

Uniform Residential Appraisal Report

File # PADULASUE1

SALES COMPARISON APPROACH

There are 4 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 225,000 to \$ 275,000 .													
There are 0 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 225,000 to \$ 275,000 .													
FEATURE		SUBJECT			COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
142 ERIE STREET		1221 THROOP STREET			720 PEARL STREET			138 CONROY AVENUE					
Address DUNMORE, PA 18510		DICKSON CITY, PA 18519			THROOP, PA 18512			SCRANTON, PA 18505					
Proximity to Subject					4.49 miles N			3.02 miles N			0.91 miles SW		
Sale Price		\$			\$ 240,000			\$ 190,000			\$ 240,000		
Sale Price/Gross Liv. Area		\$ sq. ft.			\$ 114.29 sq. ft.			\$ 142.32 sq. ft.			\$ 131.15 sq. ft.		
Data Source(s)					GSBR 12-1306;DOM 46			GSBR 12-2869;DOM 21			GSBR 12-2844;DOM 1		
Verification Source(s)					COURTHOUSE RECORDS			COURTHOUSE RECORDS			COURTHOUSE RECORDS		
VALUE ADJUSTMENTS		DESCRIPTION			DESCRIPTION			DESCRIPTION			DESCRIPTION		
					+(-)\$ Adjustment			+(-)\$ Adjustment			+(-)\$ Adjustment		
Sale or Financing					ArmLth			ArmLth			ArmLth		
Concessions					Conv;0			FHA:0			Conv;0		
Date of Sale/Time					s06/12;c05/12			s08/12;c07/12			s06/12;c04/12		
Location		N;Res;			N;Res;			N;Res;			N;Res;		
Leasehold/Fee Simple		FEE SIMPLE			FEE SIMPLE			FEE SIMPLE			FEE SIMPLE		
Site		4076 sf			16500 sf			10454 sf			13500 sf		
View		N;Res;			N;Res;			N;Res;			N;Res;		
Design (Style)		BI-LEVEL			BI-LEVEL			BI-LEVEL			RANCH		
Quality of Construction		Q3			Q3			Q3			Q3		
Actual Age		1			23			26			51		
Condition		C2			C3			C3			C3		
Above Grade		Total	Bdrms.	Baths	Total	Bdrms.	Baths	Total	Bdrms.	Baths	Total	Bdrms.	Baths
Room Count		6	3	2.0	6	3	2.0	6	3	2.0	6	3	1.1
Gross Living Area		1,625 sq. ft.			2,100 sq. ft.			1,335 sq. ft.			1,830 sq. ft.		
Basement & Finished		1625sf18sfwo			2100sf1050sfwo			1335sf790sfwo			1826sf1370sfwu		
Rooms Below Grade		1rr0br1.0ba1o			1rr0br1.0ba1o			1rr1br1.0ba1o			1rr0br0.0ba1o		
Functional Utility		GOOD			GOOD			GOOD			GOOD		
Heating/Cooling		GAS-0			GAS-CA			GAS-CA			GAS-CA		
Energy Efficient Items		INS-2FP			INS-1FP			INS-1FP			INS-1FP		
Garage/Carport		2 CAR			2 CAR			1 CAR			2 CAR		
Porch/Patio/Deck		PR-PAT-PL-FN			PR-DK			PR-DK			PR-DK-PAT		
Net Adjustment (Total)					+ X -			X + -			+ X -		
Adjusted Sale Price					Net Adj. 2.14 %			Net Adj. 5.45 %			Net Adj. 0.66 %		
of Comparables					Gross Adj. 14.64 %			Gross Adj. 15.97 %			Gross Adj. 15.24 %		

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

My research X 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) OWNER-DEED

My research did X did not reveal any prior sales or transfers of the comparable sales for the prior year to the date of sale of the comparable sale.

Data Source(s) MLS-PUBLIC RECORDS

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		05/23/2012							
Price of Prior Sale/Transfer		\$1							
Data Source(s)		OWNER-DEED		MLS		MLS		MLS	
Effective Date of Data Source(s)		02/15/2013		02/15/2013		02/15/2013		02/15/2013	

Analysis of prior sale or transfer history of the subject property and comparable sales THE SUBJECT TRANSFERRED ON 5/23/12 LAND ONLY PRICE \$1.00-FAMILY TRANSFER FROM PARENTS TO CHILD. NO PRIOR SALES OR TRANSFERS OF THE COMPARABLE SALES IN THE PAST YEAR PRIOR TO THE CURRENT INDICATED SALE DATES IN THE ABOVE GRID.

Summary of Sales Comparison Approach THE COMPS CHOSEN ARE THE BEST AVAILABLE AT THIS TIME, HAVE SIMILARITIES TO THE SUBJECT AND WERE CONSIDERED TO BE GOOD INDICATORS OF VALUE. PLUS AND MINUS ADJUSTMENTS WERE MADE AS NEEDED. DUE TO LACK OF MORE RECENT SALES IN THE SUBJECT NEIGHBORHOOD, IT WAS NECESSARY TO EXPAND THE MARKET TO OBTAIN COMPS. ALL COMPS CHOSEN ARE LOCATED IN SIMILAR TYPE NEIGHBORHOODS, WHERE THERE IS A MIXTURE OF OLDER AND NEWER HOMES.

