

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA,	)	
	)	
v.	)	
	)	Crim. No. 17-201-01 (ABJ)
PAUL J. MANAFORT, JR.,	)	
	)	
Defendant.	)	

DEFENDANT PAUL J. MANAFORT, JR.'S  
MOTION TO MODIFY CONDITIONS OF RELEASE

Paul J. Manafort, Jr., by and through counsel, hereby moves the Court to modify the conditions of release as outlined below. Counsel for Mr. Manafort and the Office of Special Counsel (“OSC”) have conferred, and the parties agree that the conditions of release set forth below will reasonably assure the appearance of Mr. Manafort as required. *See* 18 U.S.C. Section 3142(b) and (c).

I. Background

The current conditions of release for Mr. Manafort include, among other things, a \$10 million unsecured appearance bond, home confinement in Alexandria, VA, and GPS monitoring. The Court has previously indicated that it is willing to consider modifications to the conditions of release imposed on Mr. Manafort (and the co-defendant, Mr. Gates) regardless of whether the parties have reached agreement. Mr. Manafort advises the Court that an agreed-upon bail package has been reached with the OSC to release the Defendant from home confinement and GPS monitoring. The parties agree that the bail package set forth below satisfy the requirements of the Bail Reform Act.

II. Proposed Conditions of Release

The Defendant will execute an agreement to forfeit four (4) separate real properties if there is a bail violation with a total estimated net value (*i.e.*, fair market value less encumbrances) of approximately \$11.65 million. The OSC has agreed that the properties posted provide the reasonable assurance required under the Bail Reform Act. Liens will be placed on each property in favor of the Court to reasonably assure Mr. Manafort's appearance as required. The real estate properties, and their estimated net asset values, are:

Jobs Lane, Bridgehampton, NY:	\$4.00 million
Baxter Street, New York, NY:	\$3.70 million
St. James Drive, Palm Beach Gardens, FL:	\$1.25 million
Fairfax Street, Alexandria, VA:	\$2.70 million

Three of these real properties are residences owned by Mr. Manafort and his wife, Kathleen. The Baxter Street property is co-owned by Mr. Manafort, Mrs. Manafort, and their daughter, Andrea. Documents establishing the ownership interests in these real properties, the estimated fair market value of the realty being pledged, and any encumbrances on the real estate (such as mortgages) have been previously provided to the OSC for review and are attached for the Court's consideration. (*See Attachments A through D*). Where property is held jointly with another person, that individual has agreed to execute the necessary forms to forfeit the property should Mr. Manafort not appear as required (including a waiver of the Florida homestead exemption). Mr. Manafort and any joint owners also agree that they will not further encumber these properties, and Mr. Manafort will commit to keep current on any outstanding mortgages.

In addition, the Defendant has arranged for sureties on his appearance bond. Mrs. Manafort has agreed to serve as a surety for the entire amount of the bond. Mr. Manafort's daughter will serve as a surety with respect to the net asset value of the Baxter Street property for which she is a part-owner. Immediate family members are therefore personally responsible for substantial payments to the Court should Mr. Manafort not appear as required and should the fair market value of the pledged properties fall below what has been documented. These individuals have agreed to execute the required paperwork before the appropriate official upon the Court's approval of the modified conditions of release. (*See Attachments E, F, G and H*).

The OSC has contended previously in its filings and in court that the Defendant's foreign travel poses a risk. Accordingly, Mr. Manafort has agreed not to travel internationally and not to apply for international travel documents (*e.g.*, visas) while on release. He has provided the OSC with all his passports. Additionally, Mrs. Manafort has agreed to turn over her passport. The parties acknowledge that attempting to travel internationally without the requisite documentation would be very difficult.

In terms of his domestic travel, the parties agree that Mr. Manafort will be restricted in travel to Florida (his state of residence and where he conducts business), Virginia (where he is currently subject to home confinement) and New York (where he maintains a residence and conducts business). Travel to and from these locations to the District of Columbia, where the instant case is pending, is also permissible. Travel within the United States to other jurisdictions (*e.g.*, for a potential business meeting) would be permissible only upon application to and approval by the Court. Further, Mr. Manafort agrees to report on a regular basis to the District of Columbia Pretrial Services

Agency, he will provide the agency with a travel itinerary for domestic travel plans at least 24 hours in advance of such travel with the precise dates and times, and he will contact the Pretrial Services Agency upon departure and arrival and provide any other information otherwise required by the agency. The parties agree that the implementation of these conditions of release, and any other standard release conditions that the Court may impose, will reasonably assure Mr. Manafort's appearance as required, and that his continued home detention in Alexandria, VA, and the attendant GPS monitoring should be terminated.

### III. Discussion

The Bail Reform Act instructs the judicial officer to implement the "least restrictive" condition, or combination of conditions, that will reasonably assure the appearance of the person as required. *See* 18 U.S.C. Section 3142(c)(1)(B). In this regard, it is important to note that "Section 3142 speaks only of conditions that will "reasonably" assure appearance, not guarantee it." *United States v. Xulum*, 84 F.3d 441, 443 (D.C. Cir. 1996) (per curiam).

In the case at bar, the parties have agreed that the above-identified proposed conditions of release will reasonably assure Mr. Manafort's appearance as required. The OSC agrees that a package which includes "substantial financial conditions and travel restrictions, among others" would mitigate the perceived risk of flight. (*See* Government's Memorandum in Support of Conditions of Release, Complex Case Designation and Notice of Intent to Use Certain Bank Records at 13). Mr. Manafort's current home confinement to his Alexandria residence – set during his initial appearance in this case – was viewed as a short-term interim step by the parties as they continued to

work out agreed-upon conditions of release to recommend to the Court. And, to be clear, GPS monitoring was never sought nor requested by either party.

At this point, the parties have agreed upon the substantial financial conditions, travel restrictions and other conditions to recommend to the Court relating to Mr. Manafort's pretrial release. More particularly, the Defendant (and his immediate family) have agreed to forfeit approximately \$11.65 million in real estate assets to the Court should Mr. Manafort not appear as required. This amount is a substantial portion of the Defendant's assets accumulated over a lifetime of work and is \$1.65 million more than the *unsecured* appearance bond currently in place. These assets will not be further encumbered during the pendency of this case and a lien in favor of the Court will be placed on them while this matter is ongoing. In addition, the Defendant's wife and daughter will serve as sureties on Mr. Manafort's appearance bond, as noted above, and they will be personally liable should Mr. Manafort not appear as required and if there is a diminution in the fair market value of the properties pledged. Simply put, Mr. Manafort's family would face severe economic consequences if he were not to appear as required.

In addition to the substantial financial conditions, Mr. Manafort has also agreed with the OSC to significant travel restrictions. First, he will not seek to travel internationally. Although for some this might not seem consequential, it must be remembered that Mr. Manafort has been an international political consultant for many years. He has substantial business and business contacts overseas, and this restriction will undoubtedly affect his ability to secure and retain work from abroad. Second, he agrees to limit domestic travel to Florida, Virginia, New York and the District of

Columbia (where this case is pending). If Mr. Manafort has business anywhere else in the United States, he must seek the Court's permission to travel to that location and obtain its approval. Further, with respect to any permissible domestic travel, Mr. Manafort agrees to abide by any reporting requirements imposed by this Court or a Court-designated agency.

Both parties agree that these substantial financial conditions and travel restrictions, in addition to any other standard conditions of release that the Court may wish to impose, will reasonably assure the Defendant's appearance as required. The termination of his home confinement in Alexandria, VA, and its attendant GPS monitoring (per Pretrial Services protocols), will permit Mr. Manafort to conduct his business and mount his defense of this case.

WHEREFORE, Defendant Manafort moves to modify his current conditions of release as outlined above.

Dated: November 28, 2017

Respectfully submitted,

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Kevin M. Downing  
(DC Bar # 1013984)  
Thomas E. Zehnle  
(DC Bar #415556)  
815 Connecticut Avenue  
Suite 730  
Washington, DC 20006  
(202) 754-1992

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

APPLICATION TO PLEDGE REAL PROPERTY TO SECURE RELEASE ON BOND

UNITED STATES OF AMERICA )  
 )  
 v. )  
 )  
 )  
 )  
 )

Criminal Number 17-201-01 (ABJ)

1. Name(s) of person(s) offering real property for appearance or surety bonds:

Summerbreeze, LLC

2. Address(es): 174 Jobs Lane, Bridgehampton, NY

3. Location of property offered (address and brief description of property):

174 Jobs Lane, Bridgehampton, NY (single family home)

4. Person(s) and address(es) in whose name property is assessed:

Summerbreeze, LLC 174 Jobs Lane, Bridgehampton, NY

5. Mortgage, liens, encumbrances of any kind on such property and the interest held in such property by anyone other than the person(s) in whose name the property is assessed:

Federal Savings Bank (mortgage)

6. Assessed value of property: \$ 13,500,000

7. Mortgage, liens, encumbrances or other interests (total)  
\$ 9,500,000

(over)

8. Net assessed value of property (line 6 less line 7):

\$ 4,000,000

9. Amount required for appearance or surety bonds:

\$ See attached rider

There must be attached to this form a certificate from the Assessor's Office of the District of Columbia, indicating the square and lot numbers, street address, current assessed value, and in whose name the property is assessed.

If the amount shown on line 8 (listed above) exceeds that shown on line 9, then the property, if qualified in all other respects, is adequate to secure the bond in question.

\* \* \* \* \*

**AFFIDAVIT IN SUPPORT TO APPLICATION TO PLEDGE REAL PROPERTY TO  
SECURE RELEASE OF DEFENDANT ON BOND**

I declare under penalty of perjury that the information on this application is true and correct.

I also warrant under oath that, subsequent to the execution of deed of trust on the property described in this application to secure the release of:

Paul J. Manafort, Jr.

and prior to recordation of said deed, no other deed of any kind will be executed by me or will this property be further encumbered in any way.

Witness my hand and seal \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_.

\_\_\_\_\_  
CLERK, U.S. DISTRICT COURT



UNITED STATES DISTRICT COURT  
for the District of Columbia

United States of America  
v.

17 - 201 - 01 (ABJ)

Case No.

Paul J. Manafort  
Defendant

AGREEMENT TO FORFEIT REAL PROPERTY TO OBTAIN A DEFENDANT'S RELEASE

To obtain the defendant's release, we jointly and severally agree to forfeit the following property to the United States of America if this defendant fails to appear as required for any court proceeding or for the service of any sentence imposed as may be noticed or ordered by any court considering this matter, or fails to comply with any conditions of release set by the court (describe property and any claim, lien, mortgage, or other encumbrance on it):

174 Jobs Lane, Bridgehampton, New York as more Fully described in attached Deed Mortgage to Federal Savings Bank dated November 16, 2016. Amount: \$9,500,000.00

*Ownership.* We declare under penalty of perjury that we are this property's sole owners and that it is not subject to any claim, lien, mortgage, or other encumbrance except as disclosed above. We promise not to sell, mortgage, or otherwise encumber the property, or do anything to reduce its value while this agreement is in effect. We deposit with the court the following ownership documents, including any encumbrance documents (list all documents and submit as attachments):

1. Deed dated Nov. 9, 2016
2. Mortgage dated Nov. 16, 2016
3. Appraisal

*Surety Information.* We understand that the court and the United States of America will rely on the surety information in approving this agreement.

*Conditions of Release.* We state that we have either read all court-ordered conditions of release imposed on the defendant or had them explained to us.

*Continuing Agreement.* Unless the court orders otherwise, this agreement remains in effect during any appeal or other review until the defendant has satisfied all court notices, orders, and conditions.

*Exoneration of Sureties.* This agreement is satisfied and ends if the defendant is exonerated on all charges or, if convicted, the defendant reports to serve any sentence imposed.

*Forfeiture.* If the defendant fails to obey all conditions of release, court notices, and orders to appear, the court will immediately order the property forfeited and on motion of the United States of America may order a judgment of forfeiture against the signing parties and their representatives, jointly and severally, including interest and costs.

AO 100 (Rev. 06/09) Agreement to Forfeit Real Property to Obtain a Defendant's Release

I swear under penalty of perjury that the above information is true and agree to the conditions of this agreement.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Defendant (if a property owner)*

City and state: \_\_\_\_\_

*Summerbreeze, LLC by Kathleen B. Manafort*

\_\_\_\_\_  
*Property owner's printed name*

\_\_\_\_\_  
*Property owner's signature*

\_\_\_\_\_  
*Property owner's printed name*

\_\_\_\_\_  
*Property owner's signature*

\_\_\_\_\_  
*Property owner's printed name*

\_\_\_\_\_  
*Property owner's signature*

Sworn and signed before me.

**CLERK OF COURT**

Date: \_\_\_\_\_

\_\_\_\_\_  
*Signature of Clerk or Deputy Clerk*

Agreement accepted.

**UNITED STATES OF AMERICA**

Date: \_\_\_\_\_

\_\_\_\_\_  
*Assistant United States Attorney's signature*

Agreement approved.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Judge's signature*

**174 Jobs Lane, Bridgehampton, NY**

**DEED**

Bargain and Sale Deed, with Covenant against Grantor's Acts

THIS INDENTURE, made the 9<sup>th</sup> day of November, two thousand and sixteen

BETWEEN Kathleen B. Manafort, 10 St. James Drive, Palm Beach Gardens, Florida 33418

party of the first part, and

Summerbreeze, LLC, 10 St. James Drive, Palm Beach Gardens, Florida 33418

party of the second part,

WITNESSETH, that the party of the first part, in consideration of Ten Dollars, and other valuable consideration paid by the party of the second part, does hereby grant and release unto the party of the second part, the heirs or successors and assigns of the part of the second part forever,

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of Southampton, Suffolk County, State of New York, previously recorded at Section 134.00, Block 01.00, Lot 048.006 as set forth more specifically in Schedule A annexed hereto and make part herein.


TOGETHER with all right, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof;

TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises; TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever,

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose. The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written. In presence of:

  
KATHLEEN B. MANAFORT



**First American**  
**Title Insurance Company**  
**of New York**



## Fidelity National Title Insurance Company

TITLE NO.: 16-7406-39626-SUFF

October 4, 2016

### SCHEDULE A (Description)

ALL that certain plot, piece or parcel of land, situate, lying and being at Mecox, in the Town of Southampton, County of Suffolk and State of New York, known and designated as Lot No. 2 on a certain subdivision map entitled, "Minor Subdivision Map for Cidney Farms", being more particularly bounded and described as follows:

- BEGINNING at a point on the westerly side of Jobs Lane which point is situate South 49 degrees 15 minutes 00 seconds West 1730.17 feet more or less from the intersection of the southerly line of Mecox Road and the westerly line of Jobs Lane and which point is also situate 49.17 feet from the southerly line of land now or formerly of Niuta S. Titus;
- RUNNING THENCE North 64 degrees 30 minutes 00 seconds West 569.18 feet;
- RUNNING THENCE South 25 degrees 31 minutes 17 seconds West 348.78 feet to land now or formerly of S.H. Talmage;
- RUNNING THENCE along the last mentioned land North 64 degrees 28 minutes 43 seconds West 260.00 feet;
- RUNNING THENCE North 25 degrees 31 minutes 17 seconds East 338.70 feet;
- RUNNING THENCE along the arc of a regular curve to the right, having a radius of 2500 feet, a distance of 39.26 feet;
- THENCE South 64 degrees 30 minutes 00 seconds East 810.78 feet to the westerly side of Jobs Lane;
- RUNNING THENCE along the westerly side of Jobs Lane South 49 degrees 15 minutes 00 seconds West, 16.39 feet to the point or place of BEGINNING.

*THE POLICY TO BE ISSUED under this Commitment will insure the title to such buildings and improvements on the premises which by law constitute real property.*

*FOR CONVEYANCING ONLY: Together with all the right, title and interest of the party of the first part, of, in and to the land lying in the street in front of and adjoining said premises.*

SCHEDULE A (Description)

**174 Jobs Lane, Bridgehampton, NY**

**MORTGAGE**

Loan Number 1010001429

When recorded, return to:  
The Federal Savings Bank  
Attn: Final Document Department  
300 North Elizabeth Street, Suite 3E  
Chicago, IL 60607

Title Order No.: 16-7406-39626-SUFF  
Escrow No.: 16-7406-39626-SUFF  
LOAN #: 1010001429

[Space Above This Line For Recording Data]

**MORTGAGE**

- A Borrower, a New York limited liability company, has executed a Promissory Note in connection herewith and made payable to the order of Lender in an amount of Nine Million Five Hundred Thousand Dollars (\$9,500,000.00), plus interest at the rate provided therein (the "Note").
- C Borrower desires to secure the prompt payment of the indebtedness and interest evidenced by the Note, the repayment of any advances made pursuant to this Mortgage, with interest thereon, and the due, prompt and complete observance, performance and discharge of each and every obligation, covenant and agreement set forth in the Note, in this Mortgage, and in any other Loan Documents (as hereinafter defined). For purposes of this Mortgage, the Note and any documents executed or delivered in connection with the Note are referred to collectively herein as the "Loan Documents;" provided, however, any environmental indemnity or environmental indemnity agreement, executed by Borrower or any other persons in connection with the Loan, shall in no event constitute a Loan Document for purposes of this Mortgage.

**MORTGAGE**

**WORDS USED OFTEN IN THIS DOCUMENT**

- (A) "Security Instrument." This document, which is dated November 16, 2016, together with all Riders to this document, will be called the "Security Instrument."
- (B) "Borrower." SUMMERBREEZE, LLC,

whose address is C/O BRUCE E. BALDINGER, ESQ., 43 WEST 43<sup>RD</sup> ST, SUITE 141, NEW YORK, NY 10036, sometimes will be called "Borrower" and sometimes simply "I" or "me."

(C) "Lender" is THE FEDERAL SAVINGS BANK and Lender's successors and assigns. Lender is a FEDERAL SAVINGS BANK organized and existing under the laws of the UNITED STATES OF AMERICA. Lender's address is 300 N. ELIZABETH ST. SUITE 3E, CHICAGO, IL 60607. Lender is the mortgagee under this Security Instrument.

(D) "Note." The note signed by Borrower and dated November 16, 2016, will be called the "Note." The Note



LOAN #: 1010001429

shows that I owe Lender **NINE MILLION FIVE HUNDRED THOUSAND AND 00/100 Dollars** (U.S. \$9,500,000.00)

plus interest and other amounts that may be payable. I have promised to pay this debt in Periodic Payments and to pay the debt in full by **December 1, 2046.**

(E) "Property." The property that is described below in the section titled "Description of the Property," will be called the "Property."

(F) "Loan." The "Loan" means the debt evidenced by the Note, plus interest, late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Sums Secured." The amounts described below in the section titled "Borrower's Transfer to Lender of Rights in the Property" sometimes will be called the "Sums Secured."

(I) "Riders." All Riders attached to this Security Instrument that are signed by Borrower will be called "Riders." The following Riders are to be signed by Borrower [check box as applicable]:

- Adjustable Rate Rider
- Condominium Rider
- Second Home Rider
- Other

(J) "Applicable Law." All controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable, judicial opinions will be called "Applicable Law."

(K) "Community Association Dues, Fees, and Assessments." All dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization will be called "Community Association Dues, Fees, and Assessments."

(L) "Electronic Funds Transfer." "Electronic Funds Transfer" means any transfer of money, other than by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Some common examples of an Electronic Funds Transfer are point-of-sale transfers (where a card such as an asset or debit card is used at a merchant), automated teller machine (or ATM) transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(M) "Escrow Items." Those items that are described in Section 3 will be called "Escrow Items."

(N) "Miscellaneous Proceeds." "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than Insurance Proceeds as defined in, and paid under the coverage described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) Condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of Condemnation or sale to avoid Condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property. A taking of the Property by any governmental authority by eminent domain is known as "Condemnation."

(O) "Mortgage Insurance." "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(P) "Periodic Payment." The regularly scheduled amount due for (i) principal and interest under the Note, and (ii) any amounts under Section 3 will be called "Periodic Payment."

(Q) "RESPA." "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (12 C.F.R. Part 1024), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(R) "Secretary" means the Secretary of the United States Department of Housing and Urban Development or his designee.

(S) "Deposit Account Agreement" shall mean that certain Deposit Account and Security Agreement [Borrower's Funds Account] of even date herewith, providing Lender with a first lien security interest in the Borrower's Funds Account and the "Pledged Funds" (as defined in the Deposit Account Agreement [Borrower's Funds Account]) deposited therein.

(T) "Additional Collateral" shall mean \$630,000.00 to be deposited by Borrower into the Borrower's Funds Account to be held by Lender as additional security for the Note.

**DESCRIPTION OF THE PROPERTY**

I give Lender and Lender's successors and assigns rights in the Property described in

(A) through (G) below:

(A) The Property which is located at **174 JOBS LANE, BRIDGEHAMPTON,**

[Street] [City, Town or Village]

New York **11976**

[Zip Code]

This Property is in **SUFFOLK** County. It has the following legal description:  
**SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS "EXHIBIT A".**  
**APN #: Sec: 134.00 Block: 01.00 Lot: 48.006**

*Exhibit A*

**FIDELITY NATIONAL TITLE INSURANCE COMPANY**

**TITLE No.: 16-7406-39626SUFF**

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**SCHEDULE A - Part I**

**DESCRIPTION**

ALL that certain plot, piece or parcel of land, situate, lying and being at Mecox, in the Town of Southampton, County of Suffolk and State of New York, known and designated as Lot No. 2 on a certain subdivision map entitled, "Minor Subdivision Map for Cidney Farms", being more particularly bounded and described as follows:

BEGINNING at a point on the westerly side of Jobs Lane which point is situate South 49 degrees 15 minutes 00 seconds West 1730.17 feet more or less from the intersection of the southerly line of Mecox Road and the westerly line of Jobs Lane and which point is also situate 49.17 feet from the southerly line of land now or formerly of Niuta S. Titus;

RUNNING THENCE North 64 degrees 30 minutes 00 seconds West 569.18 feet;

RUNNING THENCE South 25 degrees 31 minutes 17 seconds West 348.78 feet to land now or formerly of S.H. Talmage;

RUNNING THENCE along the last mentioned land North 64 degrees 28 minutes 43 seconds West 260.00 feet;

RUNNING THENCE North 25 degrees 31 minutes 17 seconds East 338.70 feet;

RUNNING THENCE along the arc of a regular curve to the right, having a radius of 25.00 feet, a distance of 39.26 feet;

THENCE South 64 degrees 30 minutes 00 seconds East 810.78 feet to the westerly side of Jobs Lane;

RUNNING THENCE along the westerly side of Jobs Lane South 49 degrees 15 minutes 00 seconds West, 16.39 feet to the point or place of BEGINNING.

LOAN #: 1010001429

- (B) All buildings and other improvements that are located on the Property described in subsection (A) of this section;
- (C) All rights in other property that I have as owner of the Property described in subsection (A) of this section. These rights are known as "easements and appurtenances attached to the Property;"
- (D) All rights that I have in the land which lies in the streets or roads in front of, or next to, the Property described in subsection (A) of this section;
- (E) All fixtures that are now or in the future will be on the Property described in subsections (A) and (B) of this section;
- (F) All of the rights and property described in subsections (B) through (E) of this section that I acquire in the future; and
- (G) All replacements of or additions to the Property described in subsections (B) through (F) of this section and all Insurance Proceeds for loss or damage to, and all Miscellaneous Proceeds of the Property described in subsections (A) through (F) of this section.

