold Steady
National Markets								
Regional Mall	paused 4Q 2025							
Power Center	5.50%	8.00%	6.78%	0	3	25%	25%	50%
Grocery-Anchored Centers	5.00%	9.00%	6.78%	0	– 13	0%	50%	50%
CBD Office	5.00%	9.50%	7.29%	0	1	33%	0%	67%
Suburban Office	5.00%	10.00%	8.00%	– 13	– 16	50%	0%	50%
Net Lease	5.00%	10.00%	7.00%	43	– 42	13%	25%	63%
Medical Office Buildings	5.00%	10.00%	6.80%	– 49	– 36	13%	13%	75%
Secondary Office	6.50%	10.00%	8.13%	4	– 27	40%	0%	60%
Self Storage	4.50%	7.50%	5.75%	– 18	– 31	0%	14%	86%
Student Housing (2)	4.00%	7.50%	5.67%	– 17	– 14	38%	13%	50%
Warehouse Markets								
National	4.50%	6.50%	5.39%	– 3	22	0%	22%	78%
East Coast Region	3.25%	6.25%	5.15%	– 6	– 7	17%	33%	50%
East North Central Region	4.40%	5.75%	4.97%	0	– 27	33%	0%	67%
Pacific Region	4.75%	6.00%	5.28%	0	0	0%	50%	50%
Apartment Markets								
National	4.25%	6.50%	5.29%	4	– 1	0%	17%	83%
Mid-Atlantic Region	5.00%	6.50%	5.52%	– 6	6	25%	25%	50%
Pacific Region	4.50%	6.50%	5.31%	8	0	20%	60%	20%
Southeast Region	4.30%	7.00%	5.41%	– 1	1	0%	0%	100%
Individual Office Markets								
Atlanta	6.75%	12.00%	8.83%	– 11	– 64	20%	40%	40%
Austin	paused 4Q 2025							
Boston	5.10%	11.00%	7.32%	5	16	0%	20%	80%
Charlotte	paused 2Q 2025							
Chicago	7.00%	13.00%	9.56%	– 24	– 23	25%	0%	75%
Dallas	6.00%	11.00%	7.94%	– 56	– 244	25%	13%	63%
Denver	6.50%	10.50%	8.30%	5	– 56	50%	17%	33%
Houston	7.00%	12.00%	9.35%	0	– 50	67%	0%	33%
Los Angeles	6.50%	11.00%	8.69%	– 3	– 9	0%	0%	100%
Manhattan	5.20%	8.00%	6.62%	– 8	– 4	0%	40%	60%
Northern Virginia	paused 4Q 2025							
Pacific Northwest	6.25%	10.00%	7.49%	– 34	– 135	0%	50%	50%
Philadelphia	7.00%	13.00%	9.33%	– 50	– 42	29%	0%	71%
Phoenix	6.00%	9.50%	8.13%	14	– 3	20%	0%	80%
San Diego	paused 2Q 2025							
San Francisco	6.25%	9.50%	7.97%	– 13	– 27	0%	0%	100%
Seattle	6.25%	8.50%	7.17%	– 19	– 25	0%	25%	75%
Southeast Florida	6.00%	10.00%	7.88%	– 18	– 50	14%	14%	71%
Washington, DC	7.00%	11.00%	8.81%	23	68	0%	0%	100%
Lodging Markets								
Full Service	5.50%	10.00%	7.81%	– 7	– 87	25%	25%	50%
Limited-Service Midscale & Economy	7.00%	11.00%	8.81%	– 11	– 57	0%	25%	75%
Luxury/Upper Upscale	6.00%	10.00%	8.17%	– 8	– 21	67%	0%	33%
Select Service	8.00%	11.00%	9.55%	10	– 26	40%	20%	40%
Average (all markets)	**5.60%**	**9.29%**	**7.28%**	**– 7**	**– 28**	**19%**	**18%**	**63%**

Full Service Lodging – 5.50% - 10.00% (average 7.81%)

Apartment – 5.00% - 6.50% (average 5.52%)

CORRELATION AND FINAL ANALYSIS

The appraiser made an extensive study of rooming house buildings to arrive at a value for the subject property.

The **cost approach** estimates what it would cost to reproduce the building minus all forms of depreciation. It then adds a land value arrived at by a review of current land sales in the area. The cost approach was not applicable for this type of building.

The strength of the cost approach is this actually gives the value of the land and building cost. The weakness of the cost approach is all aspects of this approach were estimated.

Least weight was put on the cost approach as a buyer/investor would not use this method of valuation when looking to purchase the property.

The **sales comparison approach** analyzed sales of similar properties in the area and compares them with the subject property. Sales that have taken place from the immediate area were compared with the subject property and adjusted for time, condition, location, age, and other amenities to reflect a value for the subject. This approach is adequately supported by the value of $55,000 per rentable unit or $660,000 for this 12 unit building.