Indicated Value by Sales Comparison Approach \$ 235,000

Indicated Value by: Sales Comparison Approach \$ 235,000 Cost Approach(if developed) \$ 248,675 Income Approach (if developed) \$ ALL APPROACHES TO VALUE WERE CONSIDERED. MARKET APPROACH TENDS TO BE THE BEST INDICATOR OF VALUE.

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

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 235,000 , as of 02/15/2013 , which is the date of inspection and the effective date of this appraisal.

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ADDITIONAL COMMENTS

I HAVE PERFORMED NO SERVICES AS AN APPRAISER OR IN ANY OTHER CAPACITY REGARDING THE PROPERTY THAT IS THE SUBJECT OF THIS REPORT WITHIN THE 3 YR.PERIOD IMMEDIATELY PRECEDING THE ACCEPTANCE OF THIS ASSIGNMENT.

PREDOMINANT VALUE-THE SUBJECT IS A NEW DWELLING, LOCATED IN A NEIGHBORHOOD OF MOSTLY OLDER HOMES. THIS IS TYPICAL FOR THE AREA AND DOES NOT AFFECT FUTURE MARKETABILITY.

COST APPROACH

COST APPROACH TO VALUE (not required by Fannie Mae)

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

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)

SITE VALUE BASED ON INFORMATION TAKEN FROM MLS & PUBLIC RECORDS.

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE.....=\$	15,000
Source of cost data MARSHALL & SWIFT	Dwelling 1,625 Sq. Ft. @ \$ 111.00	=\$ 180,375
Quality rating from cost service GD Effective date of cost data 06/11	FIN B 612 Sq. Ft. @ \$ 25.00	=\$ 15,300
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	2 FP-PR-PAT-POOL	25,000
GLA - PRINTS	Garage/Carport 400 Sq. Ft. @ \$ 20.00	=\$ 8,000
DEPRECIATION - NONE CONSIDERED AT THIS TIME-NEW DWELLING	Total Estimate of Cost-New	=\$ 228,675
	Less Physical Functional External	
	Depreciation 0 0 0	=\$ (0)
	Depreciated Cost of Improvements.....	=\$ 228,675
	'As-is' Value of Site Improvements.....	=\$ 5,000
	=\$
Estimated Remaining Economic Life (HUD and VA only) Years	Indicated Value By Cost Approach.....	=\$ 248,675

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

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

Summary of Income Approach (including support for market rent and GRM)

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(s)

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

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

Describe common elements and recreational facilities

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This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

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

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

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21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER’S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature Suzanne M. Brudnicki
Name Suzanne M. Brudnicki
Company Name Stephen R. Margitich Agency
Company Address 615 South Irving Avenue
Scranton, PA 18505
Telephone Number 570-342-1941
Email Address margitichre@epix.net
Date of Signature and Report 02/21/2013
Effective Date of Appraisal 02/15/2013
State Certification # RL000052-L
or State License # _____
or Other _____ State # _____
State PA
Expiration Date of Certification or License 06/30/2013

ADDRESS OF PROPERTY APPRAISED
142 ERIE STREET
DUNMORE, PA 18510
APPRAISED VALUE OF SUBJECT PROPERTY \$ 235,000
LENDER/CLIENT
Name No AMC
Company Name FIRST NATIONAL COMMUNITY BANK
Company Address 103 E DRINKER STREET
DUNMORE, PA 15212
Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
Name _____
Company Name _____
Company Address _____

Telephone Number _____
Email Address _____
Date of Signature _____
State Certification # _____
or State License # _____
State _____
Expiration Date of Certification or License _____

SUBJECT PROPERTY

- ☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
Date of Inspection _____
☐ Did inspect interior and exterior of subject property
Date of Inspection _____