**BORROWER'S RIGHT TO MORTGAGE THE PROPERTY AND BORROWER'S OBLIGATION TO DEFEND OWNERSHIP OF THE PROPERTY**

I promise that: (A) I lawfully own the Property; (B) I have the right to mortgage, grant and convey the Property to Lender; and (C) there are no outstanding claims or charges against the Property, except for those which are of public record.

I give a general warranty of title to Lender. This means that I will be fully responsible for any losses which Lender suffers because someone other than myself has some of the rights in the Property which I promise that I have. I promise that I will defend my ownership of the Property against any claims of such rights.

**PLAIN LANGUAGE SECURITY INSTRUMENT**

This Security Instrument contains promises and agreements that are used in real property security instruments all over the country. It also contains other promises and agreements that vary in different parts of the country. My promises and agreements are stated in "plain language."

**COVENANTS**

I promise and I agree with Lender as follows:

**1. Borrower's Promise to Pay.** I will pay to Lender on time principal and interest due under the Note and late charges and other amounts due under the Note. I will also pay all amounts for Escrow Items under Section 3 of this Security Instrument.

Payments due under the Note and this Security Instrument shall be made in U.S. currency. If any of my payments by check or other payment instrument is returned to Lender unpaid, Lender may require my payment be made by: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location required in the Note, or at another location designated by Lender under Section 14 of this Security Instrument. Lender may return or accept any payment or partial payment if it is for an amount that is less than the amount that is then due. If Lender accepts a lesser payment, Lender may refuse to accept a lesser payment that I may make in the future and does not waive any of its rights. Lender is not obligated to apply such lesser payments when it accepts such payments. If interest on principal accrues as if all Periodic Payments had been paid when due, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until I make payments to bring the Loan current. If I do not do so within a reasonable period of time, Lender will either apply such funds or return them to me. In the event of foreclosure, any unapplied funds will be applied to the outstanding principal balance immediately prior to foreclosure. No offset or claim which I might have now or in the future against Lender will relieve me from making payments due under the Note and this Security Instrument or keeping all of my other promises and agreements secured by this Security Instrument.

**2. Application of Borrower's Payments and Insurance Proceeds.** Unless Applicable Law or this Section 2 requires otherwise, Lender will apply each of my payments that Lender accepts in the following order:

First, to the Mortgage Insurance premiums to be paid by Lender to the Secretary or the the monthly charge by the Secretary instead of the monthly mortgage insurance premiums;

Second, to any taxes, special assessments, leasehold payments or ground rents, and fire, food and other hazard insurance premiums, as required;

Third, to interest due under the Note;

Fourth, to amortization of the principal of the Note; and,

Fifth, to late charges due under the Note.

If Lender receives a payment from me for a late Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the late Periodic Payment and the late charge. If more than one Periodic Payment is due, Lender may apply any payment received from me: First, to the repayment of the Periodic Payments that are due if, and to the extent that, each payment can be paid in full; Next, to the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due.

Any application of payments, Insurance Proceeds, or Miscellaneous Proceeds to principal due under the Note will not extend or postpone the due date of the Periodic Payments or change the amount of those payments.

**3. Monthly Payments For Taxes And Insurance.**

**(a) Borrower's Obligations.** I will pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums to be paid by Lender to the Secretary or the monthly charge by the Secretary instead of the monthly Mortgage Insurance premiums. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item.

After signing the Note, or at any time during its term, Lender may include these amounts as Escrow Items. The monthly payment I will make for Escrow Items will be based on Lender's estimate of the annual amount required.

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I will pay all of these amounts to Lender unless Lender tells me, in writing, that I do not have to do so, or unless Applicable Law requires otherwise. I will make these payments on the same day that my Periodic Payments of principal and interest are due under the Note.

The amounts that I pay to Lender for Escrow Items under this Section 3 will be called "Escrow Funds." I will pay Lender the Escrow Funds for Escrow Items unless Lender waives my obligation to pay the Escrow Funds for any or all Escrow Items. Lender may waive my obligation to pay to Lender Escrow Funds for any or all Escrow Items at any time. Any such waiver must be in writing. In the event of such waiver, I will pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Escrow Funds has been waived by Lender and, if Lender requires, will promptly send to Lender receipts showing such payment within such time period as Lender may require. My obligation to make such payments and to provide receipts will be considered to be a promise and agreement contained in this Security Instrument, as the phrase "promises and agreements" is used in Section 9 of this Security Instrument. If I am obligated to pay Escrow Items directly, pursuant to a waiver, and I fail to pay the amount due for an Escrow Item, Lender may pay that amount and I will then be obligated under Section 9 of this Security Instrument to repay to Lender. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 14 of this Security Instrument and, upon the revocation, I will pay to Lender all Escrow Funds, and in amounts, that are then required under this Section 3.

I promise to promptly send to Lender any notices that I receive of Escrow Item amounts to be paid. Lender will estimate from time to time the amount of Escrow Funds I will have to pay by using existing assessments and bills and reasonable estimates of the amount I will have to pay for Escrow Items in the future, unless Applicable Law requires Lender to use another method for determining the amount I am to pay.

Lender may, at any time, collect and hold Escrow Funds in an amount sufficient to permit Lender to apply the Escrow Funds at the time specified under RESPA. Applicable Law puts limits on the total amount of Escrow Funds Lender can at any time collect and hold. This total amount cannot be more than the maximum amount a lender could require under RESPA. If there is another Applicable Law that imposes a lower limit on the total amount of Escrow Funds Lender can collect and hold, Lender will be limited to the lower amount.

**(b) Lender's Obligations.** Lender will keep the Escrow Funds in a savings or banking institution which has its deposits insured by a federal agency, instrumentally, or entity, or in any Federal Home Loan Bank. If Lender is such a savings or banking institution, Lender may hold the Escrow Funds. Lender will use the Escrow Funds to pay the Escrow Items no later than the time allowed under RESPA or other Applicable Law. Lender will give to me, without charge, an annual accounting of the Escrow Funds. That accounting will show all additions to and deductions from the Escrow Funds and the reason for each deduction.

Lender may not charge me for holding or keeping the Escrow Funds, for using the Escrow Funds to pay Escrow Items, for making a yearly analysis of my payment of Escrow Funds or for receiving, or for verifying and totaling assessments and bills. However, Lender may charge me for these services if Lender pays me interest on the Escrow Funds and if Applicable Law permits Lender to make such a charge. Lender will not be required to pay me any interest or earnings on the Escrow Funds unless either (1) Lender and I agree in writing that Lender will pay interest on the Escrow Funds, or (2) Applicable Law requires Lender to pay interest on the Escrow Funds.

**(c) Adjustments to the Escrow Funds.** Under Applicable Law, there is a limit on the amount of Escrow Funds Lender may hold. If the amount of Escrow Funds held by Lender exceeds this limit, then there will be an excess amount and RESPA requires Lender to account to me in a special manner for the excess amount of Escrow Funds.

If, at any time, Lender has not received enough Escrow Funds to make the payments of Escrow Items when the payments are due, Lender may tell me in writing that an additional amount is necessary. I will pay to Lender whatever additional amount is necessary to pay the Escrow Items when the payments are due, but the number of payments will not be more than 12.

When I have paid all of the Sums Secured, Lender will promptly refund to me any Escrow Funds that are then being held by Lender.

**(d) Deficiencies.** In no event shall Lender be required to disburse any amount which, in Lender's reasonable opinion, will either (a) reduce the total undisbursed amount of the Loan below the amount necessary to pay for the balance of the work, labor and materials necessary to fully complete construction of the Improvements and the payment of all costs in connection therewith, or (b) reduce the undisbursed amount of Loan proceeds allocated to the costs described in any cost category set forth in the Project Budget or in any schedule of values approved by Lender below the amount which Lender, in Lender's reasonable opinion, deems sufficient to pay in full the costs to which such amount is allocated (the deficiencies described in clauses (a) and (b) of this sentence being hereinafter collectively referred to as a "Loan Deficiency").

Borrower hereby agrees that if Lender reasonably determines that a Loan Deficiency exists, Borrower shall, upon five (5) Business Days' written notice from Lender, either:

- a) deposit with Lender in the Borrower's Funds Account the amount that Lender, in its reasonable opinion, deems necessary to pay for the balance of the costs of completing the construction of the Improvements or the costs in the cost category described in the Project Budget or in any such schedule of values, as the case may be, less the undisbursed amount of the Loan or undisbursed portion thereof under the cost category in question, or
- b) furnish Lender with paid invoices, bills and receipts indicating that Borrower has paid, from Borrower's own funds, the costs of completing the construction of the Improvements or the costs in the cost category in question, as the case may be, in a sufficient amount to make the undisbursed amount of the Loan or the undisbursed portion thereof under the cost category in question sufficient to pay for the entire balance of the costs of completing the construction of the Improvements or the entire balance of the costs in such cost category, as the case may be.

All amounts deposited by Borrower pursuant to this Section 3(d) shall be disbursed in accordance with the terms of this Agreement for the payment of the cost of construction of the Improvements prior to any further disbursement of the Loan. Notwithstanding anything to the contrary set forth in this section, in determining the Loan Deficiency, Lender, at its option, may determine what sums are available by reallocating between specific line items of the Project Budget, and Lender may also review the amount of any holdback before requesting that any sum be paid by Borrower under this section.

**4. Borrower's Obligation to Pay Charges, Assessments And Claims.** I will pay all taxes, assessments, water charges, sewer rents and other similar charges, and any other charges and fines that may be imposed on the Property and that may be superior to this Security Instrument. I will also make ground rents or payments due under my lease if I am a tenant on the Property and Community Association Dues, Fees, and Assessments (if any) due on the Property. If these items are Escrow Items, I will do this by making the payments as described in Section 3 of this Security Instrument.

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In this Security Instrument, the word "Person" means any individual, organization, governmental authority or other party.

I will promptly pay or satisfy all Liens against the Property that may be superior to this Security Instrument. However, this Security Instrument does not require me to satisfy a superior Lien if: (a) I agree, in writing, to pay the obligation which gave rise to the superior Lien and Lender approves the way in which I agree to pay that obligation, but only so long as I am performing such agreement; (b) in good faith, I argue or defend against the superior Lien in a lawsuit so that in Lender's opinion, during the lawsuit, the superior Lien may not be enforced, but only until the lawsuit ends; or (c) I secure from the holder of that other Lien an agreement, approved in writing by Lender, that the Lien of this Security Instrument is superior to the Lien held by that Person. If Lender determines that any part of the Property is subject to a superior Lien, Lender may give Borrower a notice identifying the superior Lien. Within 10 days of the date on which the notice is given, Borrower shall pay or satisfy the superior Lien or take one or more of the actions mentioned in this Section 4.

**5. Borrower's Obligation to Maintain Hazard Insurance or Property Insurance.** I will obtain hazard or property insurance to cover all buildings and other improvements that now are, or in the future will be, located on the Property. The insurance will cover loss or damage caused by fire, hazards normally covered by "Extended Coverage" hazard insurance policies, and any other hazards for which Lender requires coverage, including, but not limited to earthquakes and floods. The insurance will be in the amounts (including, but not limited to, deductible levels) and for the periods of time required by Lender. What Lender requires under the last sentence can change during the term of the Loan. I may choose the insurance company, but my choice is subject to Lender's right to disapprove. Lender may not disapprove my choice unless the disapproval is reasonable. Lender may require me to pay either (a) a one-time charge for flood zone determination, certification and tracking services, or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect the flood zone determination or certification. If I disagree with the flood zone determination, I may request the Federal Emergency Management Agency to review the flood zone determination and I promise to pay any fees charged by the Federal Emergency Management Agency for its review.

If I fail to maintain any of the insurance coverages described above, Lender may obtain insurance coverage, at Lender's option and my expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage will cover Lender, but might or might not protect me, my equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. I acknowledge that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that I could have obtained. Any amounts disbursed by Lender under this Section 5 will become my additional debt secured by this Security Instrument. These amounts will bear interest at the interest rate set forth in the Note from the date of disbursement and will be payable with such interest, upon notice from Lender to me requesting payment.

All of the insurance policies and renewals of those policies will include what is known as a "Standard Mortgage Clause" to protect Lender and will name Lender as mortgagee and/or as an additional loss payee. The form of all policies and renewals will be acceptable to Lender. Lender will have the right to hold the policies and renewal certificates. If Lender requires, I will promptly give Lender all receipts of paid premiums and renewal notices that I receive.

If I obtain any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy will include a Standard Mortgage Clause and will name Lender as mortgagee and/or as an additional loss payee.

If there is a loss or damage to the Property, I will promptly notify the insurance company and Lender. If I do not promptly prove to the insurance company that the loss or damage occurred, then Lender may do so.

The amount paid by the insurance company for loss or damage to the Property is called "Insurance Proceeds." Unless Lender and I otherwise agree in writing, any Insurance Proceeds, whether or not the underlying insurance was required by Lender, will be used to repair or to restore the damaged Property unless: (a) it is not economically feasible to make the repairs or restoration; (b) the use of the Insurance Proceeds for that purpose would lessen the protection given to Lender by this Security Instrument; or (c) Lender and I have agreed in writing not to use the Insurance Proceeds for that purpose. During the period that any repairs or restorations are being made, Lender may hold any Insurance Proceeds until it has had an opportunity to inspect the Property to verify that the repair work has been completed to Lender's satisfaction. However, this inspection will be done promptly. Lender may make payments for the repairs and restorations in a single payment or in a series of progress payments as the work is completed. Unless Lender and I agree otherwise in writing or unless Applicable Law requires otherwise, Lender is not required to pay me any interest or earnings on the Insurance Proceeds. I will pay for any public adjusters or other third parties that I hire, and their fees will not be paid out of the Insurance Proceeds. If the repair or restoration is not economically feasible or if it would lessen Lender's protection under this Security Instrument, then the Insurance Proceeds will be used to reduce the amount that I owe to Lender under this Security Instrument. Such Insurance Proceeds will be applied in the order provided for in Section 2. If any of the Insurance Proceeds remain after the amount that I owe to Lender has been paid in full, the remaining Insurance Proceeds will be paid to me.

If I abandon the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If I do not answer, within 30 days, a notice from Lender stating that the insurance company has offered to settle a claim, Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 24 of this Security Instrument or otherwise, I give Lender my rights to any Insurance Proceeds in an amount not greater than the amounts unpaid under the Note and this Security Instrument. I also give Lender any other of my rights (other than the right to any refund of unearned premiums that I paid) under all insurance policies covering the Property, if the rights are applicable to the coverage of the Property. Lender may use the Insurance Proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

**6. Borrower's Obligations to Occupy The Property.** I will occupy the Property and use the Property as my principal residence within 60 days after I sign this Security Instrument. I will continue to occupy the Property and to use the Property as my principal residence for at least one year. The one-year period will begin when I first occupy the Property. However, I will not have to occupy the Property and use the Property as my principal residence within the time frames set forth above if Lender agrees in writing that I do not have to do so. I also will not have to occupy the Property and use the Property as my principal residence within the time frames set forth above if extenuating circumstances exist which are beyond my control.

**7. Borrower's Obligations to Maintain And Protect The Property And to Fulfill Any Lease Obligations.**

**(a) Maintenance and Protection of the Property.** I will not destroy, damage or harm the Property, and I will not allow the Property to deteriorate. Whether or not I am residing in the Property, I will keep the Property in good repair so that it will not deteriorate or decrease in value due to its condition. Unless it is determined under Section 5 of this Security Instrument that repair is not economically feasible, I will promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or Condemnation (as defined in the definition of Miscellaneous Proceeds) proceeds are paid

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because of loss or damage to, or Condemnation of, the Property, I will repair or restore the Property only if Lender has released those proceeds for such purposes. Lender may pay for the repairs and restoration out of proceeds in a single payment or in a series of progress payments as the work is completed. If the insurance or Condemnation proceeds are not sufficient to repair or restore the Property, I promise to pay for the completion of such repair or restoration.

If condemnation proceeds are paid in connection with the taking of the property, Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts, and then to payment of principal. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments or change the amount of such payments.

**(b) Lender's Inspection of Property.** Lender, and others authorized by Lender, may enter on and inspect the Property. They will do so in a reasonable manner and at reasonable times. If it has a reasonable purpose, Lender may inspect the inside of the home or other improvements on the Property. Before or at the time an inspection is made, Lender will give me notice stating a reasonable purpose for such interior inspection.

**8. Borrower's Loan Application.** If, during the application process for the Loan, I, or any Person or entity acting at my direction or with my knowledge or consent, made false, misleading, or inaccurate statements to Lender about information important to Lender in determining my eligibility for the Loan (or did not provide Lender with such information), Lender will treat my actions as a default under this Security Instrument. False, misleading, or inaccurate statements about information important to Lender would include a misrepresentation of my intention to occupy the Property as a principal residence. This is just one example of a false, misleading, or inaccurate statement of important information.

**9. Lender's Right to Protect Its Rights in The Property.** If: (a) I do not keep my promises and agreements made in this Security Instrument; (b) someone, including me, begins a legal proceeding that may significantly affect Lender's interest in the Property or rights under this Security Instrument (such as a legal proceeding in bankruptcy, in probate, for Condemnation or Forfeiture (as defined in Section 10), proceedings which could give a Person rights which could equal or exceed Lender's interest in the Property or under this Security Instrument, proceedings for enforcement of a Lien which may become superior to this Security Instrument, or to enforce laws or regulations); or (c) I have abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and Lender's rights under this Security Instrument.

Lender's actions may include, but are not limited to: (a) protecting and/or assessing the value of the Property; (b) securing and/or repairing the Property; (c) paying sums to eliminate any Lien against the Property that may be equal or superior to this Security Instrument; (d) appearing in court; and (e) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Lender can also enter the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, have utilities turned on or off, and take any other action to secure the Property. Although Lender may take action under this Section 9, Lender does not have to do so and is under no duty to do so. I agree that Lender will not be liable for not taking any or all actions under this Section 9.

I will pay to Lender any amounts, with interest, which Lender spends under this Section 9. I will pay those amounts to Lender when Lender sends me a notice requesting that I do so. I will pay interest on those amounts at the interest rate set forth in the Note. Interest on each amount will begin on the date that the amount is spent by Lender. This Security Instrument will protect Lender in case I do not keep this promise to pay those amounts with interest.

If I do not own, but am a tenant on the Property, I will fulfill all my obligations under my lease. I also agree that, if I acquire the full title (sometimes called "Fee Title") to the Property, my lease interest and the Fee Title will not merge unless Lender agrees to the merger in writing.

**10. Agreements About Miscellaneous Proceeds; Forfeiture.** All Miscellaneous Proceeds are assigned to and will be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds will be applied to restoration or repair of the Property, if (a) the restoration or repair is economically feasible, and (b) Lender's security given in this Security Instrument is not lessened. During such repair and restoration period, Lender will have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect the Property to verify that the work has been completed to Lender's satisfaction. However, the inspection will be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless Lender and I agree otherwise in writing or unless Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender will not be required to pay Borrower any interest or earnings on the Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security given in this Security Instrument would be lessened, the Miscellaneous Proceeds will be applied to the Sums Secured, whether or not then due. The excess, if any, will be paid to me. Such Miscellaneous Proceeds will be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds will be applied to the Sums Secured, whether or not then due. The excess, if any, will be paid to me.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the Sums Secured immediately before the partial taking, destruction, or loss in value, the Sums Secured will be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the Sums Secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to me.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the Sums Secured immediately before the partial taking, destruction, or loss in value, the Miscellaneous Proceeds will be applied to the Sums Secured whether or not the sums are then due.

If I abandon the Property, or if, after Lender sends me notice that the Opposing Party (as defined in the next sentence) offered to make an award to settle a claim for damages, I fail to respond to Lender within 30 days after the date Lender gives notice, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the Sums Secured, whether or not then due. "Opposing Party" means the third party that owes me Miscellaneous Proceeds or the party against whom I have a right of action in regard to Miscellaneous Proceeds.

I will be in default under this Security Instrument if any civil or criminal action or proceeding that Lender determines could result in a court ruling (a) that would require Forfeiture of the Property, or (b) that could damage Lender's interest in the Property or rights under this Security Instrument. "Forfeiture" is a court action to require the Property, or any part of

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the Property, to be given up. I may correct the default by obtaining a court ruling that dismisses the court action, if Lender determines that this court ruling prevents Forfeiture of the Property and also prevents any damage to Lender's interest in the Property or rights under this Security Instrument. If I correct the default, I will have the right to have enforcement of this Security Instrument discontinued, as provided in Section 18 of this Security Instrument, even if Lender has required Immediate Payment in Full (as defined in Section 24). The proceeds of any award or claim for damages that are attributable to the damage or reduction of Lender's interest in the Property are assigned, and will be paid, to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property will be applied in the order provided for in Section 2.

**11. Continuation of Borrower's Obligations And of Lender's Rights.**

(a) **Borrower's Obligations.** Lender may allow me, or a person who takes over my rights and obligations, to delay or to change the amount of the Periodic Payments. Even if Lender does this, however, I will still be fully obligated under the Note and under this Security Instrument unless Lender agrees to release me, in writing, from my obligations.

Lender may allow those delays or changes for me or a Person who takes over my rights and obligations, even if Lender is requested not to do so. Even if Lender is requested to do so, Lender will not be required to (1) bring a lawsuit against me or such a Person for not fulfilling obligations under the Note or under this Security Instrument, or (2) refuse to extend time for payment or otherwise modify amortization of the Sums Secured.

(b) **Lender's Rights.** Even if Lender does not exercise or enforce any right of Lender under this Security Instrument or under Applicable Law, Lender will still have all of those rights and may exercise and enforce them in the future. Even if: (1) Lender obtains insurance, pays taxes, or pays other claims, charges or liens against the Property; (2) Lender accepts payments from third Persons; or (3) Lender accepts payments in amounts less than the amount then due, Lender will have the right under Section 24 below to demand that I make Immediate Payment in Full of any amounts remaining due and payable to Lender under the Note and under this Security Instrument.

**12. Obligations of Borrower And of Persons Taking Over Borrower's Rights or Obligations.** If more than one Person signs this Security Instrument as Borrower, each of us is fully obligated to keep all of Borrower's promises and obligations contained in this Security Instrument. Lender may enforce Lender's rights under this Security Instrument against each of us individually or against all of us together. This means that any one of us may be required to pay all of the Sums Secured. However, if one of us does not sign the Note: (a) that Person is signing this Security Instrument only to give that Person's rights in the Property to Lender under the terms of this Security Instrument; (b) that Person is not personally obligated to pay the Sums Secured; and (c) that Person agrees that Lender may agree with the other Borrowers to delay enforcing any of Lender's rights, to modify, or make any accommodations with regard to the terms of this Security Instrument or the Note without that Person's consent.

