INVOICE

FROM:

Michael J. Toso & Associates, LLC
1215 Prytania St Ste 429
New Orleans, LA 70130-4386

Telephone Number: (504) 636-7497 x22 **Fax Number:**

TO:

Mr. Beau Martz
Home Bank
1600 Veterans Memorial Blvd.
Metairie, LA 70005

E-Mail: commercial.appraisal@home24bank.com
Telephone Number: **Fax Number:**
Alternate Number:

INVOICE NUMBER	
322006	
DATES	
Invoice Date:	03/05/2022
Due Date:	
REFERENCE	
Internal Order #:	322006
Lender Case #:	
Client File #:	
FHA/VA Case #:	
Main File # on form:	322006
Other File # on form:	
Federal Tax ID:	
Employer ID:	

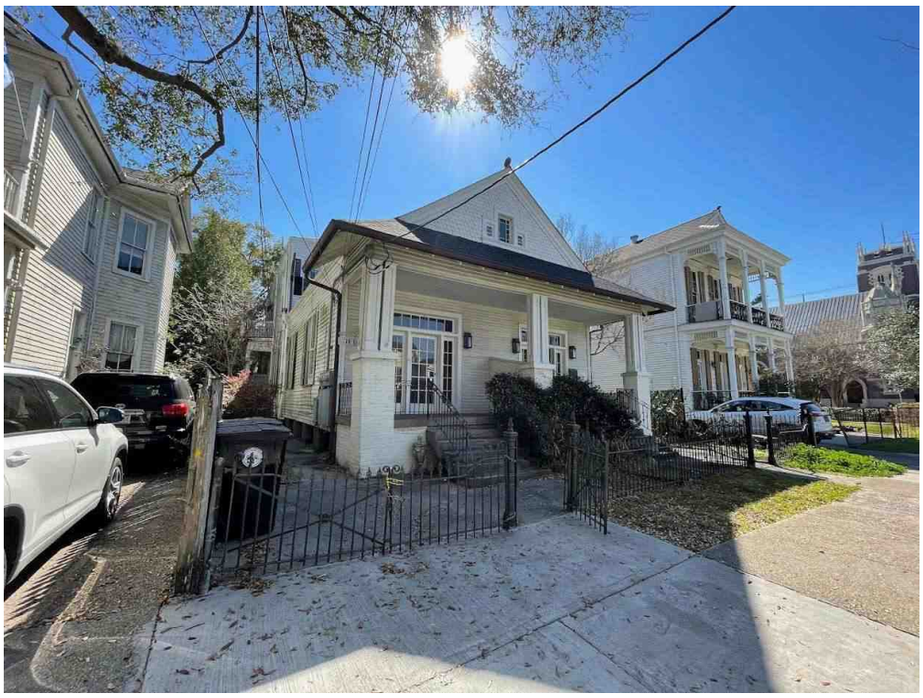
DESCRIPTION

Lender: Home Bank **Client:** Home Bank
Purchaser/Borrower: State Street Nola Investments LLC
Property Address: 709-711 State St
City: New Orleans
County: Orleans **State:** LA **Zip:** 70118
Legal Description: Lot 3, Square 13, 6th Municipal District, Orleans Parish

FEES	AMOUNT
Appraisal Fee - Multi Family Dwelling	600.00
SUBTOTAL	600.00

PAYMENTS			AMOUNT
Check #:	**Date:**	**Description:**	
Check #:	**Date:**	**Description:**	
Check #:	**Date:**	**Description:**	
		SUBTOTAL	0.00
		TOTAL DUE	$ 600.00

APPRAISAL OF REAL PROPERTY



LOCATED AT

709-711 State St
New Orleans, LA 70118
Lot 3, Square 13, 6th Municipal District, Orleans Parish

FOR

Home Bank
1600 Veterans Memorial Blvd.
Metairie, LA 70005

OPINION OF VALUE

1,100,000

AS OF

03/04/2022

BY

Michael Toso
Michael J. Toso & Associates, LLC
1215 Prytania St, Suite 429
New Orleans, LA 70130
(504) 636-7497
michael@michaeltoso.com

Michael J. Toso & Associates, LLC
1215 Prytania St, Suite 429
New Orleans, LA 70130
(504) 636-7497

03/05/2022

Mr. Beau Martz
Home Bank
1600 Veterans Memorial Blvd.
Metairie, LA 70005

Re: Property: 709-711 State St
New Orleans, LA 70118
Borrower: State Street Nola Investments LLC
File No.: 322006

Opinion of Value: $ 1,100,000
Effective Date: 03/04/2022

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

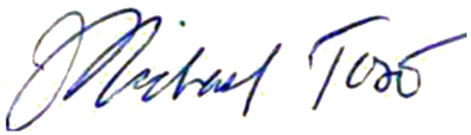
The purpose of the appraisal is to develop an opinion of market value for the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The opinion of value reported above is as of the stated effective date and is contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,



Michael Toso
LA State Certified Residential Appraiser
License or Certification #: R722
State: LA Expires: 12/31/2023
michael@michaeltoso.com

Small Residential Income Property Appraisal Report

File # 322006

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

SUBJECT

Property Address 709-711 State St | City New Orleans | State LA | Zip Code 70118
Borrower State Street Nola Investments LLC | Owner of Public Record Scott Wolfe | County Orleans
Legal Description Lot 3, Square 13, 6th Municipal District, Orleans Parish
Assessor's Parcel # 615111702 | Tax Year 2021 | R.E. Taxes $ 9,843
Neighborhood Name Uptown | Map Reference 35380 | Census Tract 0114.00
Occupant ☐ Owner ☐ Tenant ☒ Vacant | Special Assessments $ 0 | ☐ PUD | HOA $ | ☐ per year ☐ per month
Property Rights Appraised ☒ Fee Simple ☐ Leasehold ☐ Other (describe)
Assignment Type ☒ Purchase Transaction ☐ Refinance Transaction ☐ Other (describe)
Lender/Client Home Bank | Address 1600 Veterans Memorial Blvd., Metairie, LA 70005
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). MLS

CONTRACT

I ☒ did ☐ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. The subject went under contract on 11/23/2021, which was BEFORE it sold to the current owner. It sold to the current owner on 12/15/2021. The purchase agreement was signed by Mohamad Saleh and Alexander Shafirovich.
Contract Price $ 910,000 | Date of Contract 11/23/2021 | Is the property seller the owner of public record? ☒ Yes ☐ No | Data Source(s) Assessor
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. 0

NEIGHBORHOOD

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

Neighborhood Characteristics				2–4 Unit Housing Trends				2–4 Unit Housing			Present Land Use %	
Location	☒ Urban	☐ Suburban	☐ Rural	Property Values	☐ Increasing	☒ Stable	☐ Declining	PRICE		AGE	One-Unit	65 %
Built-Up	☒ Over 75%	☐ 25-75%	☐ Under 25%	Demand/Supply	☐ Shortage	☒ In Balance	☐ Over Supply	$ (000)		(yrs)	2-4 Unit	25 %
Growth	☐ Rapid	☒ Stable	☐ Slow	Marketing Time	☐ Under 3 mths	☒ 3-6 mths	☐ Over 6 mths	405	Low	75	Multi-Family	4 %
								1,238	High	150	Commercial	5 %
								650	Pred.	100	Other	*1 %

Neighborhood Boundaries The subject is bounded by St. Charles Ave (North), Valence St (East), Tchoupitoulas (South) and Audubon Park (West).
Neighborhood Description The subject is located in an older area of New Orleans known as "Uptown." Most of the dwellings in the area are older, raised, wood frame, one and two story, single and two family dwellings in average to good condition. Employment in the area is stable and residential amenities, including Audubon Park, are located nearby. *1% of the present land use is vacant land.

Market Conditions (including support for the above conclusions) There appear to be no adverse conditions affecting the market. Mortgage money is currently available at competitive rates. The market conditions in this neighborhood are stable. The marketing time for single and multi family dwellings is three to six months. Conventional, FHA, VA financing are available.

SITE

Dimensions 45'x130' | Area 5,850 sf | Shape Rectangular | View N;Res;
Specific Zoning Classification HU-RD2 | Zoning Description Historic Urban Two-Family Residential District
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 Based on zoning and market conditions, the highest and best use of the subject property is its current use.

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements – Type	Public	Private
Electricity	☒	☐	Water	☒ ☐	Street Asphalt	☒	☐
Gas	☒	☐	Sanitary Sewer	☒ ☐	Alley None	☐	☐

FEMA Special Flood Hazard Area ☐ Yes ☒ No | FEMA Flood Zone X500 | FEMA Map # 22071C0236F | FEMA Map Date 9/30/2016
Are the utilities and/or 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
Flood zone should be verified by a surveyor. No adverse conditions were noted at the time of inspection.