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
Date of Inspection _____

Location Map

Borrower or Owner PATRICK M & CAROL PADULA

Property Address 142 ERIE STREET

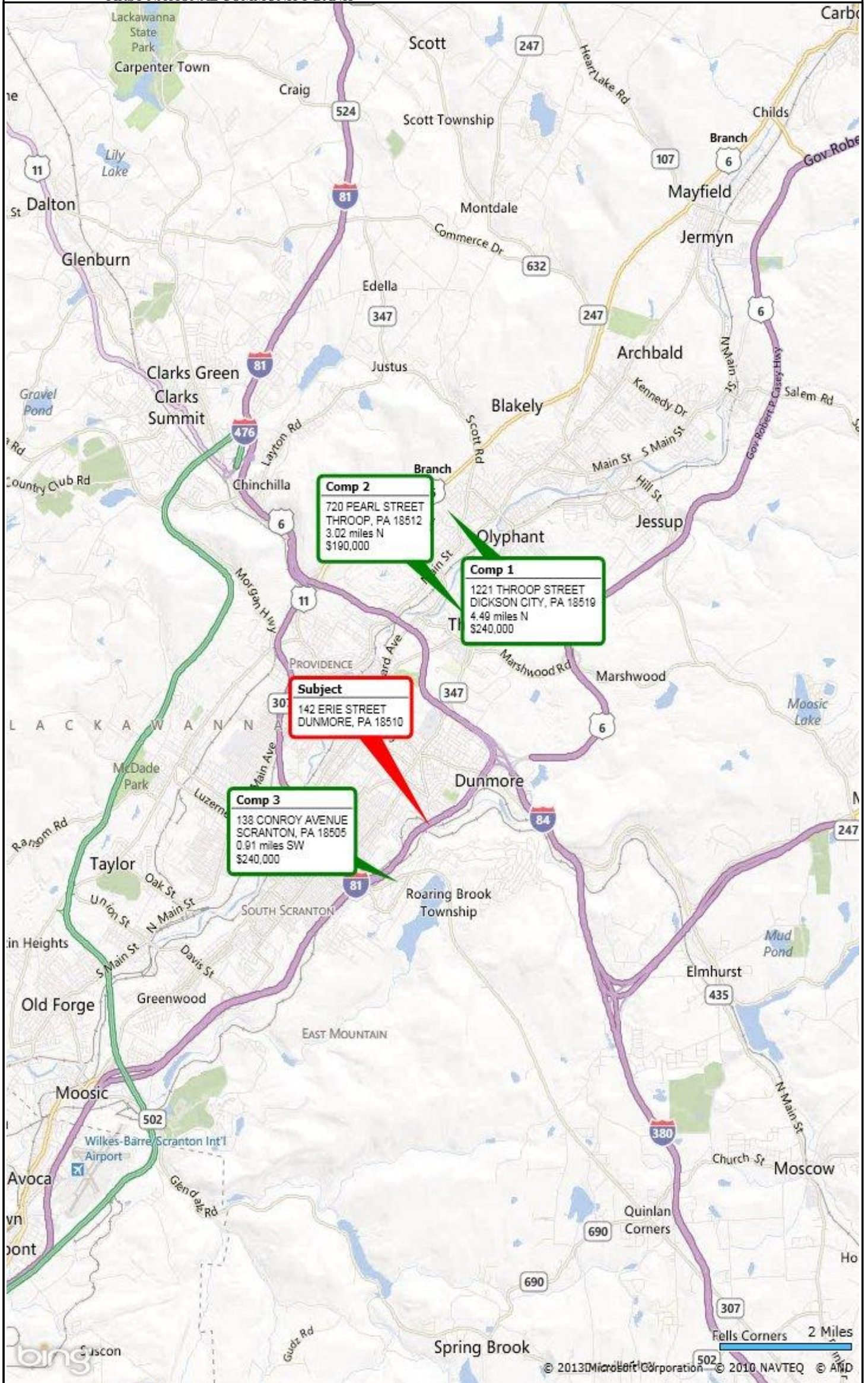
City DUNMORE

County LACKAWANNA

State PA

Zip Code 18510

Client FIRST NATIONAL COMMUNITY BANK



SKETCH ADDENDUM

Borrower or Owner PATRICK M & CAROL PADULA

Property Address 142 ERIE STREET

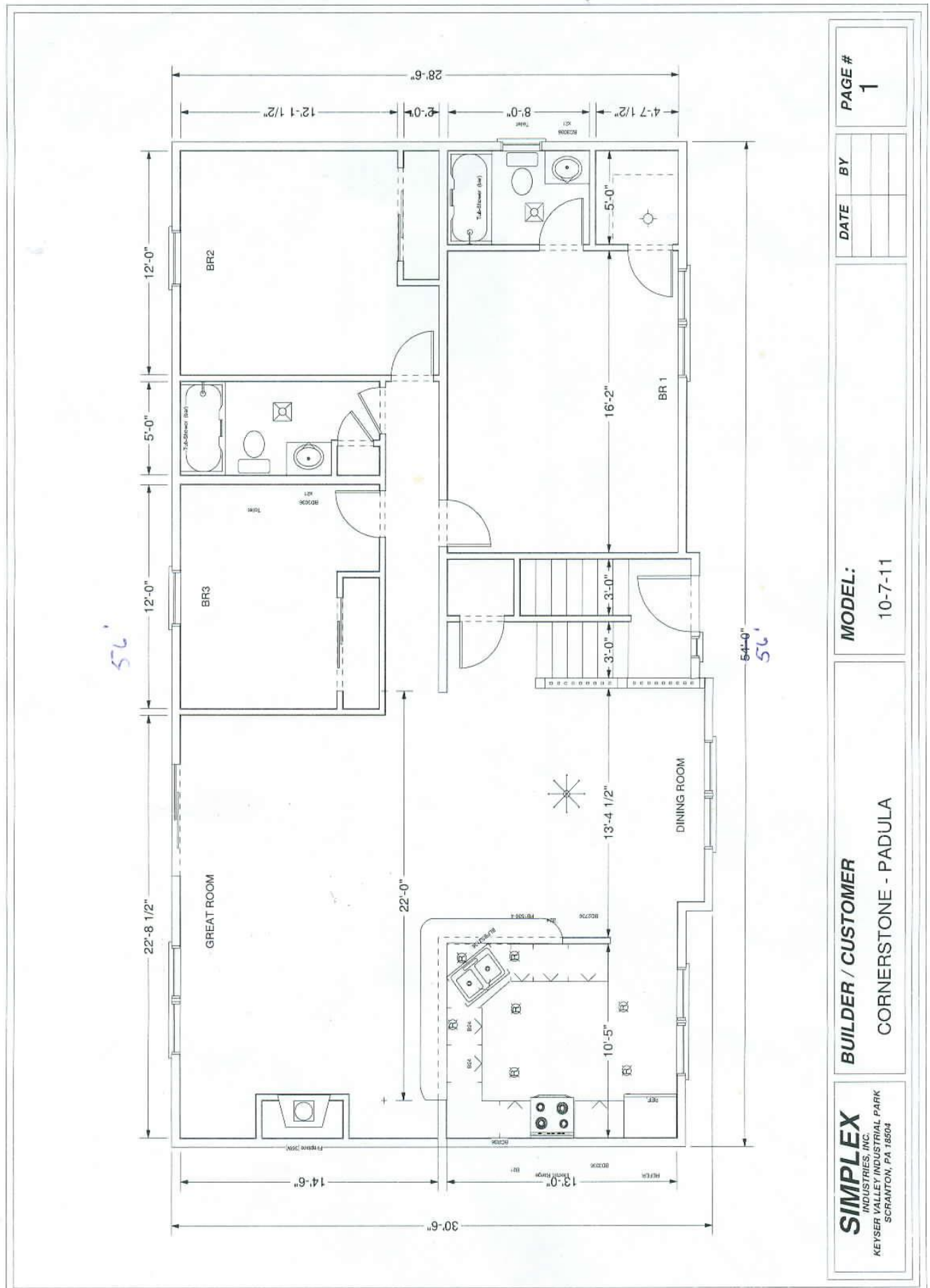
City DUNMORE

County LACKAWANNA

State	PA
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Zip Code 18510

Client **FIRST NATIONAL COMMUNITY BANK**



PHOTOGRAPH ADDENDUM

Borrower or Owner	PATRICK M & CAROL PADULA				
Property Address	142 ERIE STREET				
City	DUNMORE	County	LACKAWANNA	State	PA
				Zip Code	18510
Client	FIRST NATIONAL COMMUNITY BANK				



FRONT VIEW OF
SUBJECT PROPERTY



REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE OF
SUBJECT PROPERTY

PHOTOGRAPH ADDENDUM

Borrower or Owner	PATRICK M & CAROL PADULA				
Property Address	142 ERIE STREET				
City	DUNMORE	County	LACKAWANNA	State	PA
				Zip Code	18510
Client	FIRST NATIONAL COMMUNITY BANK				



COMPARABLE #1

1221 THROOP STREET
DICKSON CITY, PA 18519

Price	\$240,000