Subject to the provisions of Section 17 of this Security Instrument, any Person who takes over my rights or obligations under this Security Instrument in writing, and is approved by Lender in writing, will have all of my rights and will be obligated to keep all of my promises and agreements made in this Security Instrument. Borrower will not be released from Borrower's obligations and liabilities under this Security Instrument unless Lender agrees to such release in writing. Any Person who takes over Lender's rights or obligations under this Security Instrument will have all of Lender's rights and will be obligated to keep all of Lender's promises and agreements made in this Security Instrument except as provided under Section 19.

**13. Loan Charges.** Lender may charge me fees for services performed in connection with my default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. Lender may collect fees and charges authorized by the Secretary. Lender may not charge fees that are prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to Applicable Law which sets maximum loan charges, and that Applicable Law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed permitted limits: (a) any such loan charge will be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment with no changes in the due date or in the monthly payment amount unless the Note holder agrees in writing to those changes. If I accept such a refund that is paid directly to me, I will waive any right to bring a lawsuit against Lender because of the overcharge.

**14. Notices Required under this Security Instrument.** All notices given by me or Lender in connection with this Security Instrument will be in writing. Any notice to me in connection with this Security Instrument is considered given to me when mailed by first class mail or when actually delivered to my notice address if sent by other means. Notice to any one Borrower will be notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address is the address of the Property unless I give notice to Lender of a different address. I will promptly notify Lender of my change of address. If Lender specifies a procedure for reporting my change of address, then I will only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender will be given by delivering it or by mailing it by first class mail to Lender's address stated on the first page of this Security Instrument unless Lender has given me notice of another address. Any notice in connection with this Security Instrument is given to Lender when it is actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

**15. Law That Governs this Security Instrument; Word Usage.** This Security Instrument is governed by federal law and the law of New York State. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might allow the parties to agree by contract or it might be silent, but such silence does not mean that Lender and I cannot agree by contract. If any term of this Security Instrument or of the Note conflicts with Applicable Law, the conflict will not affect other provisions of this Security Instrument or the Note which can operate, or be given effect, without the conflicting provision. This means that the Security Instrument or the Note will remain as if the conflicting provision did not exist.

As used in this Security Instrument: (a) words of the masculine gender mean and include corresponding words of the feminine and neuter genders; (b) words in the singular mean and include the plural, and words in the plural mean and include the singular; and (c) the word "may" gives sole discretion without any obligation to take any action.

**16. Borrower's Copy.** I will be given one copy of the Note and of this Security Instrument.

**17. Agreements about Lender's Rights if the Property Is Sold or Transferred.** Lender may require Immediate Payment in Full of all Sums Secured by this Security Instrument if all or any part of the Property, or if any right in the Property, is sold or transferred without Lender's prior written permission. If Borrower is not a natural Person and a beneficial

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interest in Borrower is sold or transferred without Lender's prior written permission, Lender also may require Immediate Payment in Full. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender requires Immediate Payment in Full under this Section 17, Lender will give me a notice which states this requirement. The notice will give me at least 30 days to make the required payment. The 30-day period will begin on the date the notice is given to me in the manner required by Section 14 of this Security Instrument. If I do not make the required payment during that period, Lender may act to enforce its rights under this Security Instrument without giving me any further notice or demand for payment.

**18. Borrower's Right to Have Lender's Enforcement of this Security Instrument Discontinued.** If I meet certain conditions, I shall have the right to reinstatement of a mortgage. These conditions are that:

- (a) I pay to Lender the full amount that then would be due under this Security Instrument and the Note as if Immediate Payment in Full had never been required;
- (b) I correct my failure to keep any of my other promises or agreements made in this Security Instrument;
- (c) I pay all of Lender's reasonable expenses in enforcing this Security Instrument including, for example, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and
- (d) I do whatever Lender reasonably requires to assure that Lender's interest in the Property and rights under this Security Instrument and my obligations under the Note and under this Security Instrument continue unchanged.

However, Lender is not required to reinstate if: (i) Lender has accepted reinstatement after the beginning of foreclosure proceedings within two years immediately prior to the beginning of current foreclosure proceedings; (ii) reinstatement will prevent foreclosure on different grounds in the future, or (iii) reinstatement will adversely affect the priority of the lien created by this Security Instrument.

Lender may require that I pay the sums and expenses mentioned in (a) through (d) in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer.

If I fulfill all of the conditions in this Section 18, then this Security Instrument will remain in full effect as if Immediate Payment in Full had never been required. However, I will not have the right to have Lender's enforcement of this Security Instrument discontinued if Lender has required Immediate Payment in Full under Section 17 of this Security Instrument.

**19. Note Holder's Right to Sell the Note or an Interest in the Note; Borrower's Right to Notice of Change of Loan Servicer; Lender's and Borrower's Right to Notice of Grievance.** The Note, or an interest in the Note, together with this Security Instrument, may be sold one or more times. I might not receive any prior notice of these sales.

The entity that collects the Periodic Payments and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law is called the "Loan Servicer." There may be a change of the Loan Servicer as a result of the sale of the Note. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. Applicable Law requires that I be given written notice of any change of the Loan Servicer. The notice will state the name and address of the new Loan Servicer, and also tell me the address to which I should make my payments. The notice also will contain any other information required by RESPA or Applicable Law. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to me will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither I nor Lender may commence, join, or be joined to any court action (as either an individual party or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other has not fulfilled any of its obligations under this Security Instrument, unless the other is notified (in the manner required under Section 14 of this Security Instrument) of the unfulfilled obligation and given a reasonable time period to take corrective action. If Applicable Law provides a time period which will elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to me under Section 24 and the notice of the demand for payment in full given to me under Section 24 will be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 19. All rights under this paragraph are subject to Applicable Law.

**20. Borrower Not Third-Party Beneficiary to Contract of Insurance.** Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if I do not repay the Loan as agreed. I acknowledge and agree that I am not a third party beneficiary to the contract of insurance between the Secretary and Lender, nor am I entitled to enforce any agreement between Lender and the Secretary, unless explicitly authorized to do so by Applicable Law.

**21. Continuation of Borrower's Obligations to Maintain and Protect the Property.** The federal laws and the laws of New York State that relate to health, safety or environmental protection are called "Environmental Law." Environmental Law classifies certain substances as toxic or hazardous. There are other substances that are considered hazardous for purposes of this Section 21. These substances are gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. The substances defined as toxic or hazardous by Environmental Law and the substances considered hazardous for purposes of this Section 21 are called "Hazardous Substances." "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law. An "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

I will not do anything affecting the Property that violates Environmental Law, and I will not allow anyone else to do so. I will not cause or permit Hazardous Substances to be present on the Property. I will not use or store Hazardous Substances on the Property. I also will not dispose of Hazardous Substances on the Property, or release any Hazardous Substance on the Property, and I will not allow anyone else to do so. I also will not do, nor allow anyone else to do, anything affecting the Property that: (a) is in violation of any Environmental Law; (b) creates an Environmental Condition; or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The promises in this paragraph do not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized as appropriate for normal residential use and maintenance of the Property (including, but not limited to, Hazardous Substances in consumer products). I may use or store these small quantities on the Property. In addition, unless Environmental Law requires removal or other action, the buildings, the improvements and the fixtures on the Property are permitted to contain asbestos and asbestos-containing materials if the asbestos and asbestos-containing materials are undisturbed and "non-friable" (that is, not easily crumbled by hand pressure).



LOAN #: 1010001429

I will promptly give Lender written notice of: (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which I have actual knowledge; (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance; and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If I learn, or any governmental or regulatory authority, or any private party, notifies me that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, I will promptly take all necessary remedial actions in accordance with Environmental Law.

Nothing in this Security Instrument creates an obligation on Lender for an Environmental Cleanup.

## 22. Grounds for Acceleration of Debt.

(a) **Default.** Lender may, except as limited by regulations issued by the Secretary, in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:

(i) I default by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or

(ii) I default by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.

(b) **Sale Without Credit Approval.** Lender shall, if permitted by applicable law (including Section 341(d) of the Garn-St. Germain Depository Institutions Act of 1982, 12 U.S.C. 1701j-3(d)) and with the prior approval of the Secretary, require immediate payment in full of all sums secured by this Security Instrument if:

(i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent), and

(c) **No Waiver.** If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.

(d) **Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.

(e) **Mortgage Not Insured.** I agree that if this Security Instrument and the Note are not determined to be eligible for insurance under the National Housing Act within 60 days from the date hereof, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to 60 days from the date hereof, declining to insure this Security Instrument and the Note, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.

## NON-UNIFORM COVENANTS

I also promise and agree with Lender as follows:

**23. Assignment of Rents.** I unconditionally assign and transfer to Lender all the rents and revenues of the Property. I authorize Lender or Lender's agents to collect the rents and revenues and hereby direct each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to me of my breach of any covenant or agreement in the Security Instrument, I shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and me. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to me: (a) all rents received by me shall be held by me as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

I have not executed any prior assignment of the rents and have not and will not perform any act that would prevent Lender from exercising its rights under this Section 23.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to me. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

**24. Lender's Rights if Borrower Fails to Keep Promises and Agreements.** Lender shall give notice to me prior to acceleration following my breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 17 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to me, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform me of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense I have to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender will have the right to collect all costs allowed by law, including, but not limited to reasonable attorneys' fees and costs of title evidence.

If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under Section 22, the Secretary may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. 3751 et seq.) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this Section 24 or applicable law.

**25. Lender's Obligation to Discharge this Security Instrument.** When Lender has been paid all amounts due under the Note and under this Security Instrument, Lender will discharge this Security Instrument by delivering a certificate stating that this Security Instrument has been satisfied. I will pay all costs of recording the discharge in the proper official records. I agree to pay a fee for the discharge of this Security Instrument, if Lender so requires. Lender may require that

LOAN #: 1010001429

I pay such a fee, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted by Applicable Law.

26. **Agreements about New York Lien Law.** I will receive all amounts lent to me by Lender subject to the trust fund provisions of Section 13 of the New York Lien Law. This means that I will: (a) hold all amounts which I receive and which I have a right to receive from Lender under the Note as a trust fund; and (b) use those amounts to pay for "Cost of Improvement" (as defined in Section 13 of the New York Lien Law) before I use them for any other purpose. The fact that I am holding those amounts as a trust fund means that for any building or other improvement located on the Property I have a special responsibility under the law to use the amount in the manner described in this Section 26.

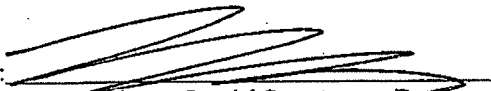
27. **Borrower's Statement Regarding the Property [check box as applicable].**

- This Security Instrument covers real property improved, or to be improved, by a one or two family dwelling only.
- This Security Instrument covers real property principally improved, or to be improved, by one or more structures containing, in the aggregate, not more than six residential dwelling units with each dwelling unit having its own separate cooking facilities.
- This Security Instrument does not cover real property improved as described above.

28. **Event of Default.** Any event of default under any of the Loan Documents shall constitute an event of default for purposes of this Security Instrument.

BY SIGNING BELOW, I accept and agree to the promises and agreements contained in pages 1 through 10 of this Security Instrument and in any Rider signed by me and recorded with it.

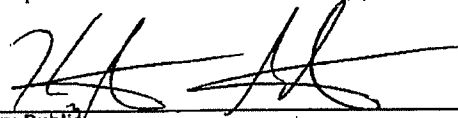
SUMMERBREEZE LLC, a New York limited liability company

By:   
Bruce Baldinger, Special Secretary, Borrower

State of Ny )  
County of Ny ) SS:

On the 16th day of NOVEMBER in the year 2016, before me, the undersigned, a Notary Public in and for said State, personally appeared Bruce Baldinger, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity (ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

**KRYSTIANA GEMBRESSI**  
Notary Public, State of New York  
No. 01GE6217319  
Qualified in Nassau County  
Commission Expires February 08, 2018

  
Notary Public  
My commission expires: 2018

SECOND HOME RIDER

LOAN #: 1010001429

THIS SECOND HOME RIDER is made this 16<sup>th</sup> day of November, 2016, and is Incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower," whether there are one or more persons undersigned) to secure Borrower's Note to THE FEDERAL SAVINGS BANK (the "Lender") of the same date and covering the Property described in the Security Instrument (the "Property"), which is located at : 174 JOBS LANE, BRIDGEHAMPTON, NY 11976

In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree that Sections 6 and 8 of the Security Instrument are deleted and are replaced by the following:

6. Occupancy. Borrower shall occupy, and shall only use, the Property as Borrower's second home. Borrower shall keep the Property available for Borrower's exclusive use and enjoyment at all times, and shall not subject the Property to any timesharing or other shared ownership arrangement or to any rental pool or agreement that requires Borrower either to rent the Property or give a management firm or any other person any control over the occupancy or use of the Property.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's second home.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Second Home Rider.

SUMMERBREEZE LLC, a New York limited liability company

By:   
Bruce Baldinger, Special Secretary, - Borrower

**174 Jobs Lane, Bridgehampton, NY**

**PROPERTY APPRAISAL  
and  
BROKER'S VALUATION**

**APPRAISAL OF REAL PROPERTY**

**LOCATED AT:**

174 Jobs Ln  
District 900 Section 134 Block 1 Lot 48.006  
Bridgehampton, NY 11932

**FOR:**

The Federal Savings Bank  
300 N Elizabeth St Suite 3E  
Chicago, IL 60607

**AS OF:**

10/04/2016

**BY:**

Douglas C Feinberg  
DCF Appraisals  
135 Lewis Street  
Southampton NY 11968

516-381-3812 Cell Phone 631-537-6169 Office Phone and Fax

The Federal Savings Bank  
300 N Elizabeth St Suite 3E  
Chicago, IL 60607

Re: Property: 174 Jobs Ln  
Bridgehampton, NY 11932  
Borrower: Paul Manafort  
File No.: R16-08638

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

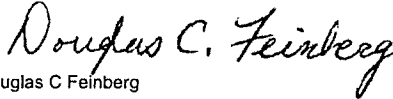
The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

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 value conclusions reported are as of the effective date stated in the body of the report and 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,



Douglas C Feinberg

Douglas Feinberg (516)381-3812

### Uniform Residential Appraisal Report

9016235816  
File # R16-08638

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

**PROPERTY ADDRESS:** 174 Jobs Ln City Bridgehampton State NY Zip Code 11932  
**BORROWER:** Paul Manafort Owner of Public Record Kathleen B Manafort County Suffolk

**LEGAL DESCRIPTION:** District 900 Section 134 Block 1 Lot 48.006  
**ASSESSOR'S PARCEL #:** 0900-134.00-01-00-048.006 Tax Year 2016 R.E. Taxes \$ 19,773  
**NEIGHBORHOOD NAME:** Bridgehampton South Map Reference 31-Q-43 Census Tract 1907.04

**SUBJECT:** Occupant  Owner  Tenant  Vacant Special Assessments \$ 0  PUD HOA \$ 0  per year  per month  
 Property Rights Appraised  Fee Simple  Leasehold  Other (describe)  
 Assignment Type  Purchase Transaction  Refinance Transaction  Other (describe)  
 Lender/Client The Federal Savings Bank Address 300 N Elizabeth St Suite 3E, Chicago, IL 60607  
 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). Broker Record Research.

**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.  
 Contract Price \$ Date of Contract Is the property seller the owner of public record?  Yes  No Data Source(s)  
 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.

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

Neighborhood Characteristics	One-Unit Housing Trends	One-Unit Housing	Present Land Use %
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE AGE One-Unit	65 %
Built-Up <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000) (yrs)	2-4 Unit 0 %
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input checked="" type="checkbox"/> Over 6 mths	1,450 Low 1	Multi-Family 0 %
Neighborhood Boundaries The neighborhood is bound to the north by Montauk Hwy, to the east by Sagg Pond, to the south by Atlantic Ocean and the west by Mecox Bay.		22,000 High 200	Commercial 10 %
Neighborhood Description The subject dwelling is located in a quiet neighborhood. Transportation includes trains, busses, and aircraft. Easy access to major roadways and highways. Close proximity to shopping, commercial, business districts, restaurants, recreational waterways, ocean and bay beaches. Employment is strong and stable with a higher demand during the summer months.		5,500 Pred. 40	Other 25 %

Market Conditions (including support for the above conclusions) The real estate market appears to be stabilizing for single-family properties. Mortgage financing is mixed VA, FHA and Conventional, all at competitive rates and terms. There are no standard loans discounts or interest rate buy downs in this marketing area. Seller sales concession activity is not normally found except on new construction and on Relocation Company assis

**SITE:** Dimensions Subject to Survey Area 2.37 ac Shape Irregular/Typical View N;Res;  
 Specific Zoning Classification R80 Zoning Description Min lot size 80,000 square feet.  
 Zoning Compliance  Legal  Legal Nonconforming (Grandfathered Use)  No Zoning  Illegal (describe)  
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use?  Yes  No If No, describe

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>	800 Amps	Water	<input checked="" type="checkbox"/>	Street Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input type="checkbox"/>	Propane	Sanitary Sewer	<input checked="" type="checkbox"/>	Alley None	<input type="checkbox"/>	<input type="checkbox"/>

FEMA Special Flood Hazard Area  Yes  No FEMA Flood Zone X500 FEMA Map # 36103C0537H FEMA Map Date 09/25/2009  
 Are the utilities and off-site improvements typical for the market area?  Yes  No If No, describe  
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)?  Yes  No If Yes, describe  
 Underground septic systems, private wells and propane are common to the area and are in satisfactory operation with no problems noted. No apparent or visible adverse or unfavorable factors which would effect the subject's value or marketability at time of inspection. There are no public or private sewer systems in the streets of the subject market area. All comps have the same septic waste disposal system.

**IMPROVEMENTS:**

General Description	Foundation	Exterior Description	materials/condition	Interior	materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	Stone Face, Concrete	Floors	Wood, Good
# of Stories 2	<input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	Cedar Shingle, Good	Walls	Drywall, Good
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 3,255 sq.ft.	Roof Surface	Composit, Shg, Good	Trim/Finish	Wood Paint, Good
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 90 %	Gutters & Downspouts	Yes, Alum, Good	Bath Floor	Ceramic, Good
Design (Style) Colonial	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	Double Hung, Good	Bath Wainscot	Marble, Cerm, Good
Year Built 1994	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated	Yes, Good	Car Storage	<input type="checkbox"/> None
Effective Age (Yrs) 2	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	Yes, Good	<input checked="" type="checkbox"/> Driveway # of Cars	6
Attic <input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> Woodstove(s) # 0	Driveway Surface	Stone
<input checked="" type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel Oil	<input checked="" type="checkbox"/> Fireplace(s) # 2	<input checked="" type="checkbox"/> Fence Fbgl, Wire	<input checked="" type="checkbox"/> Garage # of Cars	2
<input type="checkbox"/> Floor <input type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck Both	<input checked="" type="checkbox"/> Porch Side	<input type="checkbox"/> Carport # of Cars	0
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input checked="" type="checkbox"/> Other None	<input checked="" type="checkbox"/> Pool In Ground	<input checked="" type="checkbox"/> Other Extras	<input checked="" type="checkbox"/> Att. <input type="checkbox"/> Det. <input type="checkbox"/> Built-in	

Appliances  Refrigerator  Range/Oven  Dishwasher  Disposal  Microwave  Washer/Dryer  Other (describe) Extras  
 Finished area above grade contains: 15 Rooms 8 Bedrooms 8.1 Bath(s) 6,123 Square Feet of Gross Living Area Above Grade  
 Additional features (special energy efficient items, etc.). See Addendum on Page 3.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C2:Kitchen-remodeled-one to five years ago; Bathrooms-remodeled-one to five years ago; Total life expectancy estimated at 60 years. Physical depreciation estimated on a straight line basis. Physical depreciation of subject is 3.33%. No functional or external obsolescence. The subject is adequately maintained with no repairs required at the present time.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property?  Yes  No If Yes, describe  
 Your appraiser is not a home inspector and this appraisal report is not a home inspection, your appraiser only preformed a visual observation of accessible areas and the appraisal report cannot be relied upon to disclose conditions and/or defects in the subject property. A professional home inspection is recommended.  
 Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)?  Yes  No If No, describe

Uniform Residential Appraisal Report

9016235816  
File # R16-08638

There are 8 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 11,495,000 to \$ 22,000,000					
There are 4 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 11,500,000 to \$ 14,600,000					
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3	
Address	174 Jobs Ln Bridgehampton, NY 11932	379 Ocean Rd Bridgehampton, NY 11932	461 Ocean Rd Bridgehampton, NY 11932	672 Halsey Ln Bridgehampton, NY 11932	
Proximity to Subject		1.55 miles NE	1.40 miles NE	0.66 miles N	
Sale Price	\$	\$ 14,600,000	\$ 13,500,000	\$ 12,000,000	
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 1591.45 sq.ft.	\$ 2563.13 sq.ft.	\$ 1200.72 sq.ft.	
Data Source(s)		See Below No MLS#;DOM 143	See Below No MLS#;DOM 418	See Below No MLS#;DOM 437	
Verification Source(s)		Assessor,RTS 2000***See Below	Assessor,RTS 2000***See Below	Assessor,RTS 2000***See Below	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing		ArmLth		ArmLth	
Concessions		Unk;0		Cash;0	
Date of Sale/Time		s08/16;Unk		s10/15;Unk	
Location	N;Res;	N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple	
Site	2.37 ac	2.47 ac	0	1.96 ac	+41,000
View	N;Res;	N;Res;		N;Res;	
Design (Style)	DT2;Colonial	DT2;Colonial		DT2;Colonial	
Quality of Construction	Q2	Q2		Q2	
Actual Age	22	12	0	5	0
Condition	C2	C2		C2	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths	
Room Count	15 8 8.1	16 8 7.3	0	13 6 6.2	+30,000
Gross Living Area	6,123 sq.ft.	9,174 sq.ft.	-610,200	5,267 sq.ft.	+171,200
Basement & Finished	3255sf2930sfin	4333sf3000sfin	0	2400sf2000sfin	0
Rooms Below Grade	1rr0br0.1ba4o	1rr0br1.0ba2o	0	1rr1br1.0ba2o	0
Functional Utility	Conforms Yes	Conforms Yes		Conforms Yes	
Heating/Cooling	H(Y)C(Y)	H(Y)C(Y)		H(Y)C(Y)	
Energy Efficient Items	Energy Star	Energy Star		Energy Star	
Garage/Carport	2ga6dw	3ga6dw	-10,000	2ga6dw	-10,000
Porch/Patio/Deck	1Porh,4Pato,4D	1Porh,3Pato1D	+60,000	1Porch,4Patio	+80,000
Fireplace	2 Fireplace	5 Fireplace	-75,000	5 Fireplace	-75,000
Pool/Fence	Pool/Hot Tub	Pool/Hot Tub		Pool/Hot Tub	
EXTRAS	P/H,Ten,GG,OK	Equal	0	Inferior	+1,000,000
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -635,200	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 247,200	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 316,800	
Adjusted Sale Price of Comparables		Net Adj. 4.4 % Gross Adj. 5.2 % \$ 13,964,800	Net Adj. 1.8 % Gross Adj. 2.9 % \$ 13,747,200	Net Adj. 2.6 % Gross Adj. 16.5 % \$ 12,316,800	
I <input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain					
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.					
Data Source(s) Geodata					
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.					
Data Source(s) Geodata					
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					
Price of Prior Sale/Transfer					
Data Source(s)	Geodata	Geodata	Geodata	Geodata	
Effective Date of Data Source(s)	10/04/2016	10/04/2016	10/04/2016	10/04/2016	
Analysis of prior sale or transfer history of the subject property and comparable sales Any transfers of the subject and comparable sales are noted Above.					
***NOTE: DATA SOURCE(S): Data Sources utilized on the market data grid above may be all or a combination of the following data sources for closed transfer price, date and address verification. Assessor Records, Broker Records, Geodata, RTS 2000, Comps Inc. The Suffolk County Clerk Office & on Occasion Zillow. Note Suffolk County Clerk only provides recorded date not sale date. See Addendum.					
Summary of Sales Comparison Approach Due to the lack of more recent & closer comparable sales, your appraiser was required to include comps 2,3&4 even though they exceed the 6 month guideline and comps 1&2 even though they exceed the 1 mile guideline ( same market area ). With adjustments made deemed proper, all comps are valid and support the subject's Fair Market Value.					
The final opinion of value is based on the comparables available utilized and adjusted accordingly.					
Indicated Value by Sales Comparison Approach \$ 13,500,000					
Indicated Value by: Sales Comparison Approach \$ 13,500,000 Cost Approach (if developed) \$ 13,711,497 Income Approach (if developed) \$					
All three approaches to value were considered. The sales comparison analysis method was deemed to be the most reliable indicator of value and was supported by the cost approach. The income approach does not apply due to insufficient rental data for single family homes in this area.					
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair. This appraisal was prepared for mortgage purposes only in conformity with the Code of Ethics of the NAIFA and under the Uniform Standards of Professional Practice.					
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 \$ 13,500,000 , as of 10/04/2016 , which is the date of inspection and the effective date of this appraisal.					