IMPROVEMENTS

General Description	Foundation	Exterior Description	materials/condition	Interior	materials/condition
Units ☐ Two ☒ Three ☐ Four	☐ Concrete Slab ☒ Crawl Space	Foundation Walls	Raised/G-A	Floors	Wood,Cerm/G-A
☐ Accessory Unit (describe below)	☐ Full Basement ☐ Partial Basement	Exterior Walls	Wood/Average	Walls	Drywall/G-A
# of Stories 1 # of bldgs. 1	Basement Area None sq.ft.	Roof Surface	AsphaltShingle/New	Trim/Finish	Wood/Average
Type ☒ Det. ☐ Att. ☐ S-Det./End Unit	Basement Finish 0 %	Gutters & Downspouts	Aluminum-G-A	Bath Floor	Wd,Cerm/G-A
☒ Existing ☐ Proposed ☐ Under Const.	☐ Outside Entry/Exit ☐ Sump Pump	Window Type	Wood/G-A	Bath Wainscot	Ceramic/G-A
Design (Style) Tri-Plex	Evidence of ☐ Infestation	Storm Sash/Insulated	Storm Shutters/Avg	**Car Storage**	
Year Built ~1912	☐ Dampness ☐ Settlement	Screens	None	☐ None	
Effective Age (Yrs) 10	**Heating/Cooling**	**Amenities**		☒ Driveway # of Cars 1	
Attic ☐ None	☒ FWA ☐ HWBB ☐ Radiant	☐ Fireplace(s) # 0	☐ Woodstove(s) # 0	Driveway Surface Concrete	
☒ Drop Stair ☐ Stairs	☐ Other Fuel Gas	☒ Patio/Deck Deck	☒ Fence Iron,Chain	☐ Garage # of Cars 0	
☐ Floor ☐ Scuttle	Cooling ☒ Central Air Conditioning	☐ Pool None	☒ Porch Covered	☐ Carport # of Cars 0	
☐ Finished ☐ Heated	☐ Individual ☐ Other	☒ Other Balcony		☐ Att. ☐ Det. ☐ Built-in	

# of Appliances	Refrigerator 0	Range/Oven 3	Dishwasher 0	Disposal 3	Microwave 2	Washer/Dryer 0	Other (describe)

Unit # 1 contains:	7	Rooms	3	Bedrooms	2.0	Bath(s)	2,090 Square Feet of Gross Living Area
Unit # 2 contains:	3	Rooms	1	Bedrooms	1.0	Bath(s)	750 Square Feet of Gross Living Area
Unit # 3 contains:	4	Rooms	2	Bedrooms	1.1	Bath(s)	1,134 Square Feet of Gross Living Area
Unit # 4 contains:		Rooms		Bedrooms		Bath(s)	Square Feet of Gross Living Area

Additional features (special energy efficient items, etc.). Additional features include a covered porch, wood floors, balcony, 12.5' ceilings, deck, and a fenced yard.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The subject is currently in overall average condition. This appraisal is being completed subject to renovations which will include new appliances, cabinets, countertops, painting, and refinished flooring. It is assumed that all renovations will be completed in a professional and workmanlike manner and within a reasonable time frame.

Small Residential Income Property Appraisal Report

File # 322006

IMPROVEMENTS

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☒ No If Yes, describe.

No physical deficiencies or adverse conditions were observed, however, the appraiser is not an engineer and takes no responsibility for any unapparent or hidden defects.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☒ Yes ☐ No If No, describe. The subject design/appeal is typical for the neighborhood.

Is the property subject to rent control? ☐ Yes ☒ No If Yes, describe

COMPARABLE RENTAL DATA

The following properties represent the most current, similar, and proximate comparable rental properties to the subject property. This analysis is intended to support the opinion of the market rent for the subject property.

FEATURE	SUBJECT	COMPARABLE RENTAL # 1	COMPARABLE RENTAL # 2	COMPARABLE RENTAL # 3
Address	709-711 State St New Orleans, LA 70118	830-32 State St New Orleans, LA 70118	1028-30 Nashville Ave New Orleans, LA 70115	6028-30 Benjamin St New Orleans, LA 70118
Proximity to Subject		0.10 miles N	0.25 miles NE	0.62 miles N
Current Monthly Rent	$ 8,500	$ 7,200	$ 6,000	$ 8,000
Rent/Gross Bldg. Area	$ 2.14 sq.ft.	$ 2.77 sq.ft.	$ 1.54 sq.ft.	$ 2.11 sq.ft.
Rent Control	☐ Yes ☒ No	☐ Yes ☒ No	☐ Yes ☒ No	☐ Yes ☒ No
Data Source(s)	Inspect/Owner	MLS# 2325474	MLS# 2322251	MLS# 2304512
Date of Lease(s)	Unknown	12/29/2021	11/17/2021	06/23/2021
Location	Good	Good	Good	Good
Actual Age	~110	~100	~100	~100
Condition	Good	Good	Good	Good
Gross Building Area	3,974	2,600	3,900	3,800

Unit Breakdown	Rm Count			Size Sq. Ft.	Rm Count			Size Sq. Ft.	Monthly Rent	Rm Count			Size Sq. Ft.	Monthly Rent	Rm Count			Size Sq. Ft.	Monthly Rent
	Tot	Br	Ba	3,974	Tot	Br	Ba	2,600	7,200	Tot	Br	Ba	3,900	6,000	Tot	Br	Ba	3,800	8,000
Unit # 1	7	3	2.0	2,090	5	2	2.0	1,300	$ 3,600	6	3	1.1	1,950	$ 3,000	6	3	2.0	1,900	$ 4,000
Unit # 2	3	1	1.0	750	5	2	2.0	1,300	$ 3,600	6	3	1.1	1,950	$ 3,000	6	2	2.0	1,900	$ 4,000
Unit # 3	4	2	1.1	1,134					$					$					$
Unit # 4									$					$					$
Utilities Included	Tenants pay util.				Tenants pay all utilities.					Tenants pay all utilities.					Tenants pay all utilities.				

Analysis of rental data and support for estimated market rents for the individual subject units reported below (including the adequacy of the comparables, rental concessions, etc.) The comparable rentals have similar amenities and location as the subject. All comparable rentals are rented unfurnished. Lease prices range from $1.54/sf to $2.77/sf.

SUBJECT RENT SCHEDULE

Rent Schedule: The appraiser must reconcile the applicable indicated monthly market rents to provide an opinion of the market rent for each unit in the subject property.

Leases			Actual Rents			Opinion of Market Rent		
	Lease Date		Per Unit		Total Rents	Per Unit		Total Rents
Unit #	Begin Date	End Date	Unfurnished	Furnished		Unfurnished	Furnished	
1	Vacant	Vacant	$ 0	$	$ 0	$ 3,500	$	$ 3,500
2	Vacant	Vacant	0		0	2,000		2,000
3	Vacant	Vacant	0		0	3,000		3,000
4								

Comment on lease data All units are vacant	Total Actual Monthly Rent	$ 0	Total Gross Monthly Rent $ 8,500
	Other Monthly Income (itemize)	$ 0	Other Monthly Income (itemize) $
	Total Actual Monthly Income	$ 0	Total Estimated Monthly Income $ 8,500

Utilities included in estimated rents ☐ Electric ☐ Water ☐ Sewer ☐ Gas ☐ Oil ☐ Trash collection ☐ Cable ☒ Other Lawn Service

Comments on actual or estimated rents and other monthly income (including personal property) The market rents support the estimated rents. The estimated market rents will be used in this report.

PRIOR SALE HISTORY

I ☒ did ☐ did not research the sale or transfer history of the subject property and comparable sales. If not, explain MLS/Realist/Assessor

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

Data Source(s) MLS/Assessor

My research ☒ did ☐ 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) MLS/Assessor

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3
Date of Prior Sale/Transfer	12/15/2021			04/08/2021
Price of Prior Sale/Transfer	870,000			$655,000
Data Source(s)	MLS/Assessor/Realist	MLS/Assessor/Realist	MLS/Assessor/Realist	MLS/Assessor/Realist
Effective Date of Data Source(s)	03/04/2022	03/04/2022	03/04/2022	03/04/2022

Analysis of prior sale or transfer history of the subject property and comparable sales The subject sold to its current owner on 12/15/2021 for $870,000 (Realist doc #51704). Comp 3 sold on 04/08/2021 for $655,000 (Realist Doc #17125) and has since been extensively renovated. No sale of the comparables has taken place within the year prior to the date of the sale of the comparable (MLS/Realist).

Small Residential Income Property Appraisal Report

File # 322006

There are 2 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 945,000 to $ 999,999 .

There are 18 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 675,000 to $ 1,238,000 .