Price/SF	114.29
Date	s06/12;c05/12
Age	23
Room Count	6-3-2.0
Living Area	2,100

Value Indication \$234,875



COMPARABLE #2

720 PEARL STREET
THROOP, PA 18512

Price	\$190,000
Price/SF	142.32
Date	s08/12;c07/12
Age	26
Room Count	6-3-2.0
Living Area	1,335

Value Indication \$200,350



COMPARABLE #3

138 CONROY AVENUE
SCRANTON, PA 18505

Price	\$240,000
Price/SF	131.15
Date	s06/12;c04/12
Age	51
Room Count	6-3-1.1
Living Area	1,830

Value Indication \$238,425

PHOTOGRAPH ADDENDUM

Borrower or Owner	PATRICK M & CAROL PADULA				
Property Address	142 ERIE STREET				
City	DUNMORE	County	LACKAWANNA	State	PA
				Zip Code	18510
Client	FIRST NATIONAL COMMUNITY BANK				



PHOTOGRAPH ADDENDUM

Borrower or Owner	PATRICK M & CAROL PADULA				
Property Address	142 ERIE STREET				
City	DUNMORE	County	LACKAWANNA	State	PA
				Zip Code	18510
Lender or Client	FIRST NATIONAL COMMUNITY BANK				



PHOTOGRAPH ADDENDUM

Borrower or Owner	PATRICK M & CAROL PADULA				
Property Address	142 ERIE STREET				
City	DUNMORE	County	LACKAWANNA	State	PA
				Zip Code	18510
Client	FIRST NATIONAL COMMUNITY BANK				



THIS DEED

THIS DEED Made the 23rd day of MAY, in the year of our Lord Two Thousand and Twelve (2012)