## Uniform Residential Appraisal Report

9016235816  
File # R16-08638

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

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

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

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

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

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

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

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

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

## Uniform Residential Appraisal Report

9016235816  
File # R16-08638

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.

Uniform Residential Appraisal Report

9016235816  
File # R16-08638

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 Douglas C. Feinberg  
 Signature *Douglas C. Feinberg*  
 Name Douglas C Feinberg  
 Company Name DCF Appraisals  
 Company Address 135 Lewis Street  
Southampton NY 11968  
 Telephone Number 516-381-3812 Or 631-537-6169  
 Email Address Dougfein@aol.com  
 Date of Signature and Report 10/05/2016  
 Effective Date of Appraisal 10/04/2016  
 State Certification # 45000043752  
 or State License # \_\_\_\_\_  
 or Other (describe) \_\_\_\_\_ State # \_\_\_\_\_  
 State NY  
 Expiration Date of Certification or License 03/21/2018

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 \_\_\_\_\_

ADDRESS OF PROPERTY APPRAISED  
174 Jobs Ln  
Bridgeton, NY 11932  
 APPRAISED VALUE OF SUBJECT PROPERTY \$ 13,500,000  
 LENDER/CLIENT  
 Name Nadlan Valuation  
 Company Name The Federal Savings Bank  
 Company Address 300 N Elizabeth St Suite 3E, Chicago, IL 60607  
 Email Address \_\_\_\_\_

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 \_\_\_\_\_

### Uniform Residential Appraisal Report

9016235816  
File # R16-08638

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address	174 Jobs Ln Bridgehampton, NY 11932	408 Pauls Ln Bridgehampton, NY 11932			280 Highland Terr Bridgehampton, NY 11932			770 Ocean Rd Bridgehampton, NY 11932		
Proximity to Subject		1.00 miles N			1.76 miles NE			0.77 miles NE		
Sale Price	\$	\$ 11,550,000			\$ 18,495,000			\$ 14,900,000		
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 1470.59 sq.ft.			\$ 2077.16 sq.ft.			\$ 4727.16 sq.ft.		
Data Source(s)		See Below Grid No MLS#:DOM 338			Broker Record#0;DOM 192			Broker Record#0;DOM 288		
Verification Source(s)		Assessor,RTS 2000***See Below			Broker Record			Broker Record		
VALUE ADJUSTMENTS	DESCRIPTION	+(-) \$ Adjustment			DESCRIPTION			+(-) \$ Adjustment		
Sales or Financing Concessions		ArmLth Conv;0			Listing Sal/List11%;0			Listing Sal/Lst11%;0		
Date of Sale/Time		s10/15;Unk			Active			Active		
Location	N;Res;	N;Res;			N;Res;			N;Res;		
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Site	2.37 ac	1.76 ac			2.07 ac			3.20 ac		
View	N;Res;	N;Res;			N;Res;			N;Res;		
Design (Style)	DT2;Colonial	DT2;Colonial			DT2;Colonial			DT2;Colonial		
Quality of Construction	Q2	Q2			Q2			Q2		
Actual Age	22	3			1			21		
Condition	C2	C2			C1			C2		
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths			Total Bdrms. Baths			Total Bdrms. Baths		
Room Count	15 8 8.1	18 8 9.3			16 10 10.2			9 4 4.1		
Gross Living Area	6,123 sq.ft.	7,854 sq.ft.			8,904 sq.ft.			3,152 sq.ft.		
Basement & Finished Rooms Below Grade	3255sf2930sf1rr0br0.1ba4o	3000sf2500sfwu1rr0br0.1ba2o			4200sf3800sfwu1rr1br1.0ba1o			1869sf0sfwu		
Functional Utility	Conforms Yes	Conforms Yes			Conforms Yes			Conforms Yes		
Heating/Cooling	H(Y)C(Y)	H(Y)C(Y)			H(Y)C(Y)			H(Y)C(Y)		
Energy Efficient Items	Energy Star	Energy Star			Energy Star			Energy Star		
Garage/Carport	2ga6dw	3ga6dw			3ga6dw			2ga4dw		
Porch/Patio/Deck	1Porch,4Pato,4D	1Porch,2Pato,1D			3Porch,3Pato,3D			03Porch,1Patio		
Fireplace	2 Fireplace	3 Fireplace			5 Fireplace			2 Fireplace		
Pool/Fence	Pool/Hot Tub	Pool/Fence			Pool/Hot Tub			Pool/Fence		
EXTRAS	P/H,Ten,GG,OK	Inferior			Inferior			Inferior		
Net Adjustment (Total)		☒ + ☐ - \$ 749,800			☐ + ☒ - \$ -1,695,650			☒ + ☐ - \$ 222,200		
Adjusted Sale Price of Comparables		Net Adj. 6.5% Gross Adj. 13.8% \$ 12,299,800			Net Adj. 9.2% Gross Adj. 20.3% \$ 16,799,350			Net Adj. 1.5% Gross Adj. 24.6% \$ 15,122,200		
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										
Price of Prior Sale/Transfer										
Data Source(s)	Geodata	Geodata			Geodata			Geodata		
Effective Date of Data Source(s)	10/04/2016	10/04/2016			10/04/2016			10/04/2016		
Analysis of prior sale or transfer history of the subject property and comparable sales Any transfers of the subject and comparable sales are noted Above.										
Analysis/Comments Broker records do not list days on market for active listings. DOM reported are approximated from listing date to effective date.										
The comparables utilized are the most similar to the subject which the opinion of market value was derived. The active listings were added at the requirement/request of the lender.										
Listings have no weight whatsoever as to the conclusion and or opinion of value for the subject. Any guidelines exceeded for active listings was necessary.										
Sale to list ratio derived by: Sale Price divided by List Price, Add all percentages then divide by number of sales comps utilized = % of sale to list ratio.										

SALES COMPARISON APPROACH

SALE HISTORY

ANALYSIS / COMMENTS

**Supplemental Addendum**

File No. R16-08638

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				

This appraisal should not be relied upon to detect hidden and non apparent conditions as your appraiser has no formal training or expertise in detecting hidden and non apparent conditions.

Additional Certification: The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Appraisal Institute's Code of Professional Ethics and Standards of Professional Appraisal Practice, which include the Uniform Standards of Professional Appraisal Practice.

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

As of the date of this report, I Douglas C Feinberg have completed the continuing education program of the Appraisal Institute.

Neighborhood Section, Present Land Use % The number of % of land use in the other box refers to vacant land.

**Predominant Value:** In the subject market area, neighborhoods are mixed with varied size homes, utility and amenities. Such as from older small 800 -1,400 square foot ranch style 2-3 bedroom 1-2 bathroom homes to much larger 3,000 - 6,000+ & larger square foot new built traditional, contemp or post modern style 4/6+ bedroom 3/5+ bathroom. Due to the varied mixed neighborhoods the price range reported in the neighborhood section under the One-Unit Housing Price may span a wide high, low range. Although the predominant value of the subject's final opinion of value may differ by 20% +/- the subject is not considered a under improvement or a over improvement for the neighborhood and falls well within the high low range. This has no negative impact on the subjects marketability or opinion of value.

**Data Sources, Verification Sources:** A combination of Assessor record and broker record are utilized when available, additional verification sources, Geodata, RTS 2000, Comps Inc and Zillow. Your appraiser collects the data, cross references the data, verifies the data, analyses the data and after these steps are taken reports the data.

**Comparable Search Data:** The neighborhood data is from Geodata which provides the closed sales data from which the market trend study is researched and reported.. The closed sales data from Geodata is considered and cross referenced with local broker records from which the comparables are chosen. Your appraiser collects, cross references, verifies and analyses the available data through assessor records, geodata, comps inc. and broker records. The search parameters go back 12 months from the effective date of this appraisal report and may have been expanded beyond the 1 mile guideline but still within what is considered to be the subject market area, to obtain closed transfers from what would be considered outside the subject market area would be deemed misleading and inappropriate appraisal practice. Closed transfers within the subject neighborhood may not be considered truly comparable to the subject. Transfers outside the immediate neighborhood but still within the subject market area may be judged to be more comparable to sales then those in closer proximity to the subject.

The Comparable Search Data statement above applies to the first 20 closest sale transfers. Although Fennie Mae calls the first 20 closest transfers "comparables" none may be comparable at all as stated above. Your appraiser does due diligence in researching the subject market area for the very best available comparables to compare to the subject which are utilized and adjusted accordingly.

The comparables utilized were chosen because they are the most recent, reasonable comparables available similar to the subject. Any differences between the subject and comparables utilized were adjusted accordingly. No other more reasonable comparables available then those already utilized as of the effective date of this appraisal report.

Comparable Sales - Database Photographs: Photographs vary from season to season i.e., ("winter to summer"). Attempts are made to physical photograph comparable sale as close to the selling date as possible. The reasoning behind this method is to attempt to capture a true visual image of the sale as it appears prior to the new owner making any improvements, renovations or alterations, which may miss lead, the reviewer's visual perception of the dwelling. Database photos are becoming the standard for the industry and a good indicator of the comparable physical appearance at the time of listing or sale. All comp photos were taken by your appraiser at time of exterior inspection for the use of this or previous appraisals throughout the year.

Financing Type: A diligent attempt during the course of business in the subject market area for financing was preformed. At times no conclusive type of financing was found or available to your appraiser.

**Supplemental Addendum**

File No. R16-08638

Borrower	Paul Manafort.		
Property Address	174 Jobs Ln		
City	Bridgehampton	County	Suffolk
		State	NY
		Zip Code	11932
Lender/Client	The Federal Savings Bank		

Financing type reported when available.

**Basement: Square Footage :** A diligent attempt was made by the appraiser to extract the actual square feet of the comparable basement area, by the extraction method from the available data. The exact square footage is estimated by the appraiser from the data sources available through Public Records, and represents the appraisers best effort in estimating the basement square footage and finished area of the comparable's utilized in this report.

**MLS #:** In the subject market area MLS is not available as a reliable data source due to the lack of local brokerages association and participation. The different local real estate agencies have their own listing systems and while comp addresses are the same listing numbers differ from agency to agency. MLS # unavailable.

**Amenities:** Due to the UAD lack of allowed characters Amenities line on the cost approach as it applies to the subject's amenities such as fireplace(s), porch(s), patio(s), deck(s), pool, pool house, tennis court, etc:

Your appraiser has acted independently and without undue influence from any party that may benefit from the real estate property transaction related to this appraisal assignment.

March 2005 version of the Fannie Mae/Freddie Mac forms, the cost approach is optional. The cost approach is required by the lender/client

The cost approach has only been developed by the appraiser as an analysis to support your appraiser's opinion of the subject property's market value. Use of this data, in whole or part, for other purposes is not intended by the appraiser. Nothing set forth in this appraisal report should be relied upon for the purpose of determining the amount or type of insurance coverage to be placed on the subject property. Your appraiser assumes no liability for and does not guarantee that any insurable value estimate inferred from this report will result in the subject property being fully insured for any loss that may be sustained. Your appraiser recommends that an insurance professional be consulted. Further, the cost approach may not be a reliable indication replacement or reproduction cost for any other date other than the effective date of this appraisal report due to changing costs of labor and materials and due to changing building codes and or governmental regulations and or requirements.

**Market Trends 1004MC:** Total number of sales and Median sale price reported are without Foreclosures.

**USPS Addresses:** In the market areas of your appraisers expertise there are some zip code areas that have USPS PO Box delivery only. Therefore house number and street address may not be found or verified using a USPS address tracker. All addresses for the subject, comps and or any active listings were verified utilizing any of or a combination of the following. Assessor Records, Geodata, RTS 2000, Comps Inc, ala mode USPS tracking conversion tool & Zillow.

**Age Adjustments:** Your appraiser does not adjust for the difference in age from the subject and comparables utilized. The subject as well as the comparables utilized are of all similar effective age. Adjustments are made for any difference in quality of construction and or difference in condition if necessary.

Your appraiser does not adjust for difference in basement square foot. The unfinished area is negligible as storage area. The adjustments are made for finished and unfinished basements.

**Data Difference:** With Fannie Mae monitoring crucial data there may be a slight difference in comps utilized due to the level of data verification from a previously utilized active listing and that same active listing utilized later as a closed transfer. The difference will be found in the GLA data as closed transfers receive a higher level of data verification then utilizing active listing broker records only. This applies to some market areas of your appraisers market areas of expertise due to the lack on online data availability and online data verification.

**Data Source:** When broker records show a very recent closed date that can not be verified by Assessor Records, Geodata, RTS 2000 & Comps Inc. Then your appraiser utilizes the Suffolk County Clerk's Office Automated system to verify that the comp did in fact close was recorded and to verify the closed price. When utilizing Suffolk records your appraiser relies on broker records for the closed month and year as Suffolk records only provides the recording date and price.

**Supplemental Addendum**

File No. R16-08638

Borrower	Paul Manafort			
Property Address	174 Jobs Ln			
City	Bridgehampton	County	Suffolk	State NY Zip Code 11932
Lender/Client	The Federal Savings Bank			

Your appraiser is also an Associate Real Estate Broker. When referring to local broker records the local broker records utilized by your appraiser is the Hampton Listing Service which is also known as RealNet.

Subject Location Only Map: When placing the subject only map on occasion your appraiser will move the address balloon out of the way of other residences and over the water or an open space or reserve. This is done so the viewer can get a better picture of the subject neighborhood. Your appraiser does not move the balloon to cover any external obsolescence.

The 1004 MC form is filled out to the fullest readily available data during the normal course of business. No other relevant data available during the normal course of business.

In the subject market area, neighborhoods are mixed with varied size homes, utility and amenities. Such as from older small 1,000-1,400 square foot ranch style 2-3 bedroom 1-2 bathroom homes to much larger 3,000 -6,000 & larger square foot new built traditional, contemp or post modern style 4/6+ bedroom 3/5+ bathroom. This is reported in the overall neighborhood section one-unit housing trends of this appraisal report and are not considered all to be comparable to the subject. This also applies to the MC form and above the sales comparison grid at the top of page 2.

The MC form is filled out to which data is available there is no data available to report the different time periods for the sections marked unavailable.

1004MC comparable sales and comparable sales reported above market data grid: As mentioned throughout the comments addendum and on the 1004MA form, the data base utilized Geodata Plus does not and can not decipher the difference in closed transfers to what is comparable to the subject.. As mentioned throughout the report including on the 1004MC Form. " In the subject market area, neighborhoods are mixed with varied size homes, utility and amenities. Such as from older small 1,000-1,400 square foot ranch style 2-3 bedroom 1-2 bathroom homes to much larger 3,000 -6,000 & larger square foot new built traditional, contemp or post modern style 4/6+ bedroom 3/5+ bathroom. This is reported in the overall neighborhood section one-unit housing trends of this appraisal report and are not considered all to be comparable to the subject." This goes for what is reported on the 1004MC form. The comparable sales reported above the market data grid are the comparable sales found and utilized.

On the 1004MC form where a Zero is place there is no data available to complete.

No employee, director, officer or agent of the lender, or any other third party acting as a joint venture partner, independent contractor, appraisal management company, or partner in behalf of the lender has influenced or attempted to influence the development, reporting, result or review of this assignment through coercion, extortion, collusion, compensation, instruction, inducement, intimidation, bribery or in any other manner. I have not been contacted by anyone other than the intended user (lender/ client as identified on the first page of the report), borrower or designated contact to make an appointment to enter the property. I agree to immediately report any unauthorized contacts either personally by phone or electronically to partnermanagement.

**Age of Subject and Comps: In certain subject market areas where on line data is available the data sources report the effective age from assessor records vs the actual age. Your appraiser researches, verify's and reports the actual age of the subject and comps.**

Page 1 of the report one unit housing price, low \$1,450,000. High, \$220,000,000. Pred. \$5,500,000.

Market Data Grid Extras Abbreviations, as follows: P/H= Pool House. Ten = Tennis Court. GG = Golf Green. OK = Outdoor Kitchen. The adjustments are based on equal or inferior extras based on the best data researched available.

Comp 1 was a recent transfer verified with the Suffolk County Clerks Office: Receded on 10/04/2016 Liber D00012882 Page 438 Sale price \$14,600,000 Utilizing broker record sale date of 08/29/2016.



**Supplemental Addendum**

File No. R16-08638

Borrower	Paul Manafort		
Property Address	174 Jobs Ln		
City	Bridgehampton	County	Suffolk
Lender/Client	The Federal Savings Bank	State	NY
		Zip Code	11932

Closed Sale Dates: Your appraiser expanded the search to 2+ miles within the subject market area for similar comparable transfers. No more recent reasonable closed similar transfers were found within 90 days or 6 months. The subject market is strong and stable going back for at least 24 months. No time adjustments warranted.

Your appraiser is aware that this may be a second appraisal. Market competency is noted above. As mentioned your appraiser utilizes and cross references many verification data sources. Such as but not limited to the following: Geodata, assessor records, broker records, Suffolk County records Any difference in comp data reporting from another appraiser is unavoidable. Your appraiser will not change or alter any of the already deeply researched data reported.

Your appraiser personally and physically measured primarily utilizing a high tech Lazar measuring tool and measuring wheel where the Lazar tool could not be utilized. Any difference in GLA or the sketch from another report of the subject is unavoidable. Your appraiser will not re measure the subject. The only way a different conclusion result can be reported is if a full set of builders plans to scale 1/4" = 1". be provided to your appraiser.

Additional Features: The subject has hardwood floors, recessed lighting, ceiling fans and custom audio/visual system throughout. Kitchen with granite counter tops, ceramic back splash and high end stainless steel appliances. Extra appliances include two refrigerators in pantry, under counter wine fridge and out door appliances. Fireplace in living room and master bedroom. Basement finished with family entertainment area, rec area, gym, massage room, half bathroom, laundry room. Pool house with wet bar, family rooms, full bathroom and three bedrooms. Porch off side, state patio with in ground pool and hot tub off side. By pool house out door snack/sandwich bar and fire pit. Off kitchen is a out door kitchen with built in double grills. Deck's, patio's and upper decks off rear. Half basket ball court off garage. Putting green in rear yard. off to the front side is the tennis court, in front yard is a nice pond. The grounds are extensively landscaped.

Reconciliation: The most weight was placed on comps 1-3 and supported by additional comps utilized and active listings included.

**10/05/2016 Revision/Comments: Subject address: Assessor records and data bases utilized have the subject in Bridgehampton, Bridgehampton's zip code is 11932 not 11976. However looking at the hagstrom map, Bridgehampton 11932 to to the east side of Jobs lane and Water Mill 11976 is to the west side of Jobs Lane. The subject is on the west side of Jobs Lane. The address is reported and consistent with a assessor records and data bases utilized.**

**Borrowers name and owner name of public record. The appraiser is required to report the owner of public record, which was done as required. The borrower may differ and is known as the owner of public record to be the husband.**

**The oil tanks are located in the ground. They are known to be relatively new. Your appraiser is not a professional oil tank inspector, under ground seepage in unknown. No odors noted above ground at time of inspection.**

**The high, low and pred. range was noted in the addendum because \$220,000,000 can not be reported in the one unit housing section due to the lack of numerical space, I thought that would be evident, that is why I place a note in the addendum.**

**C1 vs C2: C1 is new construction in new condition, C2 is recent renovation in like new condition. No adjustment in the C1 to C2 condition rating.**

**Subject Aerial was added to the subject location map. The label of the map has nothing to do with value of the subject and was not misleading to the reader.**

## UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

## Condition Ratings and Definitions

## C1

The improvements have been very recently constructed and have not previously been occupied. The entire structure and all components are new and the dwelling features no physical depreciation.\*

\*Note: Newly constructed improvements that feature recycled materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100% new foundation and the recycled materials and the recycled components have been rehabilitated/re-manufactured into like-new condition. Recently constructed improvements that have not been previously occupied are not considered "new" if they have any significant physical depreciation (i.e., newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep).

## C2

The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category either are almost new or have been recently completely renovated and are similar in condition to new construction.

## C3

The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

## C4

The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

## C5

The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

## C6

The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

## Quality Ratings and Definitions

## Q1

Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

## Q2

Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residence constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

## Q3

Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

## Q4

Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

## UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

### Quality Ratings and Definitions (continued)

#### Q5

Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

#### Q6

Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure

### Definitions of Not Updated, Updated, and Remodeled

#### Not Updated

Little or no updating or modernization. This description includes, but is not limited to, new homes.

Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is 'Not Updated' may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical/functional deterioration.

#### Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.

An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

#### Remodeled

Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion.

A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls, and/or the addition of) square footage). This would include a complete gutting and rebuild.

### Explanation of Bathroom Count

Three-quarter baths are counted as a full bath in all cases. Quarter baths (baths that feature only a toilet) are not included in the bathroom count. The number of full and half baths is reported by separating the two values using a period, where the full bath count is represented to the left of the period and the half bath count is represented to the right of the period.

#### Example:

3.2 indicates three full baths and two half baths.