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	709-711 State St New Orleans, LA 70118	625 Valmont St New Orleans, LA 70115		1222-24 Soniat St New Orleans, LA 70115		805-07 Exposition Blvd New Orleans, LA 70118	
Proximity to Subject		0.57 miles SE		0.70 miles E		0.35 miles NW	
Sale Price	$ 910,000		$ 830,000		$ 825,000		$ 890,000
Sale Price/Gross Bldg. Area	$ 228.99 sq.ft.	$ 307.52 sq.ft.		$ 253.69 sq.ft.		$ 320.03 sq.ft.	
Gross Monthly Rent	$ 8,500	$ 3,600		$ 7,000		$ 7,000	
Gross Rent Multiplier	107.06	230.56		117.86		127.14	
Price per Unit	$	$ 415,000		$ 275,000		$ 445,000	
Price per Room	$ 65,000	$ 92,222		$ 68,750		$ 89,000	
Price per Bedroom	$ 151,667	$ 207,500		$ 165,000		$ 222,500	
Rent Control	☐ Yes ☒ No	☐ Yes ☒ No		☐ Yes ☒ No		☐ Yes ☒ No	
Data Source(s)		MLS# 2317042/ Assessor		MLS# 2313587 / Assessor		MLS# 2332478 / Assessor	
Verification Source(s)		Agt: Eleanor Hohnstein / Realist		Realist		Realist	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(–) Adjustment	DESCRIPTION	+(–) Adjustment	DESCRIPTION	+(–) Adjustment
Sale or Financing Concessions		Unknown/DOM 32 No Concessions		CNV / DOM 52 No Concessions		CASH / DOM 8 No Concessions	
Date of Sale/Time		S12/21; C11/21		s08/21; c06/21		s01/22; c01/22	
Location	Good	Slightly Inferior	+41,500	Slightly Inferior	+41,250	Similar	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	5,850 sf	3520 sf	+69,900	2976 sf	+86,220	5222 sf	+18,840
View	Residential/Avg.	Residential/Avg.		Residential/Avg.		Park/Superior	-44,500
Design (Style)	Tri-Plex	Duplex		Tri-Plex		Duplex	
Quality of Construction	Good	Good		Good		Good	
Actual Age	~112	~110	0	~121	0	~150	0
Condition	Good	Good		Average	+81,300	Good	
Gross Building Area	3,974	2,699	+159,375	3,252	+90,250	2,781	+149,125
Unit Breakdown	Total / Bdrms / Baths	Total / Bdrms / Baths		Total / Bdrms / Baths		Total / Bdrms / Baths	
Unit # 1	7 / 3 / 2.0	6 / 3 / 2.1	-2,500	6 / 3 / 2.0		5 / 2 / 2.0	0
Unit # 2	3 / 1 / 1.0	3 / 1 / 1.0		3 / 1 / 1.0		5 / 2 / 2.0	-5,000
Unit # 3	4 / 2 / 1.1	0 / 0 / 0	+7,500	3 / 1 / 1.0	+2,500	0 / 0 / 0	+7,500
Unit # 4							
Basement Description	None	None		None		None	
Basement Finished Rooms	0sf	0sf		0sf		0sf	
Functional Utility	Typical	Typical		Typical		Typical	
Heating/Cooling	Central A/H	Central A/H		Central A/H		Central A/H	
Energy Efficient Items	Typical	Typical		Typical		Typical	
Parking On/Off Site	1-car Driveway	2-car Driveway	-5,000	None	+10,000	2-car Driveway	-5,000
Porch/Patio/Deck	CvPch/Deck/Balc	CvEntry/Bal/Patio	+2,000	CvPch/Bal/Deck	-2,000	CvPch/Patio/Balc	0
Net Adjustment (Total)		☒ + ☐ –	$ 272,775	☒ + ☐ –	$ 309,520	☒ + ☐ –	$ 120,965
Adjusted Sale Price of Comparables		Net Adj. 32.9 % Gross Adj. 34.7 %	$ 1,102,775	Net Adj. 37.5 % Gross Adj. 38.0 %	$ 1,134,520	Net Adj. 13.6 % Gross Adj. 25.8 %	$ 1,010,965
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		$ 551,388		$ 378,173		$ 505,483	
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		$ 122,531		$ 94,543		$ 101,097	
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)		$ 275,694		$ 226,904		$ 252,741	
Value per Unit	$ 400,000 X	3 Units = $	1,200,000	Value per GBA $ 280 X	3,974 GBA = $		1,112,720
Value per Rm.	$ 100,000 X	14 Rooms = $	1,400,000	Value per Bdrms. $ 250,000 X	6 Bdrms. = $		1,500,000

Summary of Sales Comparison Approach including reconciliation of the above indicators of value. All of the comparables have with similar amenities as the subject and were the best available to appraiser. Comp 5 slightly more than a year ago. It was used because of its proximity to the subject and since it is similar in size and condition to the subject. Comps 2, 4 & 6 are in average condition and were adjusted $25/sf for their inferior condition. Comp 6 is an active listing and adjusted 1% of its list price. The gross and net adjustments of Comps 1, 2 & 4 are high. Comp 3 has a view of Audubon Park and was adjusted 5%. Comps 1, 2 & 6 were adjusted 5% for their inferior location on the other side of Jefferson Ave and further away from Audubon Park. These comparables were used due to the scarcity of recent sales of renovated multi-family dwellings in and around the area. See additional comments on page 4...

Indicated Value by Sales Comparison Approach $ 1,100,000

INCOME

Total gross monthly rent $ 8,500 X gross rent multiplier (GRM) 130 = $ 1,105,000 Indicated value by the Income Approach

Comments on income approach including reconciliation of the GRM A weighted average was given to each of the GRM's.

RECONCILIATION

Indicated Value by: **Sales Comparison Approach $** 1,100,000 **Income Approach $** 1,105,000 **Cost Approach (if developed) $** 1,166,360

Most consideration was given to the Market Approach as it represents buyer and seller activity in the market. This was supported by the Income and Cost Approach.

This appraisal is made ☐ "as is", ☒ subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, ☐ subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or ☐ subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: See comments towards the bottom of page 1 and the cost estimate in report.

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 $ 1,100,000 , as of 03/04/2022 , which is the date of inspection and the effective date of this appraisal.

Form 1025 - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

ADDITIONAL COMMENTS

This appraiser has not performed any other valuation services on the subject property within the past 36 months from the effective date of this appraisal.

Exposure time is estimated to be three to six months.

This appraisal has been prepared for Home Bank's use and reliance only. No other persons, firms, corporations or entities are authorized to rely on this appraisal. The intended user of this report is USDA RD.

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

The global outbreak of a “novel coronavirus” known as COVID-19 was officially declared a pandemic by the World Health Organization (WHO). The reader is cautioned, and reminded that the conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property of any unforeseen event, subsequent to the effective date of the appraisal.

There was no visible damage from Hurricane Ida. The exterior was inspected from the ground and the appraiser was not able to view the entire roof.

The subject is one of the larger dwellings in the area and will have extensive renovations. Therefore, the market value of the subject is higher than the predominate value of the area. The subject's size does not affect its marketability. The subject is not an over-improvement for the area.

CONDITION OF IMPROVEMENTS: The subject is proposed construction. Per the attached estimate, construction costs are $155,266.13, which does not include the cost of the site, already owned by the owner. Renovations will include plumbing, electrical, HVAC maintenance, appliances, cabinets and counters, drywall repair, interior and exterior painting and bathroom updates.

The estimated "as is" value of the subject is $875,000. These sales were used to determine the "as is" value; MLS#2320657,23117042,2319343, 2274181.

SUMMARY of SALE COMPARISON APPROACH:

The market tends to respond to condition rather than age; therefore, no age adjustments were made. Land was adjusted at $30/sf. Living area was adjusted at $100/sf. Most consideration was given to sales comparables 1 - 4 and the market is supported by comparables 5 & 6.

COST APPROACH

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) The subject is located in a neighborhood where land is scarce, therefore, land values are high. The subject's high land to value ratio is typical of the area and has no negative effect on the marketability of the subject property. Land value is based on sales of vacant lots and sales of houses in poor condition in the area.

ESTIMATED ☐ REPRODUCTION OR ☒ REPLACEMENT COST NEW

Source of cost data: Local Contractors

Quality rating from cost service: Good Effective date of cost data: 03/2022

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

Numbers for cost approach were derived from local contractors. Physical depreciation based on the age/life method. No functional or economic obsolescence was observed.

OPINION OF SITE VALUE				=$ 600,000
DWELLING	3,974 Sq.Ft. @ $	175.00		=$ 695,450
	None Sq.Ft. @ $			=$
				=$
Garage/Carport	Sq.Ft. @ $			=$
Total Estimate of Cost-New				=$ 695,450
Less Depreciation	Physical 139,090	Functional	External	=$(139,090)
Depreciated Cost of Improvements				=$ 556,360
"As-is" Value of Site Improvements				=$ 10,000
INDICATED VALUE BY COST APPROACH				**=$** 1,166,360

Estimated Remaining Economic Life (HUD and VA only) 40 Years

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 Source

Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.

Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.

Describe common elements and recreational facilities.

This report form is designed to report an appraisal of a two- to four-unit property, including a two- to four-unit property in a planned unit development (PUD). A two- to four-unit property located in either a condominium or cooperative project requires the appraiser to inspect the project and complete the project information section of the Individual Condominium Unit Appraisal Report or the Individual Cooperative Interest Appraisal Report and attach it as an addendum to this report.

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, including each of the units. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.

3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.

5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.

6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.

2. I performed a complete visual inspection of the interior and exterior areas of the subject property, including all units. 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 and income approaches to value. I have adequate market data to develop reliable sales comparison and income approaches to value for this appraisal assignment. I further certify that I considered the cost approach to value but did not develop it, 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.