BETWEEN

WILLIAM PADULA and CARMELLA PADULA, his wife, of the Borough of Dunmore, County of Lackawanna and Commonwealth of Pennsylvania, hereinafter referred to as the **GRANTORS**

A
N
D

PATRICK M. PADULA and CAROL PADULA, his wife, of the Borough of Dunmore, County of Lackawanna and Commonwealth of Pennsylvania, hereinafter referred to as the **GRANTEES**

WITNESSETH, that in consideration of the sum of **ONE (\$1.00) DOLLAR** and other good and valuable consideration in hand paid, the receipt whereof is hereby acknowledged; the Grantors do hereby grant and convey to the said Grantees, their heirs, successors and assigns:

ALL THAT CERTAIN piece or parcel of land situate in the Borough of Dunmore, County of Lackawanna and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point being the intersection of the northwesterly line of Gravity Street and the northeasterly line of Erie Street; thence along said Erie Street, North forty-eight degrees West (N. 48° 00' W.), seventy-six feet (76.00) to a point being the corner of lands now or formerly of Steven Scarantino; thence along the southeasterly line now or formerly of Scarantino North forty-two degrees East (N. 42° 00' E.), fifty and fifteen one-hundredths feet (50.15) to a point; thence along a new division line through lands now or formerly of William Padula, South fifty-three degrees, fourteen minutes fifty-four seconds East (S. 53° 14' 54" E.), seventy-six and thirty-two one-hundredths feet (76.32) to a point in the northwesterly line of said Gravity Street; thence along the northwesterly line of Gravity Street South forty-two degrees West (S. 42° 00' W.) fifty-seven and thirteen one-hundredths feet (57.13) to the place of beginning for the lands described herein.

CONTAINING an area of 4,076.35 square feet of land.

SUBJECT to the same conditions, exceptions, restrictions, reservations, covenants, easements and rights-of-way as are contained in deeds in the chain of title.

BEING the same premises conveyed to William Padula by Deed from William Padula, dated December 28, 1994 and recorded January 3, 1995 in the Office of the Recorder of Deeds in and for Lackawanna County in Deed Book 1497, Page 445.

ALSO BEING part of the same premises conveyed by Deed dated December 5, 1961 and recorded in the Office of the Recorder of Deeds in and for Lackawanna County in Deed Book 589, Page 394.

TAX MAP NO: 157.08-020-024

THIS CONVEYANCE is exempt from the provisions of the Pennsylvania Realty Transfer Tax Act since it is a conveyance between parents to child.

NO TITLE SEARCH REQUESTED. NO TITLE SEARCH PERFORMED

HAZARDOUS WASTE IS NOT BEING DISPOSED OF NOR HAS IT EVER BEEN DISPOSED OF ON THE PROPERTY CONVEYED HEREIN BY THE GRANTORS OR TO THE GRANTORS' KNOWLEDGE.

THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND IN THAT CONNECTION DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT.

LACKAWANNA COUNTY
Certified Property Identification
MUNI: 13

JUN 20 2012
PIN: 15708 020 024
USE: 1000 ASSESS VAL 7000
CLERK: AM
1000

Simply a better bank.

Appraisal Engagement Letter

Date: February 12, 2013

Appraiser Name: Stephen R. Margitich
Address: 615 South Irving
 Scranton, PA 1850

Dear : Suzanne

The following information included in this correspondence will constitute an Agreement between the Appraiser (company performing services and signing the agreement) and "Lender", First National Community Bank (hereafter "FNCB"). The appraiser will provide professional appraisal services for the Lender. The appraisal request is as follows:

Type of Transaction: ☒ Refinance ☐ Purchase ☐ Construction
 ☐ Refinance with Renovation ☐ Purchase with Renovation

Fee: \$325.00

Client(s): Patrick M. Padula
 Carol Padula

Property Address: 142 Erie Street
 Dunmore, PA 18512

County: Lackawanna

Contact Number: 570-343-5272 (Home) 570-342-7629 (Cell)

Appraisal Type: ☒ Freddie Mac Form 70 / Fannie Mae Form 1004, March 2005 and Freddie Mac Form 71 and Fannie Mae Form 1004MC March 2009. UAD Version 9/2011 with Interior Photos of Subject in XML and PDF format.
 ☐ 2-4 Family Unit: Freddie Mac Form 72 / Fannie Mae Form 1025 and Freddie Mac Form 71 and Fannie Mae Form 1004MC March 2009. UAD Version 9/2011 with Interior Photos of Subject in XML and PDF format.
 ☐ Condos: Freddie Mac Form 465 and Fannie Mae Form 1073 March 2005 and Freddie Mac Form 71 and Fannie Mae Form 1004MC March 2009. UAD Version 9/2011 with Interior Photos of Subject in XML and PDF format.
 ☐ Construction Inspection: Freddie Mac Form 442 and Fannie Mae Form 1004D March 2005 with Interior Photos of Subject.
 ☐ Refinance / Purchase Transaction Inspection: Freddie Mac Form 442 and Fannie Mae Form 1004D with Relevant Photos of Subject.
 ☐ Recertification of Value: Freddie Mac Form 2055 and Fannie Mae Form 2055, March 2005. UAD Version 9/2011 with Exterior Photos of Subject in XML and PDF format.