**Subject Photo Page**

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				

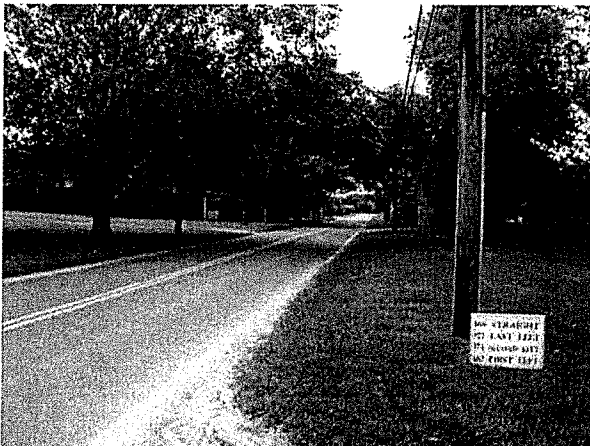


**Subject Front**

174 Jobs Ln  
 Sales Price  
 Gross Living Area 6,123  
 Total Rooms 15  
 Total Bedrooms 8  
 Total Bathrooms 8.1  
 Location N;Res;  
 View N;Res;  
 Site 2.37 ac  
 Quality Q2  
 Age 22



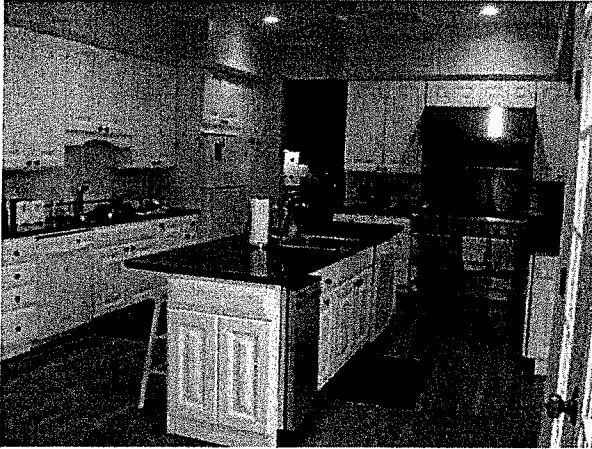
**Subject Rear**



**Subject Street**

**Subject Interior Photo Page**

Borrower	Paul Manafort		
Property Address	174 Jobs Ln		
City	Bridgehampton	County	Suffolk
Lender/Client	The Federal Savings Bank	State	NY
		Zip Code	11932



**Subject Kitchen**

174 Jobs Ln  
Sales Price  
Gross Living Area 6,123  
Total Rooms 15  
Total Bedrooms 8  
Total Bathrooms 8.1  
Location N;Res;  
View N;Res;  
Site 2.37 ac  
Quality Q2  
Age 22



**Kitchen**



**Dining Room**

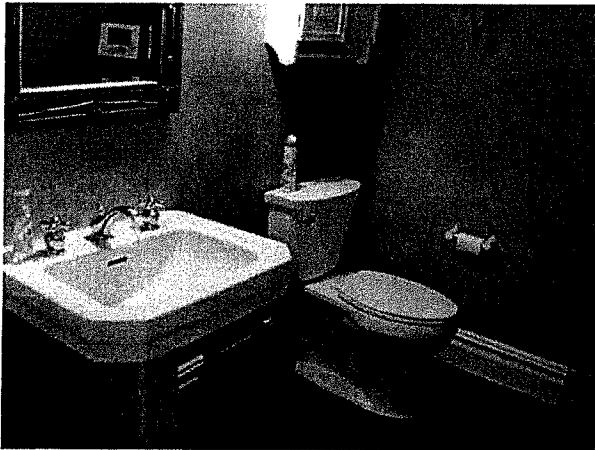
**Subject Interior Photo Page**

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				



**Living Room**

174 Jobs Ln  
Sales Price  
Gross Living Area 6,123  
Total Rooms 15  
Total Bedrooms 8  
Total Bathrooms 8.1  
Location N;Res;  
View N;Res;  
Site 2.37 ac  
Quality Q2  
Age 22



**1/2 Bathroom**



**Sun Room**

**Subject Interior Photo Page**

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				

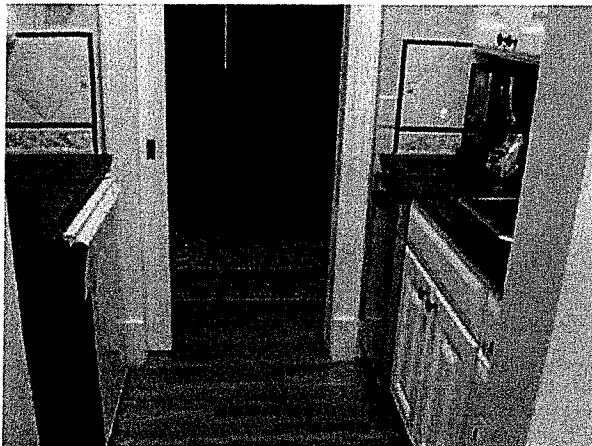


**Den**

174 Jobs Ln  
 Sales Price  
 Gross Living Area 6,123  
 Total Rooms 15  
 Total Bedrooms 8  
 Total Bathrooms 8.1  
 Location N;Res;  
 View N;Res;  
 Site 2.37 ac  
 Quality Q2  
 Age 22



**Den**



**Wet Bar**



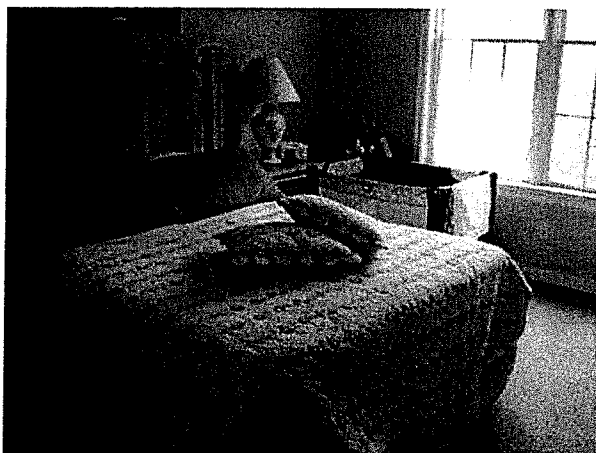
**Subject Interior Photo Page**

Borrower	Paul Manafort		
Property Address	174 Jobs Ln		
City	Bridgehampton	County	Suffolk
State	NY	Zip Code	11932
Lender/Client	The Federal Savings Bank		



**Pantry**

174 Jobs Ln  
 Sales Price  
 Gross Living Area 6,123  
 Total Rooms 15  
 Total Bedrooms 8  
 Total Bathrooms 8.1  
 Location N;Res;  
 View N;Res;  
 Site 2.37 ac  
 Quality Q2  
 Age 22



**Bedroom**



**Bathroom**

**Subject Interior Photo Page**

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				



**Family Room**

174 Jobs Ln  
 Sales Price  
 Gross Living Area 6,123  
 Total Rooms 15  
 Total Bedrooms 8  
 Total Bathrooms 8.1  
 Location N;Res;  
 View N;Res;  
 Site 2.37 ac  
 Quality Q2  
 Age 22



**Bedroom over Garage**



**Bathroom over Garage**

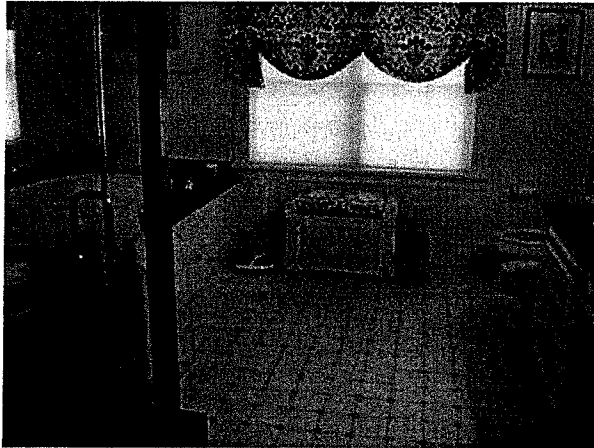
**Subject Interior Photo Page**

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				



**Master Bedroom**

174 Jobs Ln  
Sales Price  
Gross Living Area 6,123  
Total Rooms 15  
Total Bedrooms 8  
Total Bathrooms 8.1  
Location N;Res;  
View N;Res;  
Site 2.37 ac  
Quality Q2  
Age 22



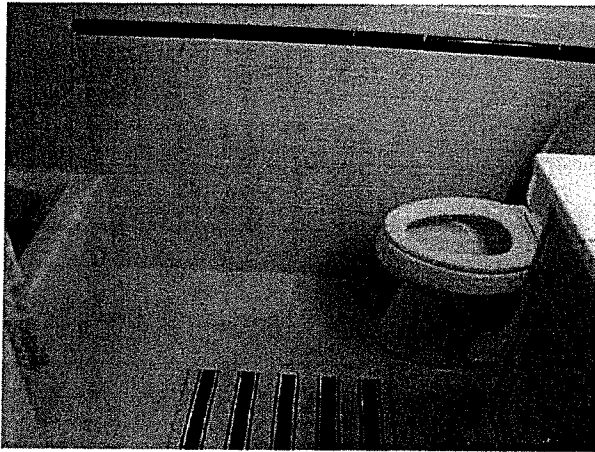
**Master Bathroom**



**Bedroom**

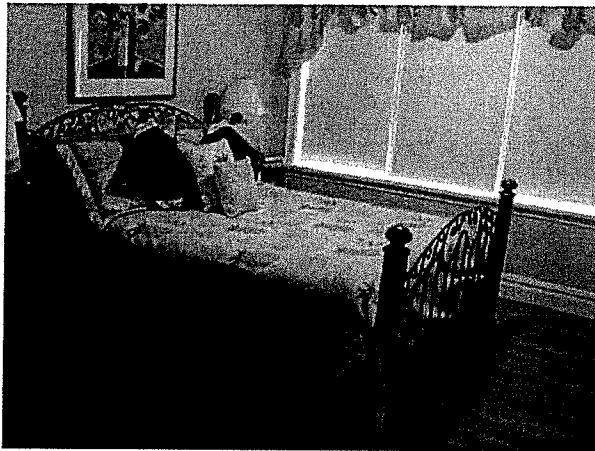
**Subject Interior Photo Page**

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				

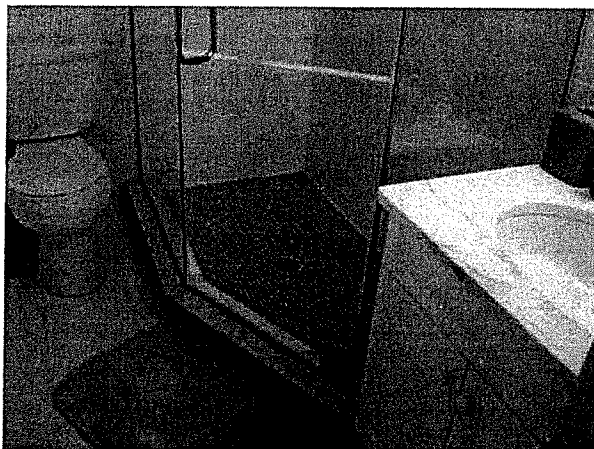


**Bathroom**

174 Jobs Ln  
 Sales Price  
 Gross Living Area 6,123  
 Total Rooms 15  
 Total Bedrooms 8  
 Total Bathrooms 8.1  
 Location N;Res;  
 View N;Res;  
 Site 2.37 ac  
 Quality Q2  
 Age 22



**Bedroom**



**Bathroom**

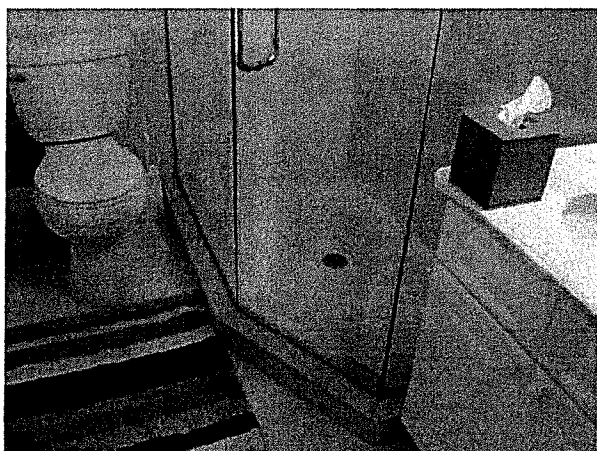
**Subject Interior Photo Page**

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				

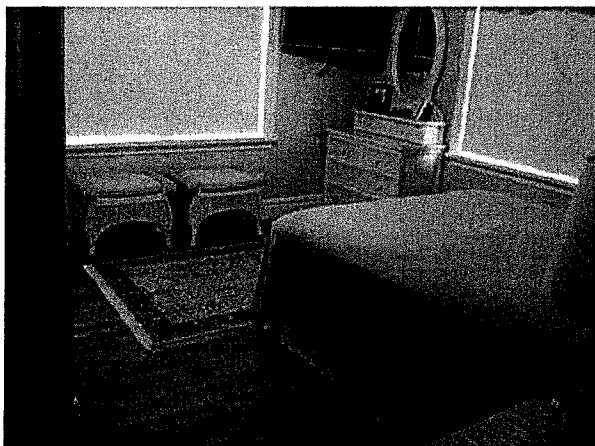


**Bedroom**

174 Jobs Ln  
 Sales Price  
 Gross Living Area 6,123  
 Total Rooms 15  
 Total Bedrooms 8  
 Total Bathrooms 8.1  
 Location N;Res;  
 View N;Res;  
 Site 2.37 ac  
 Quality Q2  
 Age 22



**Bathroom**



**Bedroom**

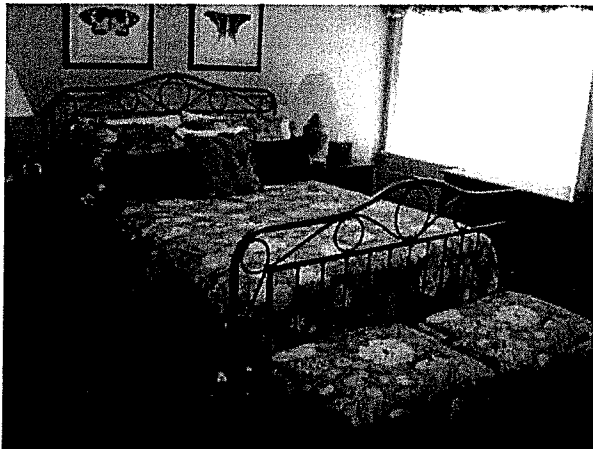
**Subject Interior Photo Page**

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				



**Bathroom**

174 Jobs Ln  
 Sales Price  
 Gross Living Area 6,123  
 Total Rooms 15  
 Total Bedrooms 8  
 Total Bathrooms 8.1  
 Location N;Res;  
 View N;Res;  
 Site 2.37 ac  
 Quality Q2  
 Age 22



**Bedroom**



**Bathroom**

**Subject Interior Photo Page**

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				

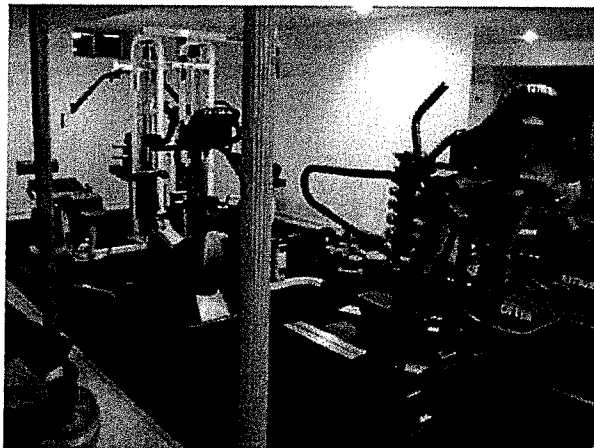


**Finished Basement**

174 Jobs Ln  
 Sales Price  
 Gross Living Area 6,123  
 Total Rooms 15  
 Total Bedrooms 8  
 Total Bathrooms 8.1  
 Location N;Res;  
 View N;Res;  
 Site 2.37 ac  
 Quality Q2  
 Age 22



**Basement 1/2 Bathroom**



**Basement Gym**

**Subject Interior Photo Page**

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY
Lender/Client	The Federal Savings Bank				
				Zip Code	11932

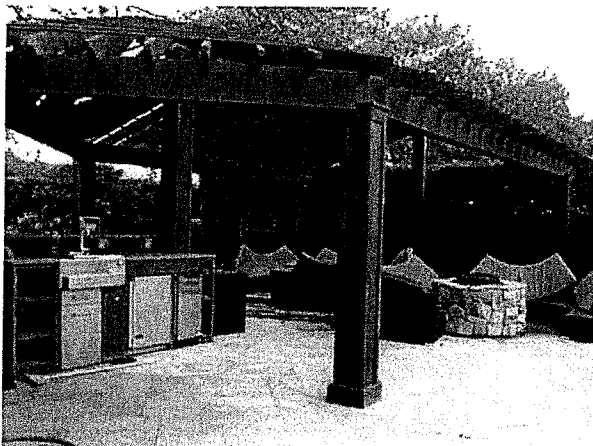


**Putting Green**

174 Jobs Ln  
Sales Price  
Gross Living Area 6,123  
Total Rooms 15  
Total Bedrooms 8  
Total Bathrooms 8.1  
Location N;Res;  
View N;Res;  
Site 2.37 ac  
Quality Q2  
Age 22



**Side Porch**



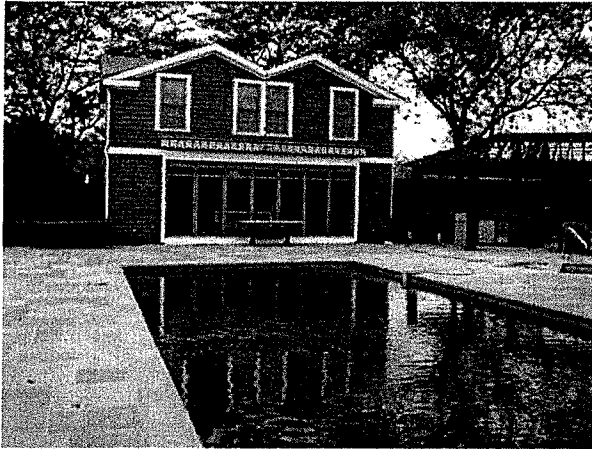
**Sandwich/Snack Bar**

Firepit



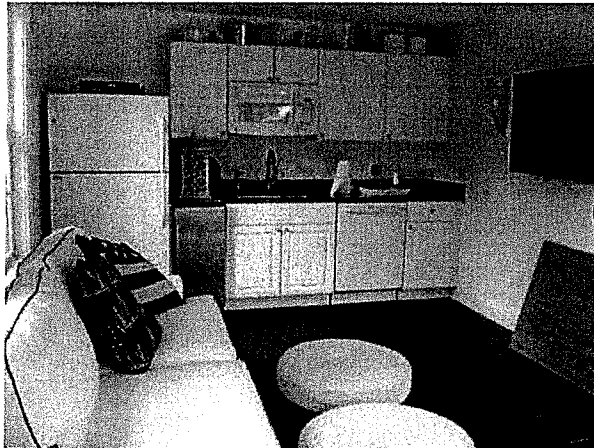
**Subject Interior Photo Page**

Borrower	Paul Manafort		
Property Address	174 Jobs Ln		
City	Bridgehampton	County	Suffolk
State	NY	Zip Code	11932
Lender/Client	The Federal Savings Bank		



**Pool, Pool House, Hot Tub**

174 Jobs Ln  
 Sales Price  
 Gross Living Area 6,123  
 Total Rooms 15  
 Total Bedrooms 8  
 Total Bathrooms 8.1  
 Location N;Res;  
 View N;Res;  
 Site 2.37 ac  
 Quality Q2  
 Age 22



**Pool House Wet Bar**



**Pool House Bathroom**

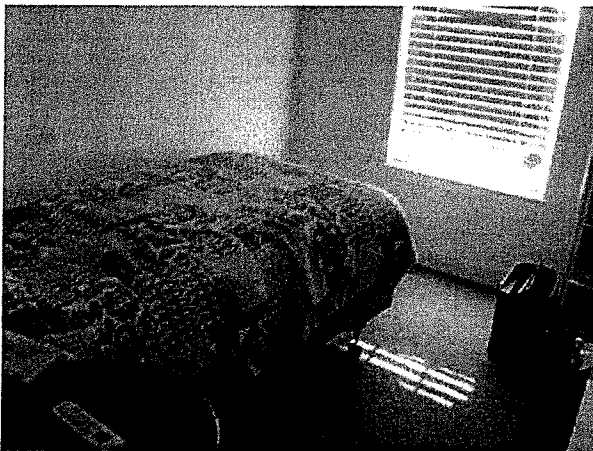
**Subject Interior Photo Page**

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				

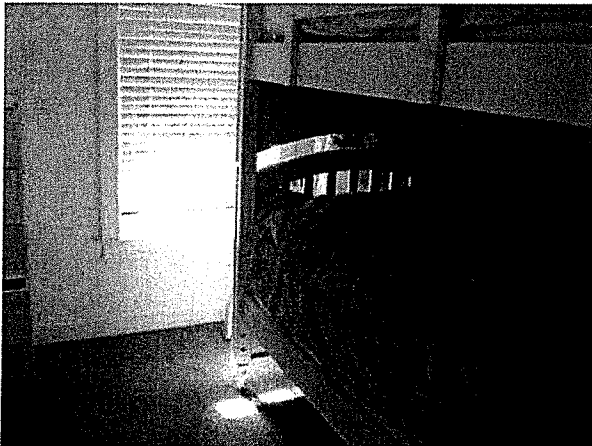


**P/H Family Room**

174 Jobs Ln  
 Sales Price  
 Gross Living Area 6,123  
 Total Rooms 15  
 Total Bedrooms 8  
 Total Bathrooms 8.1  
 Location N;Res;  
 View N;Res;  
 Site 2.37 ac  
 Quality Q2  
 Age 22



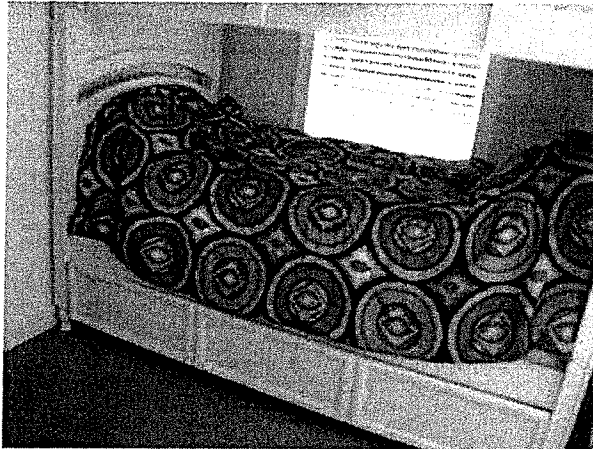
**P/H Bedroom**



**P/H Bedroom**

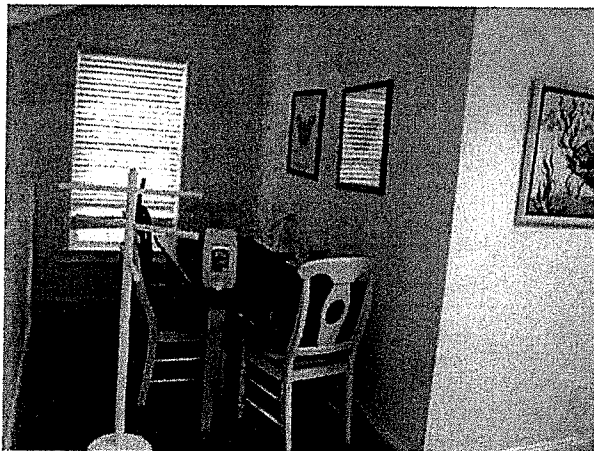
**Subject Interior Photo Page**

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				



**P/H Bedroom**

174 Jobs Ln  
 Sales Price  
 Gross Living Area 6,123  
 Total Rooms 15  
 Total Bedrooms 8  
 Total Bathrooms 8.1  
 Location N;Res;  
 View N;Res;  
 Site 2.37 ac  
 Quality Q2  
 Age 22