Small Residential Income Property Appraisal Report

File # 322006

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION:

The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

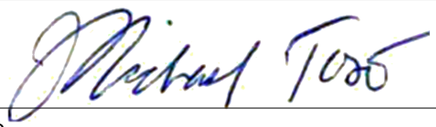
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature 

Name Michael Toso

Company Name Michael J. Toso & Associates, LLC

Company Address 1215 Prytania St, Suite 429, New Orleans, LA 70130

Telephone Number (504) 636-7497

Email Address michael@michaeltoso.com

Date of Signature and Report 03/05/2022

Effective Date of Appraisal 03/04/2022

State Certification # R722

or State License #

or Other (describe) State #

State LA

Expiration Date of Certification or License 12/31/2023

ADDRESS OF PROPERTY APPRAISED

709-711 State St

New Orleans, LA 70118

APPRAISED VALUE OF SUBJECT PROPERTY $ 1,100,000

LENDER/CLIENT

Name Mr. Beau Martz

Company Name Home Bank

Company Address 1600 Veterans Memorial Blvd., Metairie, LA 70005

Email Address beau.martz@home24bank.com

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

Form 1025 - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

Small Residential Income Property Appraisal Report

File # 322006

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 4		COMPARABLE SALE # 5		COMPARABLE SALE # 6	
Address	709-711 State St New Orleans, LA 70118	1129-31 Arabella St New Orleans, LA 70115		5820-22 Patton St New Orleans, LA 70115		4923-25 Camp St New Orleans, LA 70115	
Proximity to Subject		0.36 miles NE		0.14 miles SE		0.77 miles E	
Sale Price	$ 910,000		$ 806,000		$ 1,137,500		$ 999,000
Sale Price/Gross Bldg. Area	$ 229.00 sq.ft.	$ 259.83 sq.ft.		$ 345.01 sq.ft.		$ 248.75 sq.ft.	
Gross Monthly Rent	$ 8,500	$ 3,450		$ 7,000		$ 6,000	
Gross Rent Multiplier	107.06	233.62		162.50		166.50	
Price per Unit	$	$ 403,000		$ 568,750		$ 499,500	
Price per Room	$ 65,000	$ 67,167		$ 126,389		$ 83,250	
Price per Bedroom	$ 151,667	$ 134,333		$ 227,500		$ 166,500	
Rent Control	☐ Yes ☒ No	☐ Yes ☒ No		☐ Yes ☒ No		☐ Yes ☒ No	
Data Source(s)		MLS# 2294928/ Assessor		MLS# 2271559/ Assessor		MLS# 2329290/ Assessor	
Verification Source(s)		Agt: Ashley Nesser / Realist		Agt: Margaret Stewart / Realist		Agt: Lane Wahburn / Realist	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(–) Adjustment	DESCRIPTION	+(–) Adjustment	DESCRIPTION	+(–) Adjustment
Sale or Financing Concessions		CNV / DOM 2 No Concessions		Unknown/DOM 1 No Concessions		Listing/ DOM 44 No Adjustment	
Date of Sale/Time		S05/21; C04/21		S11/20; C10/20		Active	
Location	Good	Similar		Similar		Slightly Inferior	+50,000
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	5,850 sf	3600 sf	+67,500	3720 sf	+63,900	5880 sf	-900
View	Residential/Avg.	Residential/Avg.		Residential/Avg.		Residential/Avg.	
Design (Style)	Tri-Plex	Duplex		Duplex		Duplex	
Quality of Construction	Good	Good		Good		Good	
Actual Age	~112	~100	0	~104		~100	
Condition	Good	Average	+77,550	Good		Average	+100,400
Gross Building Area	3,974	3,102	+109,000	3,297	+84,625	4,016	-5,250
Unit Breakdown	Total / Bdrms / Baths	Total / Bdrms / Baths		Total / Bdrms / Baths		Total / Bdrms / Baths	
Unit # 1	7 / 3 / 2.0	6 / 3 / 2.0		6 / 4 / 4.1	-12,500	6 / 3 / 2.0	
Unit # 2	3 / 1 / 1.0	6 / 3 / 2.0	-5,000	3 / 1 / 1.0		6 / 3 / 2.0	
Unit # 3	4 / 2 / 1.1	0 / 0 / 0	+7,500	0 / 0 / 0	+7,500	0 / 0 / 0	+7,500
Unit # 4							
Basement Description	None	None		None		None	
Basement Finished Rooms	0sf	0sf		0sf		0sf	
Functional Utility	Typical	Typical		Typical		Typical	
Heating/Cooling	Central A/H	Central A/H		Central A/H		Window Units	+8,000
Energy Efficient Items	Typical	Typical		Typical		Typical	
Parking On/Off Site	1-car Driveway	None	+20,000	None	+10,000	2-car Driveway	-5,000
Porch/Patio/Deck	CvPch/Deck/Balc	CvPch/Bal/Patio	0	CvPch/Pto/Balc	0	CvPorch/Balcony	+2,000
Net Adjustment (Total)		☒ + ☐ –	$ 276,550	☒ + ☐ –	$ 153,525	☒ + ☐ –	$ 156,750
Adjusted Sale Price of Comparables		Net Adj. 34.3 % Gross Adj. 35.6 %	$ 1,082,550	Net Adj. 13.5 % Gross Adj. 15.7 %	$ 1,291,025	Net Adj. 15.7 % Gross Adj. 17.9 %	$ 1,155,750
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		$ 541,275		$ 645,513		$ 577,875	
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		$ 90,213		$ 143,447		$ 96,313	
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)		$ 180,425		$ 258,205		$ 192,625	

SALE HISTORY

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE # 4	COMPARABLE SALE # 5	COMPARABLE SALE # 6
Date of Prior Sale/Transfer	12/15/2021			
Price of Prior Sale/Transfer	870,000			
Data Source(s)	MLS/Assessor/Realist	MLS/Assessor/Realist	MLS/Assessor/Realist	MLS/Assessor/Realist
Effective Date of Data Source(s)	03/04/2022	03/04/2022	03/04/2022	03/04/2022

Analysis of prior sale or transfer history of the subject property and comparable sales See comments on page 2 of the report.

ANALYSIS / COMMENTS

Analysis/Comments See comments on page 3.

Operating Income Statement

322006

One- to Four-Family Investment Property and Two- to Four-Family Owner-Occupied Property

Property Address

709-711 State St	New Orleans	LA	70118
Street	City	State	Zip Code

General Instructions: This form is to be prepared jointly by the loan applicant, the appraiser, and the lender's underwriter. The applicant must complete the following schedule indicating each unit's rental status, lease expiration date, current rent, market rent, and the responsibility for utility expenses. Rental figures must be based on the rent for an "unfurnished" unit.

	Currently Rented	Expiration Date	Current Rent Per Month	Market Rent Per Month	Utility Expense	Paid By Owner	Paid By Tenant
Unit No. 1	Yes ☐ No ☒	Vacant	$ 0	$ 3,500	Electricity	☐	☒
Unit No. 2	Yes ☐ No ☒	Vacant	$ 0	$ 2,000	Gas	☐	☒
Unit No. 3	Yes ☐ No ☒	Vacant	$ 0	$ 3,000	Fuel Oil	☐	☒
Unit No. 4	Yes ☐ No ☐		$	$	Fuel (Other)	☐	☒
Total			$	$ 8,500	Water/Sewer	☐	☒
					Trash Removal	☐	☒

The applicant should complete all of the income and expense projections and for existing properties provide actual year-end operating statements for the past two years (for new properties the applicant's projected income and expenses must be provided). This Operating Income Statement and any previous operating statements the applicant provides must then be sent to the appraiser for review, comment, and/or adjustments next to the applicant's figures (e.g. Applicant/Appraiser 288/300). If the appraiser is retained to complete the form instead of the applicant, the lender must provide to the appraiser the aforementioned operating statements, mortgage insurance premium, HOA dues, leasehold payments, subordinate financing, and/or any other relevant information as to the income and expenses of the subject property received from the applicant to substantiate the projections. The underwriter should carefully review the applicant's/appraiser's projections and the appraiser's comments concerning those projections. The underwriter should make any final adjustments that are necessary to more accurately reflect any income or expense items that appear unreasonable for the market. (Real estate taxes and insurance on these types of properties are included in PITI and not calculated as an annual expense item) Income should be based on the current rents, but should not exceed market rents. When there are no current rents because the property is proposed, new, or currently vacant, market rents should be used.

Annual Income and Expense Projection for Next 12 months

Income (Do not include income for owner-occupied units)		By Applicant/Appraiser	Adjustments by Lender's Underwriter
Gross Annual Rental (from unit(s) to be rented)	(Market)	$ 102,000	$
Other Income (include sources)		+	+
Total		$ 102,000	$
Less Vacancy/Rent Loss		− 5,100 (5 %)	− (%)
Effective Gross Income		$ 96,900	$

Expenses (Do not include expenses for owner-occupied units)	By Applicant/Appraiser	Adjustments by Lender's Underwriter
Electricity		
Gas		
Fuel Oil		
Fuel (Type -)		
Water/Sewer		
Trash Removal		
Pest Control		
Other Taxes or Licenses		
Casual Labor	500	
This includes the costs for public area cleaning, snow removal, etc., even though the applicant may not elect to contract for such services.		
Interior Paint/Decorating	500	
This includes the costs of contract labor and materials that are required to maintain the interiors of the living unit.		
General Repairs/Maintenance	1,000	
This includes the costs of contract labor and materials that are required to maintain the public corridors, stairways, roofs, mechanical systems, grounds, etc.		
Management Expenses	0	
These are the customer expenses that a professional management company would charge to manage the property.		
Supplies	1,000	
This includes the costs of items like light bulbs, janitorial supplies, etc.		
Total Replacement Reserves - See Schedule on Pg. 2	3,260	
Miscellaneous		
Total Operating Expenses	$ 6,260	$

Toso Appraisal Services
Form INC2 - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

Replacement Reserve Schedule

Adequate replacement reserves must be calculated regardless of whether actual reserves are provided for on the owner's operating statements or are customary in the local market. This represents the total average yearly reserves. Generally, all equipment and components that have a remaining life of more than one year - such as refrigerators, stoves, clothes washers/dryers, trash compactors, furnaces, roofs, and carpeting, etc. - should be expensed on a replacement cost basis.