Legal Description: ☒ Deed – Copy of survey to be provided by appraiser

Purchase: ☐ Sales agreement is attached

Construction: ☐ Plans/Specs/Agreement – May be attached or are available for pick up

Please have appraisal or inspection back to First National Community Bank within 10 days of request.

performed to date of such termination. Appraiser understands that even with the termination of agreement appraiser is still obligated under the confidentiality clause in this agreement.

Please provide the appraisal via email to: rkaroscik@fnfb.com and mortgageappraisals@fnfb.com.

Robert Karoscik
 Vice President
 Mortgage Lending Manager

First National Community Bank (hereafter "FNCB")
 Phone Number 570.558.6704 Fax Number 570.558.6735

For state non- member Banks, use 12 CFR 34.1. For state member banks use 12 CFR 225.61. First National Community Bank.

Stephen R. Margitich Agency
615 South Irving Avenue
Scranton, PA 18505
570-342-1941

INVOICE	02/21/2013 DATE	PADULASUE1 FILE NUMBER	CASE NUMBER
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Client: FIRST NATIONAL COMMUNITY BANK
103 E DRINKER STREET
DUNMORE, PA
15212

Item	Total
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APPRAISAL FEE FOR SERVICES RENDERED	\$	325.00
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Borrower: PATRICK M & CAROL PADULA
142 ERIE STREET
DUNMORE, PA 18510
SEE INSTRUMENT # 201211668

Total:	\$	325.00
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Thank you

Market Conditions Addendum to the Appraisal Report File No. PADULASUE1

MARKET RESEARCH & ANALYSIS

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 142 ERIE STREET City DUNMORE State PA ZIP Code 18510

Borrower PATRICK M & CAROL PADULA

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.

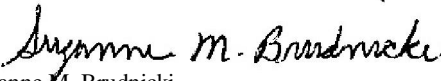
Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend			
Total # of Comparable Sales (Settled)	1	1	2	<input type="checkbox"/>	Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	0.17	0.33	0.67	<input checked="" type="checkbox"/>	Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	3	0	0	<input type="checkbox"/>	Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	18.00	0.00	0.00	<input checked="" type="checkbox"/>	Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> 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	254,000	243,000	235,000	<input type="checkbox"/>	Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	1	82	210	<input type="checkbox"/>	Declining	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Increasing
Median Comparable List Price	265,000			<input type="checkbox"/>	Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	140			<input type="checkbox"/>	Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	94%	90%	93%	<input type="checkbox"/>	Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Seller-(developer, builder, etc.) paid financial assistance prevalent?			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/>	Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.). SELLER CONCESSIONS ARE COMMON IN THE CURRENT MARKET.							
Are foreclosure sales (REO sales) a factor in the market? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, explain (including the trends in listings and sales of foreclosed properties).							
Cite data sources for above information. GSBR MLS							
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 OVERALL TREND IN THE ABOVE GRID INDICATES A MOSTLY STABLE MARKET FOR PROPERTIES THAT ARE COMPARABLE TO THE SUBJECT.							

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)				<input type="checkbox"/>	Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)				<input type="checkbox"/>	Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings				<input type="checkbox"/>	Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab. Rate)				<input type="checkbox"/>	Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Are foreclosure sales (REO sales) a factor in the project? <input type="checkbox"/> Yes <input type="checkbox"/> 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 

Appraiser Name Suzanne M. Brudnicki

Company Name Stephen R. Margitich Agency

Company Address 615 South Irving Avenue, Scranton, PA 18505

State License/Certification # RL000052-L State PA

Email Address margitichre@epix.net

Signature

Appraiser Name

Company Name

Company Address

State License/Certification #

State

Email Address

Freddie Mac Form 71 March 2009 Page 1 of 1 Fannie Mae Form 1004MC March 2009

Stephen R. Margitich Agency Page 18 of 22

MULTI-PURPOSE APPRAISAL ADDENDUM
FOR FEDERALLY RELATED TRANSACTIONS

Borrower/Client	PATRICK M & CAROL PADULA		
Property Address	142 ERIE STREET		
City DUNMORE	County LACKAWANNA	State PA	Zip Code 18510
Lender	FIRST NATIONAL COMMUNITY BANK		

This Multi-Purpose Supplemental Addendum for Federally Related Transactions was designed to provide the appraiser with a convenient way to comply with the current appraisal standards and requirements of the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of Currency (OCC), The Office of Thrift Supervision (OTS), the Resolution Trust Corporation (RTC) and the Federal Reserve.

This Multi-Purpose Supplemental Addendum is for use with any appraisal. Only those statements which have been checked by the appraiser apply to the property being appraised.