The strength of the sales comparison approach is all sales were rooming houses. The weakness is that none of the sales were located in Union County and the appraiser was not able to inspect the interior of all the comparable sales. Overall, the sales comparison is an adequate method of valuation for this type of property and deserves weight on the final reconciliation.

The **income approach** typifies what a prospective purchaser would pay for the property after analyzing it as an investment alternative. The income and expenses are estimated from comparison with other similar buildings. The net income is then capitalized at rates derived from typical mortgage terms and equity yields with an indicated a value of $535,000.

The strength of the income approach is that the current leases were analyzed in the income approach and the valuation is based on a leased fee basis. The weakness is varying vacancy rates and capitalization rates would greatly affect the valuation of the subject. Overall, the income approach is an adequate method of valuation for this type of property.

Based on all approaches to value, similar weight was put on the income approach and sales comparison approach. Therefore, the subject has an “as is” value of $590,000.

128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

CERTIFICATION VALUE

The appraisal is conforms to Uniform Standards of Professional Appraisal Practice 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 report analysis opinions, and conclusions are limited only by the subject of the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

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

- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

- My engagement in this assignment was not contingent upon developing or reporting predetermined results.

- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or directions 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.

- I have made a personal inspection of the property that is the subject of report.

- No person provided significant real property appraisal assistance to the person signing this certification.

- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

Ryan Smith

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- Ryan R. Smith, MAI, SRA, CTA
- License# 42RG00214900

UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

1. That the legal description furnished me is assumed to be correct.

2. That the title of the property is good, free and clear of any and all liens, encumbrances and title defects. No responsibility is assumed for matters of legal character affecting the property.

3. No survey was made and, therefore, the size of the lot and the boundaries are taken from records believed to be reliable. The usual methods of measuring were employed and indicate the size of the lot and improvements as shown are substantially correct.

4. The information and data supplied to the appraiser by others and which have been considered in the valuation are from sources believed to be reliable, but no further responsibility is assumed for its accuracy.

5. That this report is to be used in its entirety and only for the purpose for which it was rendered.

6. That the distribution of final value estimate between land and improvements applies only under the conditions stated and is not to be used in making a summation appraisal.

7. That no part of this report is to be reproduced or published without the consent of the appraiser.

8. That the appraiser will not be required to testify in court on matters contained herein, unless arrangements therefore have been previously made.

9. This appraisal has been made in accordance with the Code of Ethics of the Appraisal Institute.

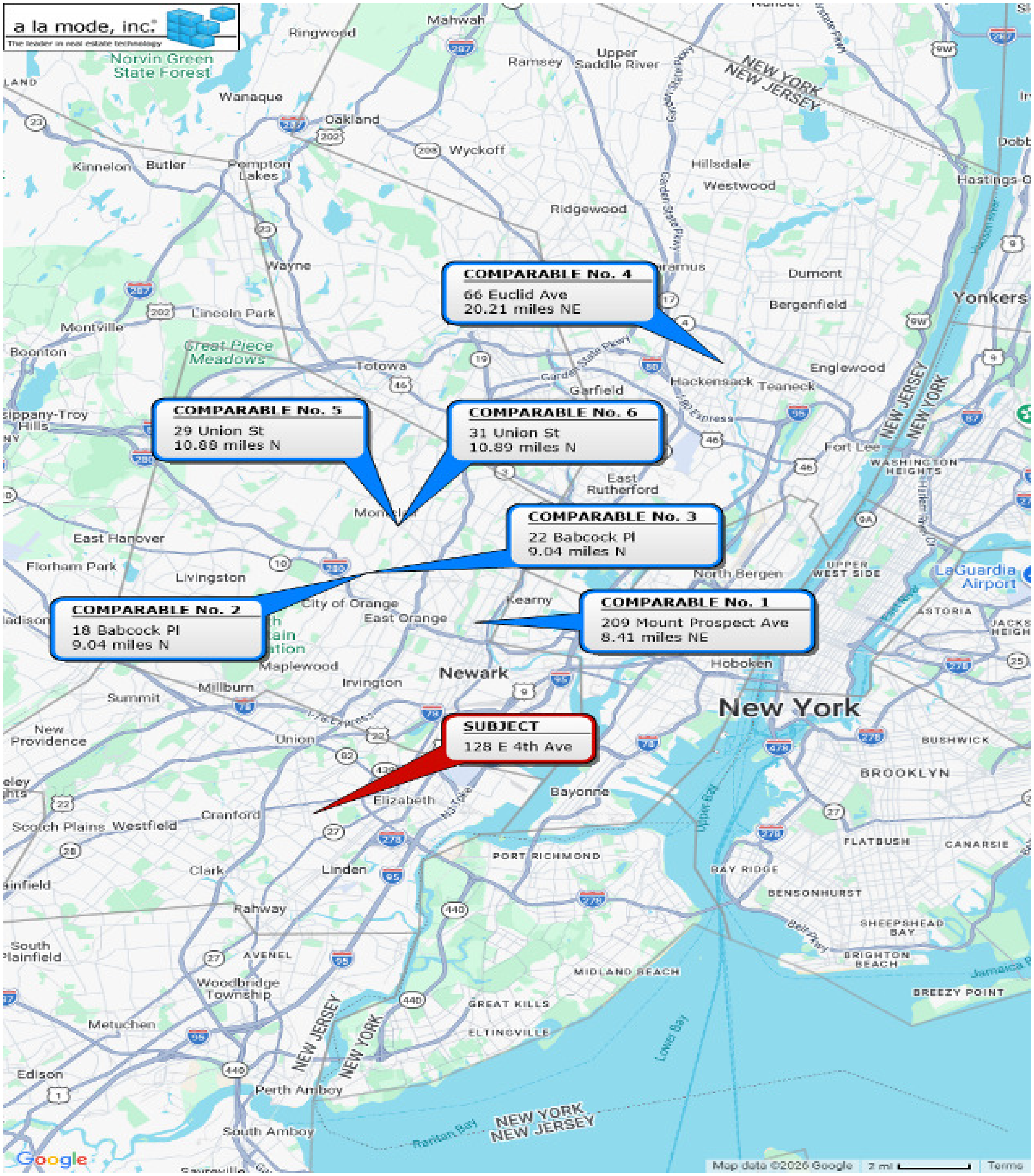
10. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the author, particularly as to valuation conclusions, or any references to the American Institute of Real Estate Appraisers or to any designation held by the appraiser.