Equipment	Replacement Cost		Remaining Life				By Applicant/ Appraiser	Lender Adjustments
Stoves/Ranges	@ $ 700	ea. ÷	10	Yrs. x	3	Units =	$ 210	$
Refrigerators	@ $ 1,500	ea. ÷	10	Yrs. x	3	Units =	$ 450	$
Dishwashers	@ $ 500	ea. ÷	10	Yrs. x	3	Units =	$ 150	$
A/C Units	@ $ 5,000	ea. ÷	10	Yrs. x	3	Units =	$ 1,500	$
C. Washer/Dryers	@ $	ea. ÷		Yrs. x		Units =	$	$
HW Heaters	@ $ 600	ea. ÷	12	Yrs. x	3	Units =	$ 150	$
Furnace(s)	@ $ 3,000	ea. ÷	15	Yrs. x	3	Units =	$ 600	$
(Other)	@ $	ea. ÷		Yrs. x		Units =	$	$
Roof	@ $ 6,000	÷	30	Yrs. x	One Bldg. =		$ 200	$

Carpeting (Wall to Wall)				Remaining Life			
(Units)	Total Sq. Yds. @ $	Per Sq. Yd.	÷	Yrs. =	$	$
(Public Areas)	Total Sq. Yds. @ $	Per Sq. Yd.	÷	Yrs. =	$	$

Total Replacement Reserves. (Enter on Pg. 1) $ 3,260 $

Operating Income Reconciliation

$ 96,900 (Effective Gross Income) − $ 6,260 (Total Operating Expenses) = $ 90,640 (Operating Income) ÷ 12 = $ 7,553 (Monthly Operating Income)

$ 7,553 (Monthly Operating Income) − $ 0 (Monthly Housing Expense) = $ 7,553 (Net Cash Flow)

(Note: Monthly Housing Expense includes principal and interest on the mortgage, hazard insurance premiums, real estate taxes, mortgage insurance premiums, HOA dues, leasehold payments, and subordinate financing payments.)

Underwriter's instructions for 2-4 Family Owner-Occupied Properties

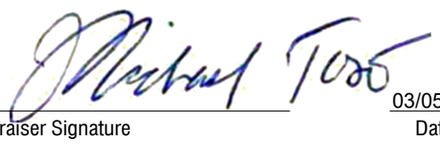
- If Monthly Operating Income is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Monthly Operating Income is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total Monthly Housing Expense for the subject property to the borrower's stable monthly income.

Underwriter's instructions for 1-4 Family Investment Properties

- If Net Cash Flow is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Net Cash Flow is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total monthly housing expense for the borrower's primary residence to the borrower's stable monthly income.

Appraiser's Comments (Including sources for data and rationale for the projections)

Michael Toso — Appraiser Name



Appraiser Signature — 03/05/2022 Date

Underwriter's Comments and Rationale for Adjustments

Underwriter Name — Underwriter Signature — Date

Form INC2 - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

Market Conditions Addendum to the Appraisal Report

File No. 322006

The purpose of this addendum is to provide the lender/client with a clear and accurate understanding of the market trends and conditions prevalent in the subject neighborhood. This is a required addendum for all appraisal reports with an effective date on or after April 1, 2009.

Property Address 709-711 State St | City New Orleans | State LA | ZIP Code 70118

Borrower State Street Nola Investments LLC

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

MARKET RESEARCH & ANALYSIS

Inventory Analysis	Prior 7–12 Months	Prior 4–6 Months	Current – 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	12	2	5	☐ Increasing	☐ Stable	☒ Declining
Absorption Rate (Total Sales/Months)	2.00	0.67	1.67	☐ Increasing	☒ Stable	☐ Declining
Total # of Comparable Active Listings	0	1	2	☐ Declining	☐ Stable	☒ Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	0.5	1.5	1.2	☐ Declining	☒ Stable	☐ Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7–12 Months	Prior 4–6 Months	Current – 3 Months	Overall Trend		
Median Comparable Sale Price	737,500	627,500	870,000	☐ Increasing	☒ Stable	☐ Declining
Median Comparable Sales Days on Market	56	79	21	☐ Declining	☒ Stable	☐ Increasing
Median Comparable List Price	0	1,100,000	972,000	☐ Increasing	☒ Stable	☐ Declining
Median Comparable Listings Days on Market	0	53	30	☐ Declining	☒ Stable	☐ Increasing
Median Sale Price as % of List Price	92.30	93.66	102.47	☒ Increasing	☐ Stable	☐ Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent? ☐ Yes ☒ No				☐ Declining	☒ Stable	☐ Increasing

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.). When seller concessions occur in this area they typically range from 0-5% due to closing costs and pre-paids.

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

REO properties that have been listed have been absorbed by the market and supply and demand for these properties appears to be in balance.

Cite data sources for above information. New Orleans Metropolitan Association of Realtors Multiple Listing Service

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

The search included listings, sales, and pending sales. Homes with 2,000-4,500 s/f were used. The market appears to be stable with no significant changes.

CONDO/CO-OP PROJECTS

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

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

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

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

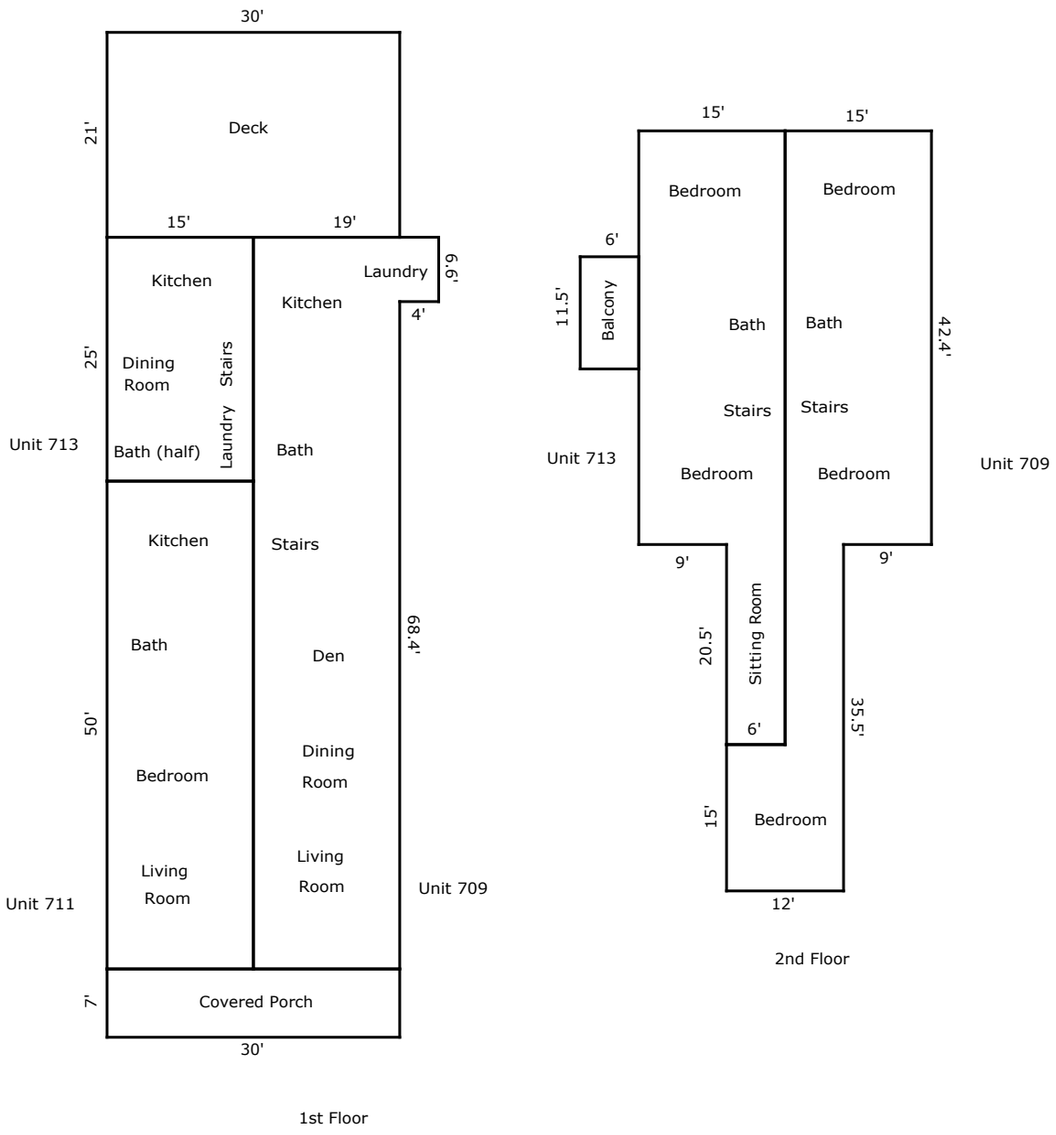
APPRAISER

Signature	Signature
Appraiser Name Michael Toso	Supervisory Appraiser Name
Company Name Michael J. Toso & Associates, LLC	Company Name
Company Address 1215 Prytania St, Suite 429, New Orleans, LA 7013(	Company Address
State License/Certification # R722 State LA	State License/Certification # State
Email Address michael@michaeltoso.com	Email Address

Form 1004MC2 - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

Building Sketch

Borrower	State Street Nola Investments LLC						
Property Address	709-711 State St						
City	New Orleans	County	Orleans	State	LA	Zip Code	70118
Lender/Client	Home Bank						



TOTAL Sketch by a la mode, inc.