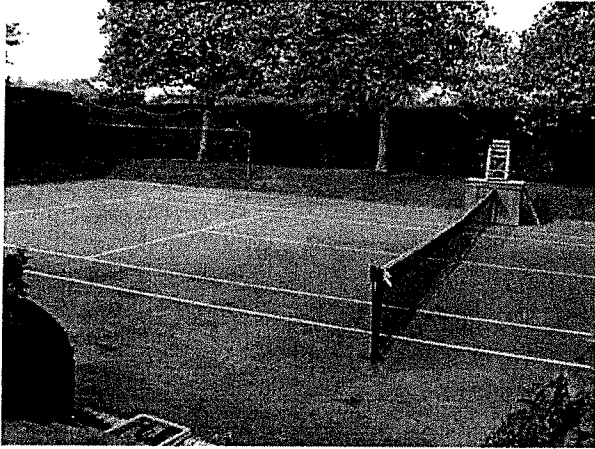
**P/H Game Table**



**Outdoor Kitchen/Grills**

**Subject Interior Photo Page**

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				



**Tennis Court**

174 Jobs Ln  
 Sales Price  
 Gross Living Area 6,123  
 Total Rooms 15  
 Total Bedrooms 8  
 Total Bathrooms 8.1  
 Location N;Res;  
 View N;Res;  
 Site 2.37 ac  
 Quality Q2  
 Age 22



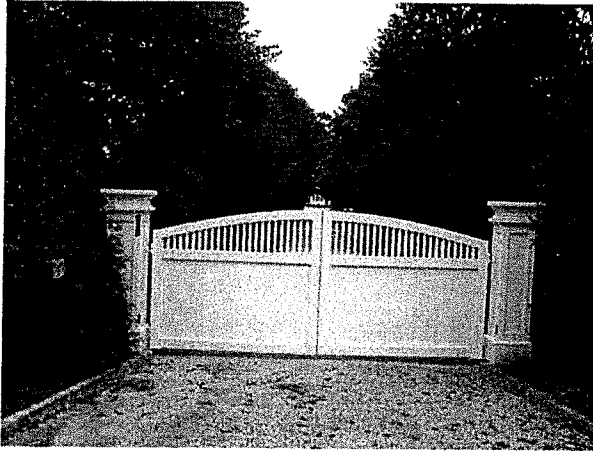
**Pond**



**1/2 Backet Ball Court**

**Comparable Photo Page**

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				



**Comparable 1**

379 Ocean Rd  
 Prox. to Subject 1.55 miles NE  
 Sale Price 14,600,000  
 Gross Living Area 9,174  
 Total Rooms 16  
 Total Bedrooms 8  
 Total Bathrooms 7.3  
 Location N;Res;  
 View N;Res;  
 Site 2.47 ac  
 Quality Q2  
 Age 12



**Comparable 2**

461 Ocean Rd  
 Prox. to Subject 1.40 miles NE  
 Sale Price 13,500,000  
 Gross Living Area 5,267  
 Total Rooms 13  
 Total Bedrooms 6  
 Total Bathrooms 6.2  
 Location N;Res;  
 View N;Res;  
 Site 1.96 ac  
 Quality Q2  
 Age 5



**Comparable 3**

672 Halsey Ln  
 Prox. to Subject 0.66 miles N  
 Sale Price 12,000,000  
 Gross Living Area 9,994  
 Total Rooms 16  
 Total Bedrooms 7  
 Total Bathrooms 7.2  
 Location N;Res;  
 View N;Res;  
 Site 1.96 ac  
 Quality Q2  
 Age 8

**Comparable Photo Page**

Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY
Lender/Client	The Federal Savings Bank				
				Zip Code	11932



**Comparable 4**

408 Pauls Ln  
 Prox. to Subject 1.00 miles N  
 Sale Price 11,550,000  
 Gross Living Area 7,854  
 Total Rooms 18  
 Total Bedrooms 8  
 Total Bathrooms 9,3  
 Location N;Res;  
 View N;Res;  
 Site 1.76 ac  
 Quality Q2  
 Age 3



**Comparable 5**

280 Highland Terr  
 Prox. to Subject 1.76 miles NE  
 Sale Price 18,495,000  
 Gross Living Area 8,904  
 Total Rooms 16  
 Total Bedrooms 10  
 Total Bathrooms 10.2  
 Location N;Res;  
 View N;Res;  
 Site 2.07 ac  
 Quality Q2  
 Age 1

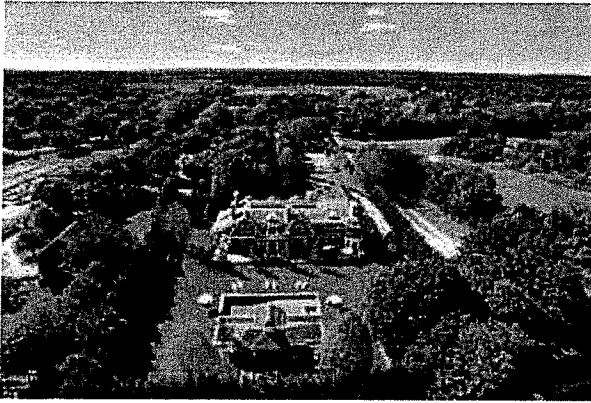


**Comparable 6**

770 Ocean Rd  
 Prox. to Subject 0.77 miles NE  
 Sale Price 14,900,000  
 Gross Living Area 3,152  
 Total Rooms 9  
 Total Bedrooms 4  
 Total Bathrooms 4.1  
 Location N;Res;  
 View N;Res;  
 Site 3.20 ac  
 Quality Q2  
 Age 21  
 Photo From Pervious Apprais

**Photograph Addendum**

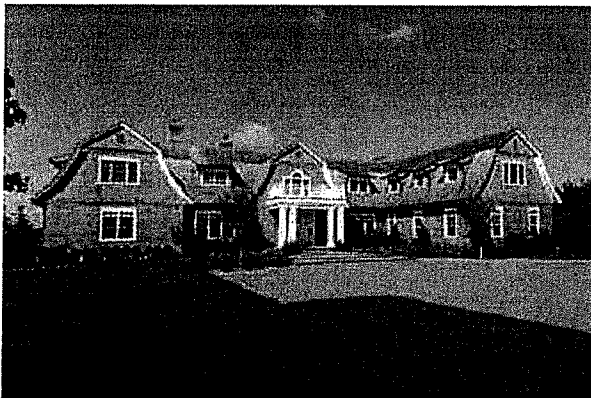
Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				



Comp 1 Broker Photo



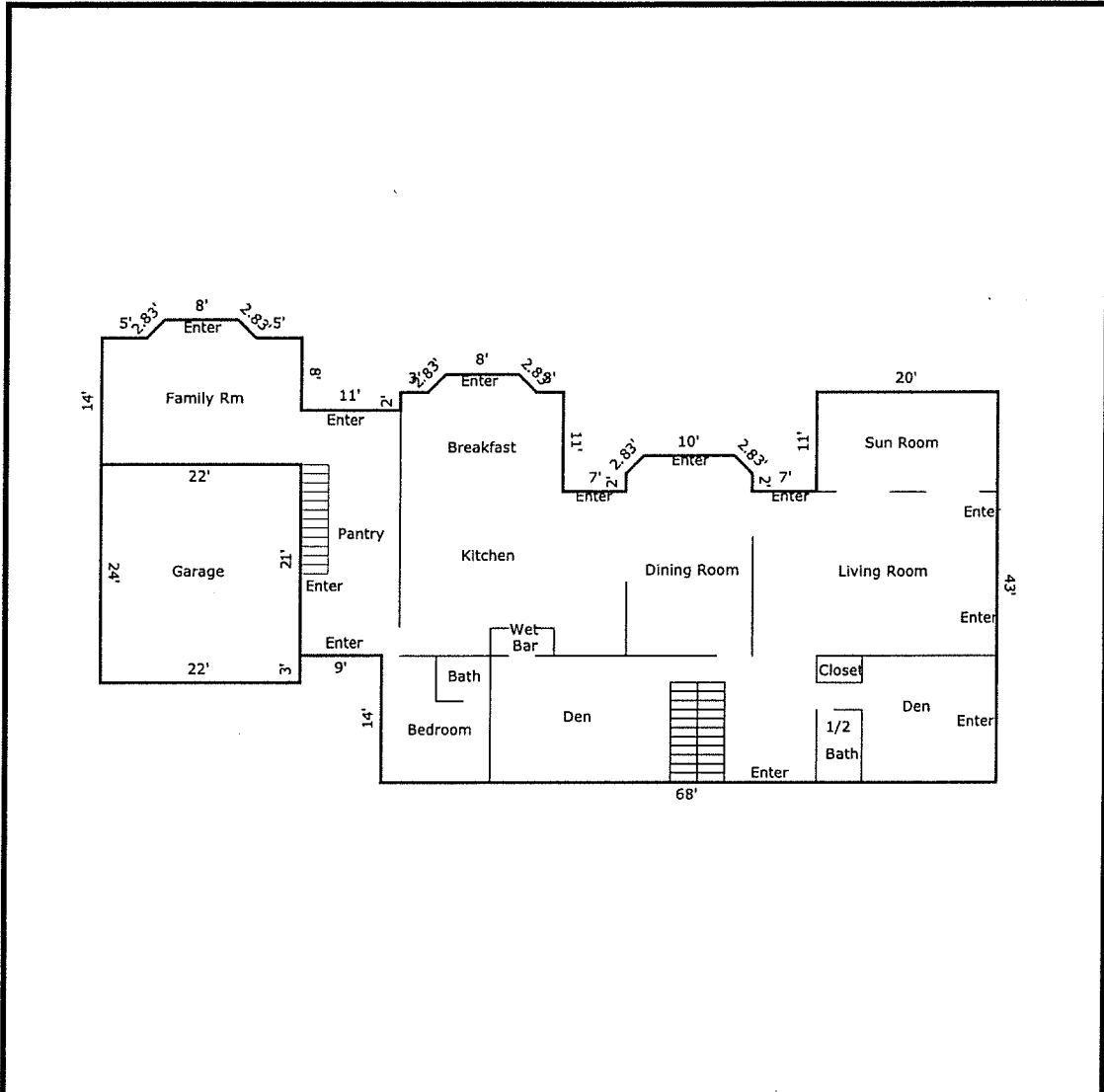
Comp 2 Assessor Photo



Comp 3 Broker Photo

**Building Sketch (Page - 1)**

Borrower	Paul Manafort		
Property Address	174 Jobs Ln		
City	Bridgehampton	County	Suffolk
		State	NY
		Zip Code	11932
Lender/Client	The Federal Savings Bank		



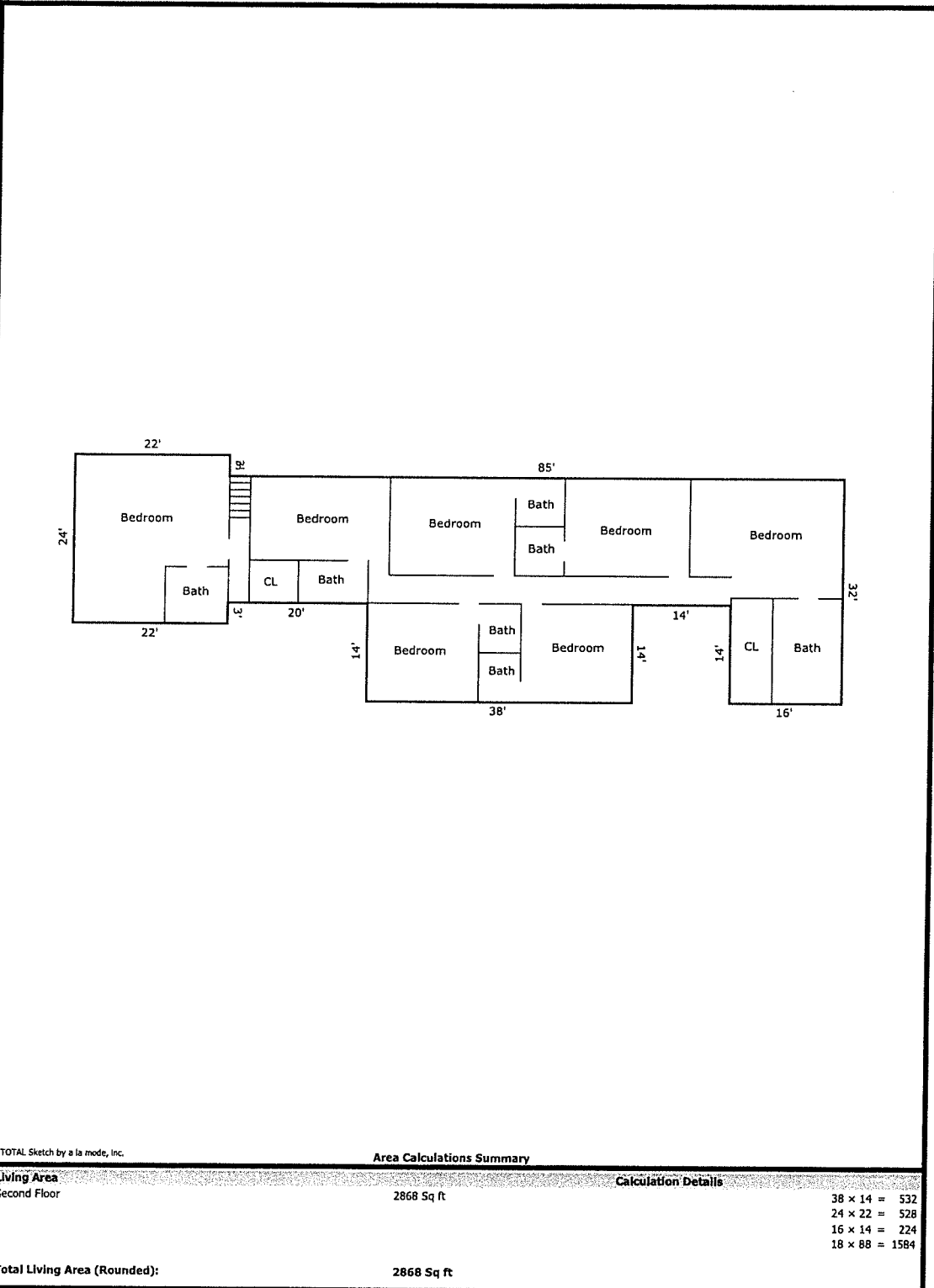
TOTAL Sketch by a la mode, inc.

Area Calculations Summary		Calculation Details
<b>Living Area</b>	3255 Sq ft	
First Floor		0.5 x 2 x 2 = 2
		0.5 x 2 x 2 = 2
		8 x 2 = 16
		0.5 x 2 x 2 = 2
		0.5 x 2 x 2 = 2
		8 x 2 = 16
		14 x 22 = 308
		43 x 20 = 860
		27 x 9 = 243
		48 x 32 = 1536
		14 x 2 = 28
		10 x 2 = 20
		0.5 x 2 x 2 = 2
		0.5 x 2 x 2 = 2
		11 x 18 = 198
		2 x 9 = 18
<b>Total Living Area (Rounded):</b>	<b>3255 Sq ft</b>	
<b>Non-living Area</b>		
2 Car Attached	528 Sq ft	22 x 24 = 528



**Building Sketch (Page - 2)**

Borrower	Paul Manafort		
Property Address	174 Jobs Ln		
City	Bridgehampton	County	Suffolk State NY Zip Code 11932
Lender/Client	The Federal Savings Bank		



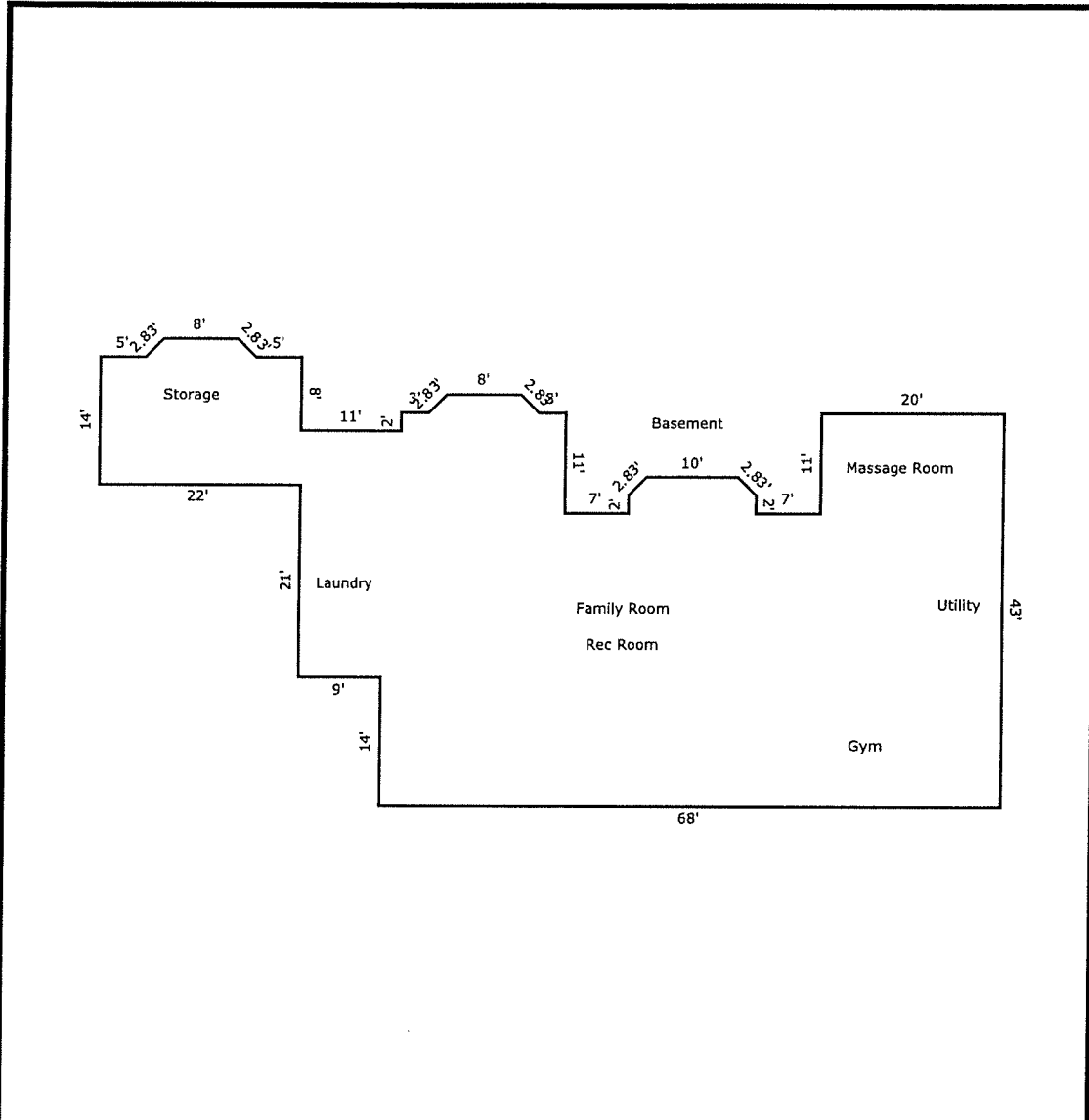
TOTAL Sketch by a la mode, inc.

**Area Calculations Summary**

Living Area	Area Calculations Summary	Calculation Details
Second Floor	2868 Sq ft	$38 \times 14 = 532$ $24 \times 22 = 528$ $16 \times 14 = 224$ $18 \times 88 = 1584$
<b>Total Living Area (Rounded):</b>	<b>2868 Sq ft</b>	

**Building Sketch (Page - 3)**

Borrower	Paul Manafort		
Property Address	174 Jobs Ln		
City	Bridgehampton	County	Suffolk
State	NY	Zip Code	11932
Lender/Client	The Federal Savings Bank		



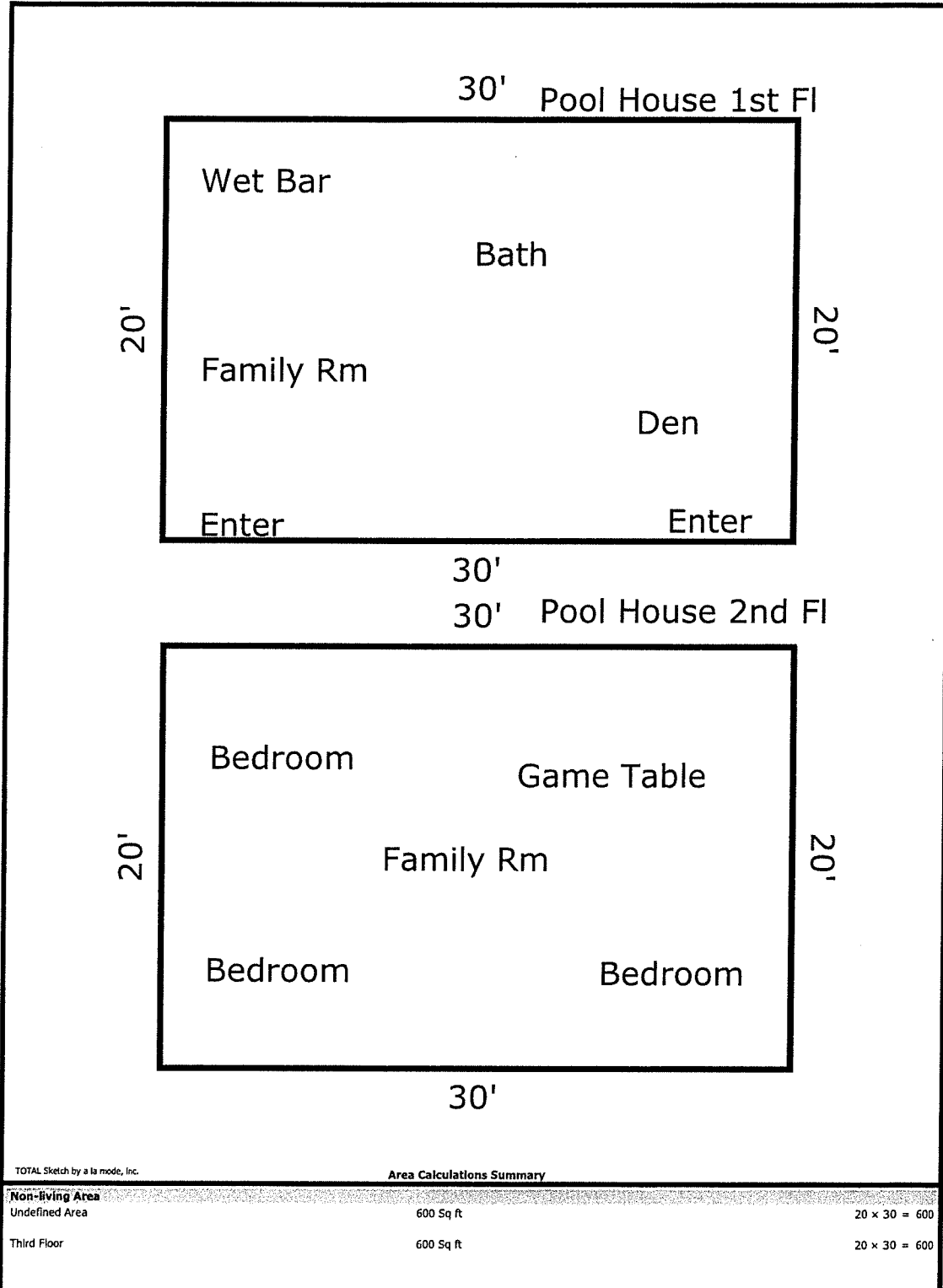
TOTAL Sketch by a la mode, Inc.