11. This is an appraisal as requested by the client.

12. No one provided significant professional assistance to the persons signing this report.

128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

COMPARABLE SALE LOCATION MAP



QUALIFICATIONS OF THE APPRAISER - RYAN R. SMITH

Experience

Ryan R. Smith, MAI, SRA has been actively employed as a Real Estate Appraiser since May, 2002. He has appraised Real Estate throughout the entire state of New Jersey, covering 16 counties. He has appraised properties for loans, estate planning, divorce, bankruptcy, estate valuation, eminent domain, tax appeals, and general valuation.

Designations: MAI - Appraisal Institute: March 12, 2015

SRA – Appraisal Institute: November 6, 2015

Employment:

The Real Estate Consulting & Appraisal Group, *Clifton, NJ* -

- **Executive Vice President**

USA Tax Appeals LLC

- **Owner and President of the Company**

Dean Smith Family Real Estate LLC

- **Partner and CFO**
- **Purchase and manage various properties in Northern New Jersey**

Board Member:

President of the Appraisal Institute (Northern NJ Chapter) (2017-2018)

Board Member of the Appraisal Institute (Northern NJ Chapter) (2014 – present)

Government Relations Chair (2014 – present)

Education:

Graduated from Pennsylvania State University, State College, PA, in 2005 with a Real Estate/ Finance Degree.

Completed the Following Real Estate Appraisal Courses:

1) USPAP: Uniform Standards of Professional Appraisal Practices.

128 E 4th Avenue, Roselle, NJ 07203 Block 3201 Lot 7

2) R101: Introduction to Real Estate Appraisal and Uniform Residential Appraisal Report.
3) R102: Appraisal of a Condominium or PUD.
4) R103: Appraising Small Residential Income Properties (2- 4 family homes).
5) IPA 30: General Appraiser - Income Property Appraisal.
6) NRW 30: Narrative Report Writing.
7) Business Practice and Ethics (Appraisal Institute)
8) Report Writing and Valuation Analysis (Appraisal Institute)
9) Advanced Applications (Appraisal Institute)
10) Advanced Income Capitalization (Appraisal Institute)
11) Advanced Sales Comparison & Cost Approaches (Appraisal Institute)
12) Property Tax Administration – Part 1 (Rutgers)

Licenses:

New Jersey Real Estate Board of Real Estate Appraiser's License:
License # FHA/VA 42RG00214900.

New York State Appraiser:
Licence #46000051425

New Jersey Real Estate Sales Agent License: July 2, 2007.

CTA (Certified Tax Assessor) of New Jersey: January 1, 2010

Membership:

Appraisal Institute: Associate member since May, 2007.

Expert Witness

State Tax Court of New Jersey

Essex County Tax Board

Passaic County Tax Board

Middlesex County Tax Board

Monmouth County Tax Board

Union County Superior Court

Bergen County Tax Board

Hudson County Tax Board

Union County Tax Board

Morris County Tax Board

Rockland County Court

Sussex County Tax Board