Area Calculations Summary

Living Area		**Calculation Details**	
Unit 709	1151.4 Sq ft	6.6 × 4	= 26.4
		75 × 15	= 1125
Unit 711	750 Sq ft	50 × 15	= 750
Unit 713	375 Sq ft	15 × 25	= 375
Unit 709	939 Sq ft	12 × 15	= 180
		15 × 42.4	= 636
		20.5 × 6	= 123
Unit 713	759 Sq ft	15 × 42.4	= 636
		20.5 × 6	= 123
Total Living Area (Rounded):	**3974 Sq ft**		
Non-living Area			
Covered Porch	210 Sq ft	30 × 7	= 210
Undefined Area	630 Sq ft	30 × 21	= 630
Balcony	69 Sq ft	11.5 × 6	= 69

Subject Photo Page

Borrower	State Street Nola Investments LLC						
Property Address	709-711 State St						
City	New Orleans	County	Orleans	State	LA	Zip Code	70118
Lender/Client	Home Bank						

Subject Front

709-711 State St

Sales Price	910,000
Gross Building Area	3,974
Age	~112

Subject Rear

Subject Street

Photograph Addendum

Borrower	State Street Nola Investments LLC						
Property Address	709-711 State St						
City	New Orleans	County	Orleans	State	LA	Zip Code	70118
Lender/Client	Home Bank						

Alt Front View

Alt Front View

Rear View (Right Side)

Rear View (Left Side)

Alt Street View

709 - Living Room

709 - Dining Room

709 - Den

709 - Bath

709 - Kitchen

709 - Kitchen (View 2)

709 - Laundry

709 - Bedroom 1

709 - Bath

709 - Bedroom 2

Photograph Addendum

Borrower	State Street Nola Investments LLC						
Property Address	709-711 State St						
City	New Orleans	County	Orleans	State	LA	Zip Code	70118
Lender/Client	Home Bank						

709 - Bedroom 3

711 - Living Room

711 - Bedroom

711 - Bath

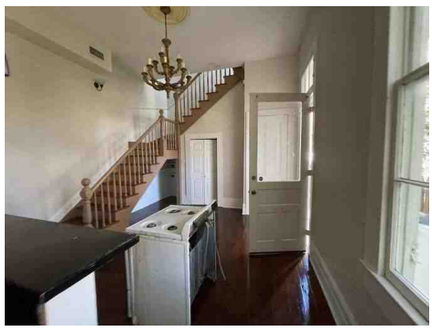
711 - Laundry

711 - Kitchen

711- Kitchen (View 2)

713 - Kitchen

713 - Kitchen (View 2)



713 - Dining Room

713 - Bedroom 1

713 - Bedroom 2

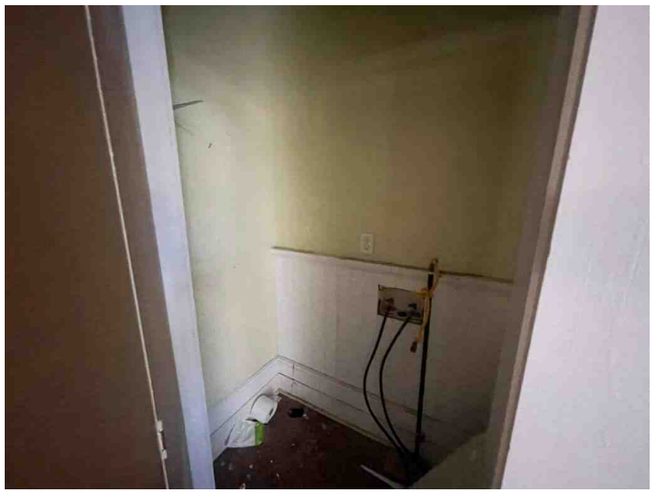
713 - Bath

713 - Sitting Room

713 - Half Bath

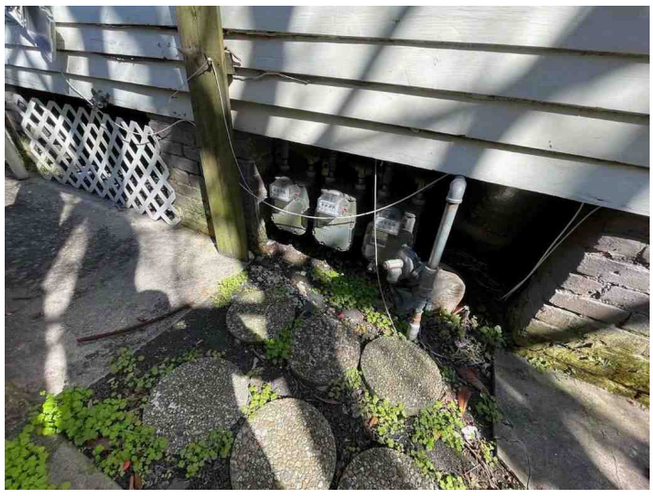
Interior Photos

Borrower	State Street Nola Investments LLC						
Property Address	709-711 State St						
City	New Orleans	County	Orleans	State	LA	Zip Code	70118
Lender/Client	Home Bank						

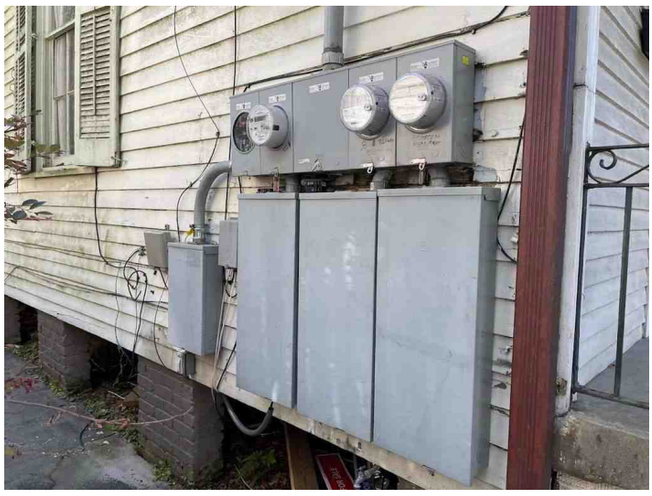


713 - Laundry

Balcony

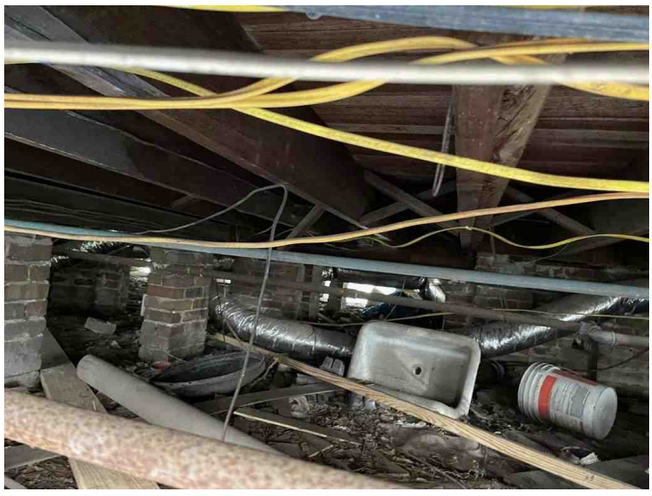


Separate Gas Meters



Separate Electric Meters

Separate Water Meters



Crawl Space

Comparable Photo Page

Borrower	State Street Nola Investments LLC						
Property Address	709-711 State St						
City	New Orleans	County	Orleans	State	LA	Zip Code	70118
Lender/Client	Home Bank						

Comparable 1

625 Valmont St

Sales Price	830,000
Gross Building Area	2,699
Age	~110

Comparable 2

1222-24 Soniat St

Sales Price	825,000
Gross Building Area	3,252
Age	~121

Comparable 3

805-07 Exposition Blvd

Sales Price	890,000
Gross Building Area	2,781
Age	~150

Comparable Photo Page

Borrower	State Street Nola Investments LLC						
Property Address	709-711 State St						
City	New Orleans	County	Orleans	State	LA	Zip Code	70118
Lender/Client	Home Bank						

Comparable 4

1129-31 Arabella St

Sales Price	806,000
G.B.A.	3,102
Age/Yr. Blt.	~100

Comparable 5

5820-22 Patton St

Sales Price	1,137,500
G.B.A.	3,297
Age/Yr. Blt.	~104

Comparable 6

4923-25 Camp St

Sales Price	999,000
G.B.A.	4,016
Age/Yr. Blt.	~100

Rental Photo Page

Borrower	State Street Nola Investments LLC						
Property Address	709-711 State St						
City	New Orleans	County	Orleans	State	LA	Zip Code	70118
Lender/Client	Home Bank						