☒ PURPOSE & FUNCTION OF APPRAISAL

The purpose of the appraisal is to estimate the market value of the subject property as defined herein. The function of the appraisal is to assist the above-named Lender in evaluating the subject property for lending purposes. This is a Federally related transaction.

☒ EXTENT OF APPRAISAL PROCESS

☒ The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood, and selection of comparable sales within the subject market area. The original source of the comparables is shown in the Data Source section of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable has been used. Data believed to be unreliable was not included in the report nor used as a basis for the value conclusion.

☒ The Reproduction Cost is based on MARSHALL & SWIFT supplemented by the appraiser's knowledge of the local market.

☒ Physical depreciation is based on the estimated effective age of the subject property. Functional and/or external depreciation, if present, is specifically addressed in the appraisal report or other addenda. In estimating the site value, the appraiser has relied on personal knowledge of the local market. This knowledge is based on prior and/or current analysis of site sales and/or abstraction of site values from sales of improved properties.

☒ The subject property is located in an area of primarily owner-occupied single family residences and the Income Approach is not considered to be meaningful. For this reason, the Income Approach was not used.

☐ The Estimated Market Rent and Gross Rent Multiplier utilized in the Income Approach are based on the appraiser's knowledge of the subject market area. The rental knowledge is based on prior and/or current rental rate surveys of residential properties. The Gross Rent Multiplier is based on prior and/or current analysis of prices and market rates for residential properties.

☐ For income producing properties, actual rents, vacancies and expenses have been reported and analyzed. They have been used to project future rents, vacancies and expenses.

☒ SUBJECT PROPERTY OFFERING INFORMATION

According to OWNER the subject property:

☒ has not been offered for sale in the past 30 days.

☐ is currently offered for sale for \$ _____.

☐ was offered for sale within the past 30 days for \$ _____.

☐ Offering information was considered in the final reconciliation of value.

☐ Offering information was not considered in the final reconciliation of value.

☐ Offering information was not available. The reasons for unavailability and the steps taken by the appraiser are explained later in this addendum.

☒ SALES HISTORY OF SUBJECT PROPERTY

According to OWNER AND DEED the subject property:

☐ has not transferred in the past thirty-six months.

☒ has transferred in the past thirty-six months.

☐ All prior sales which have occurred in the past thirty-six months are listed below and reconciled to the appraised value, either in the body of the report or in the addenda.

Date	Sales Price	Document #	Seller	Buyer
05/23/2012	\$1	DEED	PADULA	PATRICK M & CAROL PADULA
			LAND ONLY	FAMILY TRANSFER

☒ FEMA FLOOD HAZARD DATA

☒ The subject property is not located in a FEMA Special Flood Hazard Area.

☐ The subject property is located in a FEMA Special Flood Hazard Area.

Zone	FEMA Map/Panel #	Map Date	Name of Community
C	420529	09/ /1979	DUNMORE

☐ The community does not participate in the National Flood Insurance Program.

☒ The community does participate in the National Flood Insurance Program.

☐ It is covered by a regular program.

☐ It is covered by an emergency program.

☒

CURRENT SALES CONTRACT

☒

The subject property is **currently not under contract**.

☐

The contract and/or escrow instructions **were not available for review**. The unavailability of the contract is explained later in the addenda section.

☐

The contract and/or escrow instructions **were reviewed**. The following summarizes the contract:

Contract Date	Amendment Date	Contract Price	Seller
PATRICK M & CAROL PADULA			

☐

The contract indicated that personal property **was not included** in the sale.

☐

The contract indicated that personal property **was included**. It consisted of _____ Estimated contributory value is \$ _____.

☐

Personal property **was not included** in the final value estimate.

☐

Personal property **was included** in the final value estimate.

☐

The contract indicated **no financing concessions** or other incentives.

☐

The contract indicated **the following concessions** or incentives: _____.

☐

If concessions or incentives exist, the comparables were checked for similar concessions and appropriate adjustments were made, if applicable, so that the final value conclusion is in compliance with the Market Value defined herein.

☒

MARKET OVERVIEW

Include an explanation of current market conditions and trends.

_____ 3-6 _____ months is considered a reasonable marketing period for the subject property based on CURRENT _____ MARKET CONDITIONS _____.

☒

ADDITIONAL CERTIFICATION

The Appraiser certifies and agrees that:

(1)

The analyses, opinions and conclusions were developed, and this report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice ("USPAP"), except that the Departure Provision of the USPAP does not apply.

(2)

Their compensation is not contingent upon the reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

(3)

This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

☒

ADDITIONAL (ENVIRONMENTAL) LIMITING CONDITIONS

The value estimated is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions unless otherwise stated in this report. The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The appraiser's routine inspection of and inquiries about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively unless otherwise stated in this report. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous substances or detrimental environmental conditions on or around the property that would negatively affect its value.