**Area Calculations Summary**

Non-living Area	
Basement	3255 Sq ft
	0.5 x 2 x 2 = 2
	0.5 x 2 x 2 = 2
	8 x 2 = 16
	0.5 x 2 x 2 = 2
	0.5 x 2 x 2 = 2
	8 x 2 = 16
	14 x 22 = 308
	43 x 20 = 860
	27 x 9 = 243
	48 x 32 = 1536
	14 x 2 = 28
	10 x 2 = 20
	0.5 x 2 x 2 = 2
	0.5 x 2 x 2 = 2
	11 x 18 = 198
	2 x 9 = 18

**Building Sketch (Page - 4)**

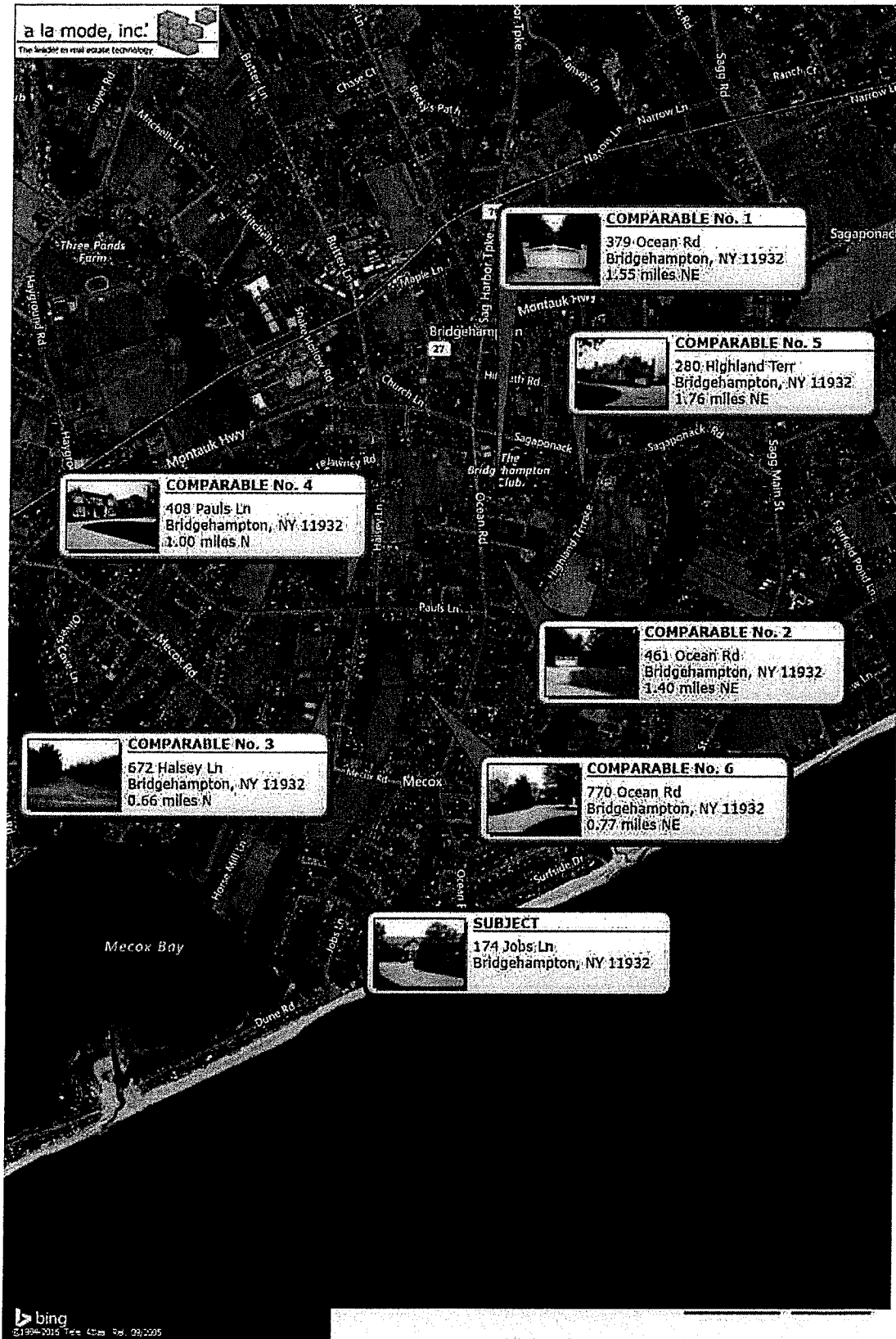
Borrower	Paul Manafort				
Property Address	174 Jobs Ln				
City	Bridgehampton	County	Suffolk	State	NY Zip Code 11932
Lender/Client	The Federal Savings Bank				





**Location Map**

Borrower	Paul Manafort		
Property Address	174 Jobs Ln		
City	Bridgehampton	County	Suffolk
		State	NY
		Zip Code	11932
Lender/Client	The Federal Savings Bank		



**Market Conditions Addendum to the Appraisal Report**

9016235816  
File No. R16-08638

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 **174 Jobs Ln** City **Bridgehampton** State **NY** ZIP Code **11932**

Borrower **Paul Manafort**

**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)	24	10	4	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	4.00	3.33	1.33	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Total # of Comparable Active Listings	0	0	0	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	0	0	0	<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	5,375,000	4,787,500	8,250,000	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	0	0	0	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	0	0	0	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	0	0	0	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	0	0	0	<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.). **There are no standard loans discounts, interest rate buy downs or seller concession normally found in the subject market area.**

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).

Cite data sources for above information. **Geodata,RTS 2000 and some limited available Broker Records**

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.

In the subject market area, neighborhoods are mixed with varied size homes, utility and amenities. Such as from older small 1,000-1,400 square foot ranch style 2-3 bedroom 1-2 bathroom homes to much larger 3,000 -6,000 & larger square foot new built traditional, contemp or post modern style 4/6+ bedroom 3/5+ bathroom. This is reported in the overall neighborhood section one-unit housing trends of this appraisal report and are not considered all to be comparable to the subject.

Inventory Analysis, Absorption Rate and Median Comparable Sale Price is reported from utilizing GeoData Plus as a general overall neighborhood trend. GeoData Plus is a appraisal data base for closed real estate transfers. Median Sales Days On Market are not available. 1004MC analysis of increasing/declining trends may differ from a more in depth market analysis as described on the page 3 addendum page.

Please note there is no MLS in the subject market area therefore no statistical data available for median list price, days on market or active list

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?  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.

Signature <i>Douglas C. Feinberg</i>	Signature
Appraiser Name <b>Douglas C. Feinberg</b>	Supervisory Appraiser Name
Company Name <b>DCF Appraisals</b>	Company Name
Company Address	Company Address
State License/Certification # <b>45000043752</b> State <b>NY</b>	State License/Certification # State
Email Address <b>Dougfein@aol.com</b>	Email Address

USPAP ADDENDUM

9016235816  
File No. R16-08638

Borrower	Paul Manafort		
Property Address	174 Jobs Ln		
City	Bridgehampton	County	Suffolk
State	NY	Zip Code	11932
Lender	The Federal Savings Bank		

This report was prepared under the following USPAP reporting option:

Appraisal Report                      This report was prepared in accordance with USPAP Standards Rule 2-2(a).

Restricted Appraisal Report              This report was prepared in accordance with USPAP Standards Rule 2-2(b).

**Reasonable Exposure Time**  
My opinion of a reasonable exposure time for the subject property at the market value stated in this report is: \_\_\_\_\_  
Estimate of Exposure Time: Based on statistical analysis and the examination of relevant sales history of comparable properties, the reasonable exposure time for the subject type and value range is ( 5-15 ) months.

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

I have NOT performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

I HAVE performed services, as an appraiser or in another capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Those services are described in the comments below.

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

**Additional Comments**

**APPRAISER:**

Signature: Douglas C. Feinberg

Name: Douglas C Feinberg

Date Signed: 10/05/2016

State Certification #: 45000043752

or State License #: \_\_\_\_\_

State: NY

Expiration Date of Certification or License: 03/21/2018

Effective Date of Appraisal: 10/04/2016

**SUPERVISORY APPRAISER: (only if required)**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date Signed: \_\_\_\_\_

State Certification #: \_\_\_\_\_

or State License #: \_\_\_\_\_

State: \_\_\_\_\_

Expiration Date of Certification or License: \_\_\_\_\_

Supervisory Appraiser Inspection of Subject Property:

Did Not     Exterior-only from Street     Interior and Exterior

License

UNIQUE ID NUMBER 45000043752	State of New York Department of State DIVISION OF LICENSING SERVICES	FOR OFFICE USE ONLY Control No. 90297
PURSUANT TO THE PROVISIONS OF ARTICLE 66 OF THE EXECUTIVE LAW AS IT RELATES TO R. E. APPRAISERS		EFFECTIVE DATE MO. DAY YR. 03 22 16
FEINBERG DOUGLAS C C/O DCF APPRAISALS 135 LEWIS ST SOUTHAMPTON, NY 11968		EXPIRATION DATE MO. DAY YR. 03 21 18
HAS BEEN DULY CERTIFIED TO TRANSACT BUSINESS AS A R. E. RESIDENTIAL APPRAISER		
<small>In Witness Whereof, The Department of State has caused its official seal to be hereunto affixed.</small> <b>CESAR A. PERALES</b> SECRETARY OF STATE		
DOS-1098 (Rev. 3/01)		



**E & O Insurance**



Real Estate Professionals  
Errors and Omissions Policy

**Declarations**

Agency	Branch	Prefix	Policy Number
078990	969	RFB	27611351116

Insurance is provided by  
Continental Casualty Company,  
333 South Wabash Ave., Chicago, IL 60604.  
A Stock Insurance Company.

**1. NAMED INSURED AND MAILING ADDRESS:**

Douglas C. Feinberg  
135 Lewis Street  
Southampton, NY 11968

**NOTICE TO POLICYHOLDERS:**

The Errors and Omissions Liability coverage  
afforded by this policy is on a Claims Made  
basis. Please review the policy carefully  
and discuss this coverage with your  
insurance agent or broker.

**2. POLICY PERIOD:** Inception: 04/26/2016 Expiration: 04/26/2017  
at 12:01 A.M. Standard Time at your address shown above.

**3. ERRORS AND OMISSIONS LIABILITY:**

A. Limits of Liability:	Each Claim:	\$1,000,000	Aggregate:	\$1,000,000
B. Discrimination Limits of Liability				\$250,000
C. Deductible:	Each Claim:			\$2,500
D. First Coverage Date:		04/26/2005		
E. Prior Acts Date:		03/25/2002		

**4. POLICY PREMIUM:** \$600.00

DISCRIMINATION (Optional \$250,000 Sublimit):	\$0.00
<b>TOTAL PREMIUM:</b>	<b>\$600.00</b>

**5. EXTENDED REPORTING PERIOD PREMIUM:**

One Year:	50% of the Policy Premium
Three Years:	130% of the Policy Premium

*Matthew W. Curry*

Countersigned by Authorized Representative

CNA65780NY ED. 09-2013

I136122-B21183

# **BROWN HARRIS STEVENS**

E s t a b l i s h e d 1 8 7 3

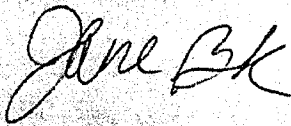
Dear Mr. Manafort

I have previewed your home at 174 Jobs Ln in Bridgehampton. Based on two recent sales, 461 Ocean Rd, Bridgehampton(\$14,995,000) and 34 Bay Lane, Water Mill (\$12,995,000) we could list the home at an asking price of \$13,500,000. Please know I am not a licensed appraiser this is based on your appraisal and the properties listed above.

The market has softened in this price range so it may take some time to sell but you have many amenities that add value to the property.

Please let me now if you would like to move forward and I will send you a marketing proposal.

Sincerely,



Jane Babcock  
Licensed Associate Broker  
2408 Main St.  
Bridgehampton, NY 11932

(USD) Change Currency

REGISTER / LOGIN  
MY PROPERTY BOOK

HOME SEARCH AREAS AGENTS ABOUT CONTACT US

Enter WEB#, Title, Agent or Blog



### Jane Babcook

Licensed Associate Real Estate Broker

[jbabcook@bhshamptons.com](mailto:jbabcook@bhshamptons.com)

631-537-4346 direct

631-680-1001 cell

Bridgehampton Brokerage

My Sale Listings My Land Listings My Rental Listings My Career Sales Download V-Card

Specialties: Equestrian Properties, Waterfront

Highly respected in the Hamptons real estate industry, Jane joined the Bridgehampton brokerage office of Brown Harris Stevens in 2015 after a real estate career spanning almost two decades.

Throughout her career, Jane has consistently been a top producing agent and a leader in her community with an elite roster of national and international clients. Specializing in luxury properties, Jane has been nationally recognized as a top agent with an enviable history of successfully closing both high-end sales and rentals throughout the Hamptons.

Fluent in the complexities of land acquisitions, waterfront properties, new construction, both historic and modern homes, equestrian properties, and more, including the resolution of building, zoning, environmental, financing and title issues that arise within each of these property types, Jane has a proven command of the local market that allows her to render unparalleled service to her clients.

An avid equestrian, sailor and skier, and a full time resident of Sag Harbor for over 26 years, Jane is currently on the board of the Breakwater Yacht Club where she has served as Vice Commodore, is a long standing member of the Sag Harbor Yacht Club, and is a member of the Architectural Review Board for the neighboring Village of North Haven.

Jane Babcook  
Brown Harris Stevens  
2408 Main Street  
Bridgehampton, NY 11932

#### Jane Babcook's Sales Listings

**SAG HARBOR, NEW YORK**  
\$18,750,000

WEB# 10049  
Beds: 7 | Baths: 8 | Halfbaths: 1  
Acres: 1.1  
Sq. Ft.: 10000 | Pool  
[Quick View»](#)

[Favorites](#)  
[Print](#)

**SAG HARBOR, NEW YORK**  
\$10,900,000

WEB# 51666  
Beds: 5 | Baths: 5 | Halfbaths: 1  
Acres: 0.4  
Sq. Ft.: 7000 | Pool  
[Quick View»](#)

[Favorites](#)  
[Print](#)

**EAST HAMPTON, NEW YORK**  
\$9,250,000

WEB# 39422  
Beds: 4 | Baths: 5  
Acres: 5.18  
Sq. Ft.: 3500 | Pool  
[Quick View»](#)

[Favorites](#)  
[Print](#)

**WAINSCOTT, NEW YORK**

\$5,250,000 Just Reduced

WEB# 24420

Beds: 7 | Baths: 7 | Halfbaths: 2

Acres: 1.1 | So. of Hwy

Sq. Ft.: 7000 | Pool

[Quick View»](#)

[Favorites](#)  
[Print](#)

**WATER MILL, NEW YORK**

\$4,995,000

WEB# 54144

Beds: 8 | Baths: 8 | Halfbaths: 1

Acres: 1

Sq. Ft.: 7000 | Pool

[Quick View»](#)

[Favorites](#)  
[Print](#)

**SAGAPONACK, NEW YORK**

\$4,950,000

WEB# 51951

Beds: 6 | Baths: 5 | Halfbaths: 1

Acres: 9

Sq. Ft.: 5000 | Pool & Tennis

[Quick View»](#)

[Also for Rent](#)  
[Favorites](#)  
[Print](#)

**SAG HARBOR, NEW YORK**

\$4,495,000 Just Reduced

WEB# 49381

Beds: 4 | Baths: 4 | Halfbaths: 2

Acres: 1

Sq. Ft.: 5500 | Pool

[Quick View»](#)

[Favorites](#)  
[Print](#)

**BRIDGEHAMPTON, NEW YORK**

\$4,295,000

WEB# 51687

Beds: 7 | Baths: 7

Acres: 0.65 | Water View

Sq. Ft.: 5200 | Pool

[Quick View»](#)

[Favorites](#)  
[Print](#)

**SHELTER ISLAND, NEW YORK**

\$3,995,000

WEB# 55264

Beds: 4 | Baths: 3

Acres: 0.56 | Waterfront

Sq. Ft.: 2400

[Quick View»](#)

[Also for Rent](#)  
[Favorites](#)  
[Print](#)

**SAG HARBOR, NEW YORK**

\$3,795,000

WEB# 50567

Beds: 4 | Baths: 4

Acres: 8.3

Sq. Ft.: 2400 | Pool

[Quick View»](#)

[Also for Rent](#)  
[Favorites](#)  
[Print](#)

**EAST HAMPTON, NEW YORK**

\$3,250,000

WEB# 53728

Beds: 6 | Baths: 4

Acres: 0.2

Sq. Ft.: 1800

[Quick View»](#)

[Favorites](#)  
[Print](#)

**SAG HARBOR, NEW YORK**

\$2,495,000

WEB# 53945

Beds: 4 | Baths: 4 | Halfbaths: 1

Acres: 0.17

Sq. Ft.: 2700 | Pool

[Quick View»](#)

[Also for Rent](#)  
[Favorites](#)  
[Print](#)

**BRIDGEHAMPTON, NEW YORK**  
\$1,695,000 Just Reduced

WEB# 36764  
Beds: 4 | Baths: 3  
Acres: 0.58  
Sq. Ft.: 2400 | Pool  
Quick View»

Also for Rent  
Favorites  
Print

**SOUTHAMPTON, NEW YORK**  
\$1,695,000 Just Reduced

WEB# 32697  
Beds: 3 | Baths: 3 | Halfbaths: 1  
Acres: 1.4  
Sq. Ft.: 2240 | Pool  
Quick View»

Favorites  
Print

**WATER MILL, NEW YORK**  
\$1,295,000

WEB# 17012  
Beds: 3 | Baths: 2  
Acres: 1 | So. of Hwy  
Sq. Ft.: 1400 | Pool  
Quick View»

Also for Rent  
Favorites  
Print

**Jane Babcock's Land Listings**

**WATER MILL, NEW YORK**  
\$5,650,000

WEB# 5238  
Acres: 49.3  
Quick View»

Favorites  
Print

**SOUTHAMPTON, NEW YORK**  
\$375,000 In Contract

WEB# 2492  
Acres: 3.17  
Quick View»

Favorites  
Print

**Jane Babcock's Rental Listings**

**SAGAPONACK, NEW YORK**  
July/Aug: \$325,000, August: \$165,000,  
July: \$160,000, Short-Term: \$85,000

WEB# 97613  
Beds: 6 | Baths: 6 | Halfbaths: 1  
Acres: 2 | Waterfront | So. of Hwy  
Sq. Ft.: 6100 | Pool  
Quick View»

Favorites  
Print

**BRIDGEHAMPTON, NEW YORK**  
Year-Round: \$295,000, MD-LD: \$240,000,  
July/Aug: \$205,000, August: \$135,000

WEB# 94763  
Beds: 5 | Baths: 6 | Halfbaths: 1  
Acres: 2.26 | So. of Hwy  
Sq. Ft.: 5300 | Pool & Tennis  
Quick View»

Favorites  
Print

**SAGAPONACK, NEW YORK**  
Year-Round: \$225,000, MD-LD: \$185,000,  
July/Aug: \$170,000, June/July: \$100,000,

WEB# 70986  
Beds: 5 | Baths: 5  
Acres: 2.75  
Sq. Ft.: 4000 | Pool & Tennis  
Quick View»

Favorites  
Print

**WATER MILL, NEW YORK**

MD-LD: \$185,000, July/Aug: \$135,000, August: \$85,000, July: \$70,000

WEB# 91415

Beds: 7 | Baths: 6 | Halfbaths: 1  
Acres: 1 | So. of Hwy  
Sq. Ft.: 4500 | Pool  
Quick View»

Favorites  
Print

**SAG HARBOR, NEW YORK**

Year-Round: \$125,000, MD-LD: \$85,000, July/Aug: \$70,000, August: \$40,000,

WEB# 97867

Beds: 4 | Baths: 4 | Halfbaths: 1  
Acres: 0.17  
Sq. Ft.: 2700 | Pool  
Quick View»

Also for Sale  
Favorites  
Print

**SAG HARBOR, NEW YORK**

MD-LD: \$115,000, July/Aug: \$95,000, August: \$50,000, July: \$45,000

WEB# 85254

Beds: 4 | Baths: 4  
Acres: 8.3  
Sq. Ft.: 2400 | Pool  
Quick View»

Also for Sale  
Favorites  
Print

**SAG HARBOR, NEW YORK**

MD-LD: \$95,000, August: \$48,000, July: \$40,000

WEB# 61384

Beds: 4 | Baths: 3  
Acres: 0.85  
Sq. Ft.: 3000 | Pool  
Quick View»

Favorites  
Print

**BRIDGEHAMPTON, NEW YORK**

July/Aug: \$85,000, August: \$45,000, July: \$40,000

WEB# 61223

Beds: 4 | Baths: 4  
Acres: 0.57  
Sq. Ft.: 2800 | Pool  
Quick View»

Favorites  
Print

**SAG HARBOR, NEW YORK**

MD-LD: \$85,000, July: \$35,000, June: \$20,000

WEB# 89638

Beds: 4 | Baths: 4 | Halfbaths: 1  
Acres: 0.51  
Sq. Ft.: 3000 | Pool  
Quick View»

Favorites  
Print

**SHELTER ISLAND, NEW YORK**

June/July: \$75,000, August: \$57,000, July: \$40,000, Short-Term: \$15,000

WEB# 90606

Beds: 4 | Baths: 3  
Acres: 0.56 | Waterfront  
Sq. Ft.: 2400  
Quick View»

Also for Sale  
Favorites  
Print

**BRIDGEHAMPTON, NEW YORK**

August: \$75,000, Short-Term: \$40,000

WEB# 82148

Beds: 4 | Baths: 3  
Acres: 5  
Sq. Ft.: 4500 | Pool  
Quick View»

Favorites  
Print

**EAST HAMPTON, NEW YORK**

MD-LD: \$72,000, July/Aug: \$65,000, June/July: \$45,000, August: \$35,000, July: \$30,000