Rental 1

830-32 State St

Proximity to Sub.	0.10 miles N
GBA	2,600
Age/Year Built	~100

Rental 2

1028-30 Nashville Ave

Proximity to Sub.	0.25 miles NE
GBA	3,900
Age/Year Built	~100

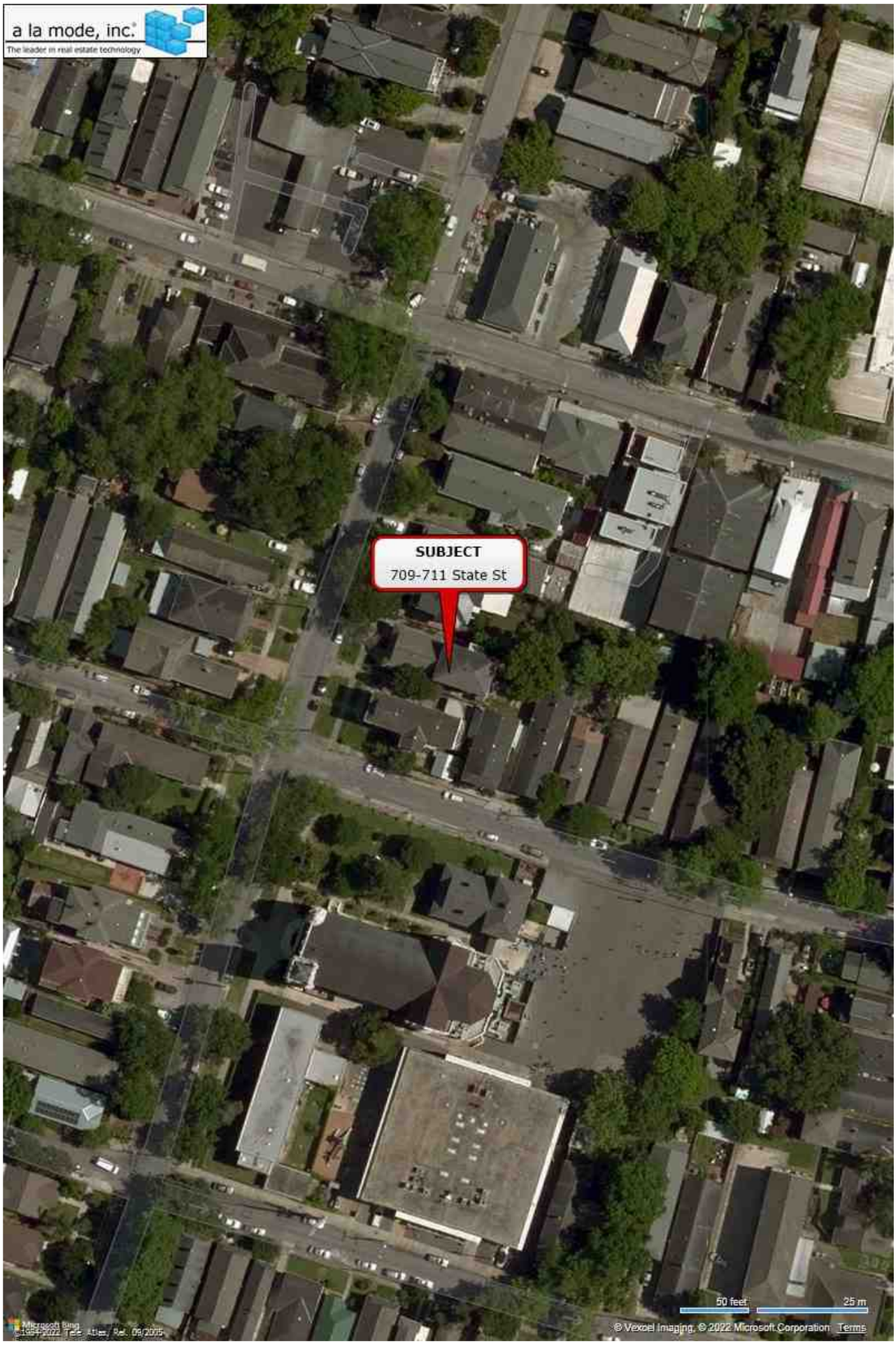
Rental 3

6028-30 Benjamin St

Proximity to Sub.	0.62 miles N
GBA	3,800
Age/Year Built	~100

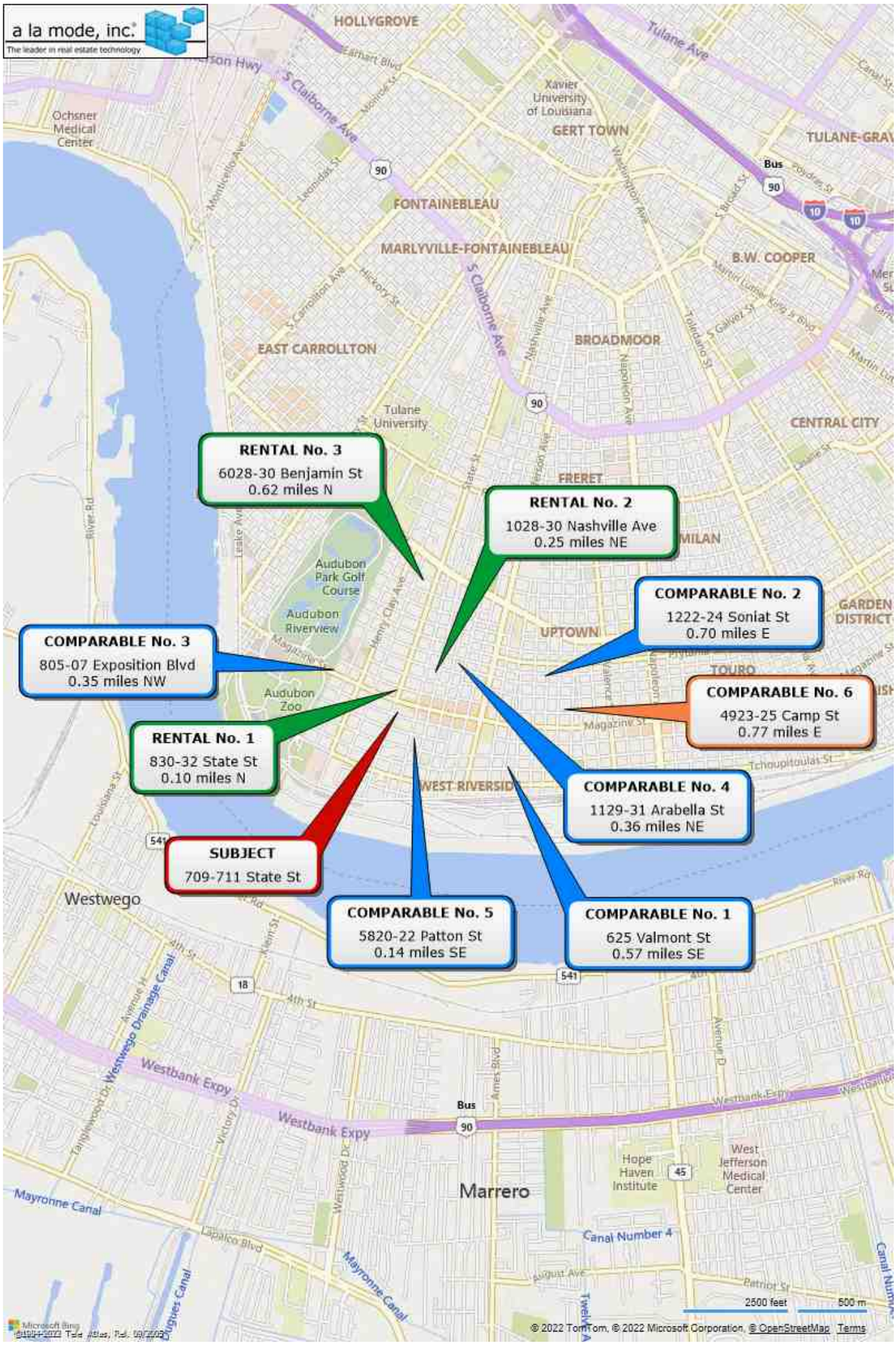
Aerial Map

Borrower	State Street Nola Investments LLC						
Property Address	709-711 State St						
City	New Orleans	County	Orleans	State	LA	Zip Code	70118
Lender/Client	Home Bank						



Location Map

Borrower	State Street Nola Investments LLC						
Property Address	709-711 State St						
City	New Orleans	County	Orleans	State	LA	Zip Code	70118
Lender/Client	Home Bank						



Flood Map

709 State St, New Orleans, LA 70118-5839, Orleans County

APN: 6-15-1-117-02 CLIP: 1096141927

FLOOD MAP

Flood Zone Code	**X500L**	Community Name	**New Orleans**
Report Date	**03/04/2022**	Special Flood Hazard Area (SFHA)	**Out**
Flood Zone Panel	**225203-22071C0236F**	Within 250 feet of multiple flood zone	**No**
Panel Date	**09/30/2016**		

Flood Zones

- Coastal 100-year Floodway
- Coastal 100-year Floodplain
- 100-year Floodway
- 100-year Floodplain
- Undetermined
- Unknown or Area Not Included
- 500-year Floodplain incl. levee protected area
- Out of Special Flood Hazard Area

The data within this report is compiled by CoreLogic from public and private sources. The data is deemed reliable, but is not guaranteed. The accuracy of the data contained herein can be independently verified by the recipient of this report with the applicable county or municipality.