☐

ADDITIONAL COMMENTS

☒

APPRAISER'S SIGNATURE & LICENSE/CERTIFICATION

Appraiser's Signature Suzanne M. Brudnicki Effective Date 02/15/2013 Date Prepared 02/21/2013

Appraiser's Name (print) Suzanne M. Brudnicki Phone # (570) 342-1941

State PA ☐ License ☒ Certification # RL000052-L Tax ID # _____

☐

CO-SIGNING APPRAISER'S CERTIFICATION

☐

The co-signing appraiser **has personally inspected** the subject property, both inside and out, and has made an exterior inspection of all comparable sales listed in the report. The report was prepared by the appraiser under direct supervision of the co-signing appraiser. The co-signing appraiser accepts responsibility for the contents of the report including the value conclusions and the limiting conditions, and confirms that the certifications apply fully to the co-signing appraiser.

☐

The co-signing appraiser **has not personally inspected** the interior of the subject property and:

☐

has not inspected the exterior of the subject property and all comparable sales listed in the report.

☐

has inspected the exterior of the subject property and all comparable sales listed in the report.

☐

The report was prepared by the appraiser under direct supervision of the co-signing appraiser. The co-signing appraiser accepts responsibility for the contents of the report, including the value conclusions and the limiting conditions, and confirms that the certifications apply fully to the co-signing appraiser with the exception of the certification regarding physical inspections. The above describes the level of inspection performed by the co-signing appraiser.

☐

The co-signing appraiser's level of inspection, involvement in the appraisal process and certification are covered elsewhere in the addenda section of this appraisal

☐

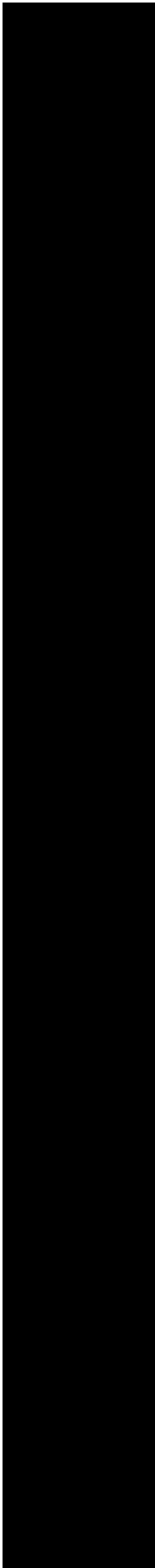
CO-SIGNING APPRAISER'S SIGNATURE & LICENSE/CERTIFICATION

Co-Signing

Appraiser's Signature _____ Effective Date _____ Date Prepared _____

Co-Signing Appraiser's Name (print) _____ Phone # (_____) _____

State _____ ☐ License ☐ Certification # _____ Tax ID # _____



**SUMMARY APPRAISAL REPORT OF
THE PROPERTY LOCATED AT**

142 ERIE STREET

DUNMORE, PA 18510

as of

02/15/2013

for

FIRST NATIONAL COMMUNITY BANK
103 E DRINKER STREET
DUNMORE, PA
15212

by

Stephen R. Margitich Agency

615 South Irving Avenue
Scranton, PA 18505

USPAP Compliance Addendum

File No. PADULASUE1

Borrower		PATRICK M & CAROL PADULA					
Property Address		142 ERIE STREET					
City	DUNMORE	County	LACKAWANNA				
State	PA	Zip Code	18510				
Lender/Client				FIRST NATIONAL COMMUNITY BANK, 103 E DRINKER STREET, DUNMORE, PA 15212			

APPRAISAL AND REPORT IDENTIFICATION

This Appraisal Report is one of the following types:

☐

Self Contained

(A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)

☒

Summary

(A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report.)

☐

Restricted Use

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

COMMENTS ON THE 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 analyses, opinions, and conclusions are limited only by the reported assumptions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

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

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

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 direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

I ☒ have or ☐ have not made a personal inspection of the property that is the subject of this report.

No one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report.)

COMMENTS ON APPRAISAL AND REPORT IDENTIFICATION

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

INCOME WAS NOT USED THE SUBJECT PROPERTY IS NOT A TYPICAL RENTAL UNIT.

MARKETING TIME AND EXPOSURE TIME FOR THE SUBJECT PROPERTY

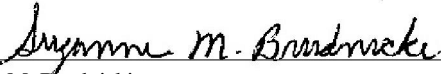
☒ A reasonable marketing time for the subject property is 3-6 month(s) utilizing market conditions pertinent to the appraisal assignment.

☒ A reasonable exposure time for the subject property is 3-6 month(s).

APPRAISER

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature



Name

Suzanne M. Brudnicki

Date of Signature

02/21/2013

State Certification #

RL000052-L

or State License #

State

PA

Expiration Date of Certification or License

06/30/2013

Signature

Name

Date of Signature

State Certification #

or State License #

State

Expiration Date of Certification or License

Effective Date of Appraisal

02/15/2013

Supervisory Appraiser Inspection of Subject Property:

☐ Did Not

☐ Exterior-only from Street

☐ Interior and Exterior

USPAP Compliance Addendum 2012

Stephen R. Margitich Agency

Page 22 of 22