Orleans Parish, LA

Summary

Tax Bill Number	615111702
Municipal District	6
Location Address	709 STATE ST
Property Class	R - RESIDENTIAL
Special Tax District	
Subdivision Name	BLMINGDALE
Zoning District	Show Viewer (41195119)
Land Area (sq ft)	5850
Building Area (sq ft)	3510
Revised Bldg Area (sq ft)	0
Square	13
Book	01
Lot/Folio	3/105
Line	016
Legal Description	1. BD SQ 13 LOT 3-1/2 4 STATE 2. 45X130 709011 STATE DU-W-C/B 3. M/A CHG PER PHONE CALL 7/03 4. SALE W/MOVABLES SEE LAT 5. FILE #85670 6/03
Assessment Area	WEST RIVERSIDE Show Assessment Area Map
Parcel Map	Show Parcel Map

Owners

WOLFE SCOTT G SR
121 GIROD ST
MANDEVILLE LA 70448

Notices

2021 Assessment Notice (PDF)

Quick Links

Estimate Taxes | Tax Information

Valuation

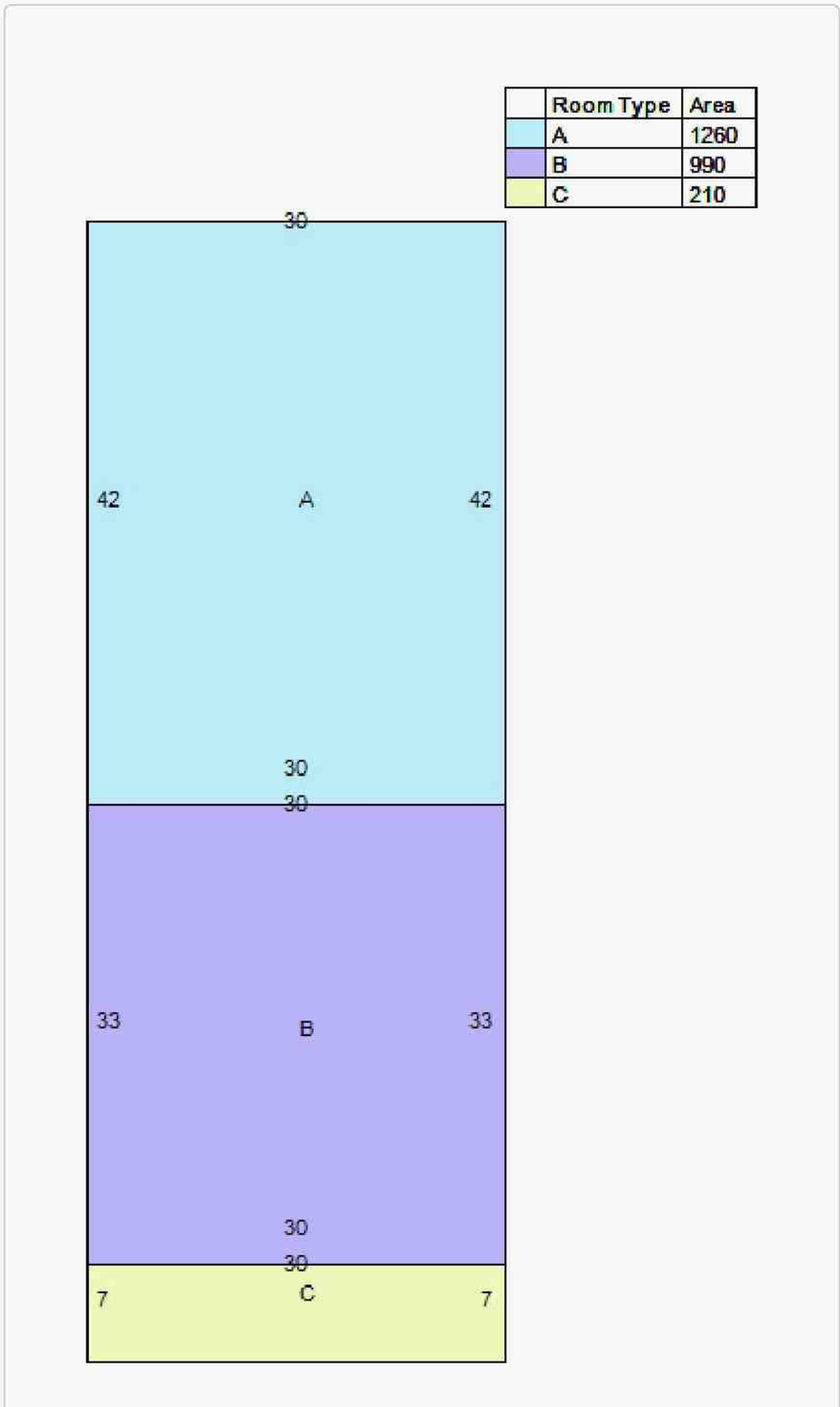
		2022 Certified	2021 Certified	2020 Certified
	Land Value	$204,800	$204,800	$204,800
+	Building Value	$455,100	$479,000	$285,100
=	Total Value	**$659,900**	**$683,800**	**$489,900**
	Assessed Land Value	$20,480	$20,480	$20,480
+	Assessed Building Value	$45,510	$47,900	$28,510
=	Total Assessed Value	**$65,990**	**$68,380**	**$48,990**
-	Homestead Exemption Value	$0	$0	$0
=	Taxable Assessment	**$65,990**	**$68,380**	**$48,990**
	Special Assessment Treatment			
	Age Freeze			
	Disability Freeze			
	Assessment Change			
	Tax Contract			

Sales

Sale/Transfer Date	Price	Grantor	Grantee	Notarial Archive Number	Instrument Number
12/15/2021	$870,000	WEBSTER STREET HOLDINGS LLC	WOLFE SCOTT G SR	202151704	703552
9/10/2014	$0	MC GOVERN GERARD P	WEBSTER STREET HOLDINGS LLC	201437017	562003
6/16/2003	$316,000			03-31428	000260364
8/29/2001	$235,000			09252001	000223455
12/18/2000	$0			12282000	000209689
2/22/1985	$0			01271986	000000000
1/26/1985	$0			08101978	000000000

Photos

Sketches


Room Type
Area
A
1260
B
990
C
210
30
42
A
42
30
30
33
B
33
30
30
7
C
7

Engagement Letter

LETTER OF ENGAGEMENT

DATE: March 2, 2022
TO: Michael Toso and Asso.

PHONE:
Email: michael@michaeltoso.com

BORROWER	State Street Nola Investments LLC
CONTACT	Nidal Jaber-504-628-6781
SUBJECT PROPERTY	709-711 State St. NOLA 70118
PROPERTY DESCRIPTION	Tri-Plex Renovation RUSH is Needed Rush Fee approved

This letter will confirm the request that you provide an Appraisal Report, per industry standards, on the above referenced property including all applicable approaches to value.
Proposed construction and renovation appraisals should include an as is value and a prospective date and value for completion. Please submit an electronic copy unless instructed otherwise.

Payment of appraisal fee must only come from the bank
Payment from the borrower of the loan must not be accepted
Otherwise the appraisal report is not acceptable & valid

PLEASE ADDRESS REPORT & BILL TO *José Aldaya*

The appraisal should be complete **7 days** from the date of this letter.
Upon completion, please bill the bank **$STD** at the address below for your fee.

Home Bank
1600 Veterans Memorial Blvd.
Metairie, LA 70005
Attn: Commercial.Appraisal@home24bank.com

***ALL QUESTIONS/CONTACTS MUST BE DIRECTED TO:**
Grady Thigpen (504) 455-4938 grady.thigpen@home24bank.com
Or
Dee Cedor (504) 457-2063 diane.cedor@home24bank.com
Or
Beau Martz (504) 883-5545 beau.martz@home24bank.com

Appraiser Certification

State of Louisiana

Certified Residential Appraiser License

Having complied with the license requirements as set forth in in R.S.1950 Title 37, Chapter 51, and Amendatory Acts, and the Real Estate Appraisers Board Rules and Regulations, a Certified Residential Appraiser License is hereby granted to Michael J. Toso, III
Mike Toso

In Testimony Whereof, This license has been issued by the Authority of the Louisiana Real Estate Appraisers Board.

Period Covered: January 1, 2022 Through December 31, 2023

Kara Ann Platt
Chairman

License Number: R0722

Rebecca A. Rothschild
Secretary

Resume

File No. 322006

Borrower	State Street Nola Investments LLC						
Property Address	709-711 State St						
City	New Orleans	County	Orleans	State	LA	Zip Code	70118
Lender/Client	Home Bank						

MICHAEL J. TOSO III
LOUISIANA STATE CERTIFIED RESIDENTIAL
REAL ESTATE APPRAISER #0722

EDUCATION
Tulane University - BA - 1987
De La Salle High School - 1982
Christian Brothers - 1978

LICENSES
Associate Broker - Prudential/Gardner Inc. December, 1991 - Present
Real Estate Agent - Martha Ann Samuel, Inc. Sept. 1989 - Dec. 1991
REAL ESTATE RESIDENTIAL APPRAISAL EXPERIENCE
Michael J. Toso and Associates December 1994 - Present - Specializing in appraising residential properties

Dale R. Fleishmann, RM & Associates
August 1992 - May 1997 - Specializing in appraising residential properties

A. Beirne Miles, SRA & Associates
Dec. 1991 - July 1992 - Specializing in appraising residential properties

Delery and Dugas Appraisers
Sept., 1991 - Dec., 1991 - Specializing in appraising residential properties

TRAINING
Principles of Real Estate Appraising - Appraisal Institute
Standards of Professional Practices Parts A & B - Appraisal Institute
Appraisal Procedures - Appraisal Institute
Case Studies - Appraisal Institute
Residential Demo Report Writing - Appraisal Institute
Cost Approach - Donaldson Real Estate School
Reconciliation and Final Value - Donaldson Real Estate School
Federal Fair Housing & Discrimination - Donaldson Real Estate School

OTHER ORGANIZATIONS
Immaculate Conception Church - Former Board Member
Audubon/Walnut Condominium Assc. - President - Jan. 1995 - July, 2004
NOKAA, Inc Housing Corporation - President - Nov. 1997 - Feb 2004
De La Salle Alumni Association - Past President - 1989/90 & 1992/93
Christian Brothers Alumni Association - Past President - 1998 & 1999
New Orleans Kappa Alpha Alumni Assc. - Past President - 1992 thru 1999
Knights of Columbus - Member
Third District Kiwanis - Member
Habitat for Humanity - Supporter
Christmas in October - House Captain
Alliance for Good Government - Former Member
Preservation Resource Center - Member