WEB# 97659

Beds: 6 | Baths: 5  
Acres: 0.28 | So. of Hwy  
Sq. Ft.: 3000 | Pool  
Quick View»

Favorites  
Print

**NORTH HAVEN, NEW YORK**

July/Aug: \$68,000, August: \$34,000, July: \$34,000

WEB# 87422

Beds: 4 | Baths: 2 | Halfbaths: 1

Acres: 2

Pool & Tennis

[Quick View»](#)

[Favorites](#)  
[Print](#)

**SAG HARBOR, NEW YORK**

Year-Round: \$65,000, August: \$19,500

WEB# 72161

Beds: 3 | Baths: 2 | Halfbaths: 1

Acres: 0.11

Sq. Ft.: 2000

[Quick View»](#)

[Favorites](#)  
[Print](#)

**BRIDGEHAMPTON, NEW YORK**

MD-LD: \$60,000, July: \$20,000

WEB# 58862

Beds: 2 | Baths: 2

Acres: 0.59

Sq. Ft.: 1426 | Pool

[Quick View»](#)

[Favorites](#)  
[Print](#)

**SAGAPONACK, NEW YORK**

August: \$55,000

WEB# 81820

Beds: 6 | Baths: 5

Acres: 2

Sq. Ft.: 5000 | Pool

[Quick View»](#)

[Favorites](#)  
[Print](#)

**SAGAPONACK, NEW YORK**

July/Aug: \$50,000, July: \$24,000

WEB# 68461

Beds: 3 | Baths: 3

Acres: 1

Sq. Ft.: 2200 | Pool

[Quick View»](#)

[Favorites](#)  
[Print](#)

**SAGAPONACK, NEW YORK**

Short-Term: \$50,000

WEB# 76378

Beds: 5 | Baths: 4

Acres: 2.02 | Waterfront | So. of Hwy

Sq. Ft.: 4500 | Pool & Tennis

[Quick View»](#)

[Favorites](#)  
[Print](#)

**SAG HARBOR, NEW YORK**

MD-LD: \$40,000, July/Aug: \$30,000,

June/July: \$27,000, August: \$18,000, July: \$15,000

WEB# 81329

Beds: 2 | Baths: 1

Acres: 0.1

Sq. Ft.: 1000

[Quick View»](#)

[Favorites](#)  
[Print](#)

**SAG HARBOR, NEW YORK**

August: \$35,000, Short-Term: \$25,000

WEB# 82102

Beds: 3 | Baths: 2 | Halfbaths: 1

Acres: 4 | Waterfront

Sq. Ft.: 1740 | Pool & Tennis

[Quick View»](#)

[Favorites](#)  
[Print](#)

**BRIDGEHAMPTON, NEW YORK**

August: \$28,000, Short-Term: \$28,000

WEB# 87516

Beds: 4 | Baths: 3

Acres: 0.91

Sq. Ft.: 2000 | Pool

[Quick View»](#)

[Favorites](#)  
[Print](#)

**SOUTHAMPTON VILLAGE, NEW YORK**

MD-LD: \$25,000, August: \$12,500, July: \$12,500

WEB# 61741

Beds: 2 | Baths: 1

Acres: 1

Sq. Ft.: 1700

[Quick View»](#)

[Favorites](#)

[Print](#)

**WATER MILL, NEW YORK**

Rented

WEB# 70546

Beds: 3 | Baths: 2

Acres: 1 | So. of Hwy

Sq. Ft.: 1400 | Pool

[Quick View»](#)

Also for Sale

[Favorites](#)

[Print](#)

**BRIDGEHAMPTON, NEW YORK**

Rented

WEB# 60070

Beds: 5 | Baths: 3

Acres: 1 | So. of Hwy

Sq. Ft.: 2500 | Pool

[Quick View»](#)

[Favorites](#)

[Print](#)

**BRIDGEHAMPTON, NEW YORK**

Rented

WEB# 74629

Beds: 3 | Baths: 3 | Halfbaths: 1

Acres: 0.5

Sq. Ft.: 2500 | Pool

[Quick View»](#)

[Favorites](#)

[Print](#)

**Jane Babcock's Career Sales**

Jane Babcock represented the seller, the buyer or both on the sold property transactions listed below.

131 Lockwood Avenue, Bridgehampton Last Asking Price: \$5,295,000

18 Howard Street, Sag Harbor Last Asking Price: \$3,995,000

18 Oakland Avenue, Sag Harbor Last Asking Price: \$3,995,000

185 Hildreth Lane, Bridgehampton Last Asking Price: \$3,750,000

19 Howard Street, Sag Harbor Last Asking Price: \$3,395,000

51 Brandywine Drive, Sag Harbor Last Asking Price: \$2,995,000

78 Round Pond Lane, Sag Harbor Last Asking Price: \$2,895,000

12 Ludlow Green, Bridgehampton Last Asking Price: \$2,675,000

8 South Harbor Drive, Sag Harbor Last Asking Price: \$2,395,000

69 Redwood Road, Sag Harbor Last Asking Price: \$2,275,000

6 Winding Way, Water Mill Last Asking Price: \$1,695,000

30 Bayview Avenue, Sag Harbor Last Asking Price: \$1,399,000



- 258 Ferry Road, North Haven Last Asking Price: \$1,295,000
- 66 Franklin Avenue, Sag Harbor Last Asking Price: \$1,125,000
- 475 Toppings Path, Sagaponack Last Asking Price: \$1,050,000
- 16 Arthur Avenue, Bridgehampton Last Asking Price: \$895,000
- 1580 Sagg Road, Sag Harbor Last Asking Price: \$775,000
- 64 Long Beach Lane, Sag Harbor Last Asking Price: \$565,000
- 59 Wickatuck Drive, Sag Harbor Last Asking Price: \$475,000

Bridgehampton	East Hampton	Sag Harbor	Southampton	Westhampton	Greenport
631.537.2727	631.324.6400	631.725.2250	631.287.4900	631.288.5500	631.477.0551

**The best place to start your Hamptons or North Fork real estate search.**

bhshamptons.com is an all-in-one real estate site that gives you the local scoop about Hamptons homes for sale, Hamptons vacation rentals, vacant land, investment and commercial real estate, and all types of North Fork properties to help you figure out exactly what, where, and when to buy, sell, or rent. You can also find a real estate agent, and get information about the neighborhood. Get in touch with our real estate agents for advice and opinions.

We specialize in:

Bridgehampton Real Estate	East Hampton Real Estate	Montauk Real Estate	North Fork Real Estate	Quogue Real Estate	Sag Harbor Real Estate
Sagaponack Real Estate	Southampton Real Estate	Wainscott Real Estate	Water Mill Real Estate	Westhampton Real Estate	

The Hamptons - one of the most celebrated resort areas in the world - is renowned for the strength of its luxury real estate market. Brown Harris Stevens is the leading real estate firm offering Hamptons homes for sale, waterfront estates, Hamptons summer rentals, vacant land, investment and commercial properties. We also offer every type of property on the North Fork, known for its dramatic waterfront properties, vineyards, open farmland and quaint villages. Our experienced agents are expertly qualified to assist with navigating through the many choices associated with buying, selling or renting Hamptons real estate and North Fork real estate. Brown Harris Stevens is the exclusive affiliate of Christie's International Real Estate in the Hamptons, the North Fork, New York City and Palm Beach.

All information is from sources deemed reliable but is subject to errors, omissions, changes in price, prior sale or withdrawal without notice. No representation is made as to the accuracy of any description. All measurements, square footages, acreage and property taxes are approximate and all information should be confirmed by customer. All rights to content, photographs and graphics reserved to Broker. Customer should consult with its counsel regarding all closing costs, including without limitation the New York State 1% tax paid by buyers on residential properties over \$1 million and the Peconic transfer tax of approximately 2% paid by buyers. Broker represents the seller/owner on Broker's own exclusives, except if another agent of Broker represents the buyer/tenant, in which case Broker will be a dual agent with designated agents representing seller/owner and buyer/tenant. Broker may represent either the buyer/tenant or the seller/landlord when showing the exclusives of other real estate firms. Broker actively supports equal housing opportunities. **Brown Harris Stevens of the Hamptons, LLC and Brown Harris Stevens Westhampton & North Fork, LLC.**

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

APPLICATION TO PLEDGE REAL PROPERTY TO SECURE RELEASE ON BOND

UNITED STATES OF AMERICA )

v. )

Criminal Number 17-201-01 (ABJ)

Paul J. Manafort )

1. Name(s) of person(s) offering real property for appearance or surety bonds:

Jesand, LLC and Andrea L. Manafort

2. Address(es): 10 St. James Dr., Palm Beach Gardens, FL 33418 (Jesand)  
1046 N. Edgewood St., Arlington, VA 22201 (Andrea L. Manafort)

3. Location of property offered (address and brief description of property):

123 Baxter St., Unit 5D, NYC, NY - Condominium

4. Person(s) and address(es) in whose name property is assessed:

See above - item #1

5. Mortgage, liens, encumbrances of any kind on such property and the interest held in such property by anyone other than the person(s) in whose name the property is assessed:

Mortgage to Woodlawn, LLC dated Aug. 7, 2017

6. Assessed value of property: \$ 4,725,000.00

7. Mortgage, liens, encumbrances or other interests (total)

\$ 1,025,000.00

(over)



RESOLUTION OF  
JESAND, LLC

The Member and Manager of Jesand, LLC (the Company) having met and waived the requirement of notice, if any, do hereby resolve on this 13<sup>th</sup> day of November, 2017, as follows:

1. The Company, through its Member, be and is hereby authorized and entitled to pledge its assets as security for the pledge of bail for the benefit of Paul J. Manafort in his criminal proceeding before the United States District Court of the District of Columbia bearing Case No. 1:17-cr-0021.
2. The Company, through its Member, shall be entitle to enter into any agreement, understanding, deed of trust, securitization or otherwise to further advance the purpose of Paragraph 1, hereof without further meeting of the Membership or Management.
3. All prior acts of the Company are hereby ratified and incorporated herein.
4. No further business.

\_\_\_\_\_  
Kathleen Manafort, Member/Manager

United States of America v. Paul Manafort  
Crim No:17 -20101 (ABJ)

Rider to Application to Pledge Real Property to Secure Release on Bond

5. 174 Jobs Lane, Bridgehampton N.Y. has a mortgage to Federal Savings Bank dated November 16, 2016 in the amount of \$9,500,000.

601 N. Fairfax Street, Alexandria, Va is encumbered by a deed of trust to Federal Savings Bank as collateral for the mortgage on 174 Jobs Lane.

123 Baxter Street, New York, N.Y. has a mortgage to Woodlawn LLC dated August 7, 2017 in the amount of \$1,025,000.

10 St. James Drive, Palm Beach Gardens FL has no encumbrances.

6. Assessed Value:

174 Jobs Lane, Bridgehampton	\$13,500,000
123 Baxter Street, New York	4,725,000
601 N. Fairfax Street, Alexandria	2,700,000
10 St. James Drive, Palm Beach Gardens	1,250,000

Total \$22,175,000

7. Mortgages, liens, encumbrances or other interest: \$10,525,000

8. Net assessed value: \$11,650,000

9. Amount required for appearance or surety: \$10,000,000

Line 8 exceeds Line 9.

UNITED STATES DISTRICT COURT

for the

United States of America

v.

Paul J. Manafort

Defendant

)  
)  
)  
)  
)  
)

17-201-01 (ABJ)

Case No.

AGREEMENT TO FORFEIT REAL PROPERTY TO OBTAIN A DEFENDANT'S RELEASE

To obtain the defendant's release, we jointly and severally agree to forfeit the following property to the United States of America if this defendant fails to appear as required for any court proceeding or for the service of any sentence imposed as may be noticed or ordered by any court considering this matter, or fails to comply with any conditions of release set by the court (describe property and any claim, lien, mortgage, or other encumbrance on it):

123 Baxter Street, Unit 5D, New York, New York as more fully described in attached deed Mortgage to Woodlawn, LLC dated August 7, 2017. Amount: \$1,025,000.00.

Ownership. We declare under penalty of perjury that we are this property's sole owners and that it is not subject to any claim, lien, mortgage, or other encumbrance except as disclosed above. We promise not to sell, mortgage, or otherwise encumber the property, or do anything to reduce its value while this agreement is in effect. We deposit with the court the following ownership documents, including any encumbrance documents (list all documents and submit as attachments):

- 1. Deed dated October 18, 2007
2. Mortgage dated Aug. 7, 2017
3. Valuation

Surety Information. We understand that the court and the United States of America will rely on the surety information in approving this agreement.

Conditions of Release. We state that we have either read all court-ordered conditions of release imposed on the defendant or had them explained to us.

Continuing Agreement. Unless the court orders otherwise, this agreement remains in effect during any appeal or other review until the defendant has satisfied all court notices, orders, and conditions.

Exoneration of Sureties. This agreement is satisfied and ends if the defendant is exonerated on all charges or, if convicted, the defendant reports to serve any sentence imposed.

Forfeiture. If the defendant fails to obey all conditions of release, court notices, and orders to appear, the court will immediately order the property forfeited and on motion of the United States of America may order a judgment of forfeiture against the signing parties and their representatives, jointly and severally, including interest and costs.

AO 100 (Rev. 06/09) Agreement to Forfeit Real Property to Obtain a Defendant's Release

I swear under penalty of perjury that the above information is true and agree to the conditions of this agreement.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Defendant (if a property owner)*

City and state: \_\_\_\_\_

*Jesand, LLC by Kathleen B. Manafort*

\_\_\_\_\_  
*Property owner's printed name*

\_\_\_\_\_  
*Property owner's signature*

\_\_\_\_\_  
*Property owner's printed name*

\_\_\_\_\_  
*Property owner's signature*

\_\_\_\_\_  
*Property owner's printed name*

\_\_\_\_\_  
*Property owner's signature*

Sworn and signed before me.

*CLERK OF COURT*

Date: \_\_\_\_\_

\_\_\_\_\_  
*Signature of Clerk or Deputy Clerk*

Agreement accepted.

*UNITED STATES OF AMERICA*

Date: \_\_\_\_\_

\_\_\_\_\_  
*Assistant United States Attorney's signature*

Agreement approved.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Judge's signature*

**123 Baxter Street, Unit 5D, NY, NY**

**DEED**



**UNIT DEED**

THIS INDENTURE, made the 19 day of **October**, 2007 between Baxter Condo Sales LLC having an office at c/o Narczen LLC, 139-09 28<sup>th</sup> Road, Flushing, NY 11354 "Grantor" and **JESAND, LLC and Andrea L. Manafort**, residing at 123 Baxter Street, Unit **5D**, New York, New York 10013 "Grantee".

**WITNESSETH:**

That the Grantor, in consideration of Ten Dollars and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit known as Unit No. **5D** (hereinafter called the "Unit") in the Building known collectively as Baxter Street Condominium and 123 Baxter Street, Borough of Manhattan, City, County and State of New York, (the "Building") designated and described in the Declaration establishing a plan for condominium ownership of the Building and the land upon which the Building is situated (said Building and land referred to collectively herein as the "Property" or the "Condominium"), dated September 21, 2007, under the Condominium Act of the State of New York (Article 9-B of the Real Property Law of the State of New York), recorded in the Office of the Register of the City of New York, in the County of New York, on the 28th day of September, with a CRFN 2007000498520 (the "Declaration"). The Unit is also designated as Tax Lot No. **1122** in Block 206 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of the City of New York and on the floor plans of the Buildings, certified by Hal Dorfman Architects, licensed professional architects, on Sept. 24, 2007, filed in the Register's Office of New York County on September 28, 2007.

The land on which the Building is located is described as follows:

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City of New York, County of New York and known and designated as and by the street number 123 Baxter Street, Borough of Manhattan, New York, New York, being more particularly bounded and described as follows:

BEGINNING at a point formed by the intersection of the southerly side of Hester Street and the easterly side of Baxter Street;

THENCE southerly along the said easterly side of Baxter Street at an interior angle of 90 degrees 59 minutes 40 seconds at distance of 125 feet 4½ inches;

THENCE easterly from said point on the easterly side of Baxter Street at an interior angle of 88 degrees 53 minutes 20 seconds a distance of 100 feet 4½ inches to a point;

THENCE northerly from said point at an interior angle of 91 degrees 00 minutes 10 seconds a distance of 25 feet 2 inches;

THENCE westerly at an interior angle of 89 degrees 06 minutes 20 seconds a distance of 25 feet 4 inches;

THENCE northerly at an interior angle of 91 degrees 02 minutes 30 seconds a distance of 100 feet 0 inches to the southerly side of Hester Street;

THENCE westerly along the southerly side of Hester Street at an interior angle of 88 degrees 57 minutes 30 seconds a distance of 75 feet 1 inch to the easterly side of Baxter Street the point or place of BEGINNING.

PARCEL A

ALL THAT CERTAIN plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, being distinguished on a Map of Bayard East Farm filed in the Office of the Secretary of State by the Lot number 494 and by the same number on a Map of Lands of the City of New York, belonging to the Estate of Stephen Van Renselaer, deceased, filed in the Office of the Register of the County of New York, which said plot is bounded and described as follows:

BEGINNING at a point on the easterly side of Baxter Street, distant 100 feet southerly from Hester Street;

RUNNING THENCE easterly 100 feet 8 inches;

THENCE southerly in the rear 25 feet;

THENCE westerly 100 feet 8 inches to Baxter Street;

THENCE northerly along the easterly side of Baxter Street 25 feet 2 inches to the point or place of BEGINNING.

PARCEL B

ALL THE CERTAIN plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the easterly side of Baxter Street and the southerly side of Hester Street;

THENCE southerly along the easterly side of Baxter Street, one hundred feet;

THENCE easterly parallel, or nearly so, with the southerly side of Hester Street, 75 feet;

THENCE northerly parallel, or nearly so, with Baxter Street, one hundred feet more or less to the southerly side of Hester Street;

THENCE westerly along the same 75 feet 1 inch, more or less, to the point or place of BEGINNING.

TOGETHER with an undivided **4.65%** interest in the Common Elements (as such term is defined in the Declaration) appurtenant to the Unit (hereinafter called the "Common Elements");

SUBJECT to an easement in common with all other Unit Owners to use, install, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements, and any pipes, wires, ducts, vents, cables, conduits, or other lines, equipment or facilities forming a part of or related to such Common Elements, located in, over, through, under or upon the Unit, other Units, the Common Elements, or other parts of the Property, provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use thereof for dwelling, home occupation, or other lawful purposes;

SUBJECT to the rights, obligations, easements, restrictions and all other terms, covenants, conditions and provisions of the Declaration and By-Laws and Floor Plans filed therewith, as the same may be amended from time to time by instruments recorded or filed in the Office of the Register of the City of New York, in the County and State of New York, all of which, together with any amendments thereto, shall constitute covenants running with the land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein;

SUBJECT to covenants, restrictions and declarations recorded in the office of the Register of the City of New York, County of New York.

SUBJECT also to easements in favor of other Units and in favor of the Common Elements for the continuance of all encroachments of such other Units or Common Elements on the Unit, now or hereafter existing as a result of the repair or restoration of the Building (or any portion thereof) or of any other Unit or of the Common Elements, after damage or destruction by fire or casualty or after taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by or with the consent of the Condominium Board or by the Grantor, or its designee and its respective successors, and assigns, or any Unit Owner in accordance with the Declaration and the By-Laws so that any such encroachments may remain so long as the Building shall stand;

SUBJECT also to an easement in favor of other Units to use, install, operate, maintain, repair, alter, rebuild, restore and replace such other Units and any pipes, wires, ducts, vents, cables, conduits, flues, or other lines, equipment or facilities forming a part of or related to such other Units located in, over, through, under or upon the Unit, other Units, the Common Elements or other parts of the Property, provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use thereof for dwelling, home occupation, or other lawful purposes;

SUBJECT also to existing easements and the right reserved in the Declaration to establish, grant and create additional utility easements, in favor of any utility company for construction, use, maintenance, repair and replacements of all utility lines, wires, terminal boxes, mains, pipes, cables, conduits and other equipment and facilities in, under, over and across the Property;

SUBJECT also to such other liens, agreements, covenants, easements, restrictions and other matters of record as pertain to the Unit and/or the Property.



**123 Baxter Street, Unit 5D, NY, NY**

**MORTGAGE**

14

FN-13390-NY  
New York

When recorded, return to:

BIK: 206  
Lot: 1122  
Unit: 5D

Title Order No.: FN-13390-NY

[Space Above This Line For Recording Data]

**MORTGAGE**

- A Borrower has executed a Promissory Note in connection herewith and made payable to the order of Lender in an amount of One Million Twenty Five Thousand Dollars (\$1,025,000.00), plus interest at the rate provided therein (the "Note"). Additionally, Andrea Manafort, as co-owner, has executed this Mortgage for the purposes of providing Lender with a first Mortgage position.
- C Borrower desires to secure the prompt payment of the indebtedness and interest evidenced by the Note, and the due, prompt and complete observance, performance and discharge of each and every obligation, covenant and agreement set forth in the Note, in this Mortgage, and in any other Loan Documents (as hereinafter defined). For purposes of this Mortgage, the Note and any documents executed or delivered in connection with the Note are referred to collectively herein as the "Loan Documents;" provided, however, any environmental indemnity or environmental indemnity agreement, executed by Borrower or any other persons in connection with the Loan, shall in no event constitute a Loan Document for purposes of this Mortgage.

**MORTGAGE**

**WORDS USED OFTEN IN THIS DOCUMENT**

- (A) "Security Instrument." This document, which is dated August 7, 2017, together with all Riders to this document, will be called the "Security Instrument."
- (B) "Borrower." Jesand, LLC. For purposes of this mortgage, Andrea Manafort shall also be termed "Borrower" although she shall not be indebted on the Note and executes this document in order to provide security and collateral for the loan.

whose address is

C/O BRUCE E. BALDINGER, ESQ., 365 South Street, Morristown, NJ 07960,

sometimes will be called "Borrower" and sometimes simply "I" or "me."

(C) "Lender" is Woodlawn, LLC. Lender is an individual with an address of \_123 W. Nye Lane, Ste 129, Carson City, Nevada 89706. Lender is the mortgagee under this Security Instrument.

(D) "Note." The note signed by Borrower and dated August 7, 2017 will be called the "Note." The Note

shows that I owe Lender **ONE MILLION AND TWENTY FIVE THOUSAND 00/100 Dollars** (U.S. \$1,025,000.00) plus interest and other amounts that may be payable. I have promised to pay this debt in Periodic Payments and to pay the debt in full by December 31, 2017 unless otherwise extended in writing.

(E) "Property." The property that is described below in the section titled "Description of the Property," will be called the "Property."

(F) "Loan." The "Loan" means the debt evidenced by the Note, plus interest, late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Sums Secured." The amounts described above under the "Note" Section, sometimes will be called the "Sums Secured."

(I) "Riders." All Riders attached to this Security Instrument that are signed by Borrower will be called "Riders." The following Riders are to be signed by Borrower [check box as applicable]:

- Adjustable Rate Rider
- Condominium Rider
- Second Home Rider

(J) "Applicable Law." All controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable, judicial opinions will be called "Applicable Law."

(K) "Community Association Dues, Fees, and Assessments." All dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization will be called "Community Association Dues, Fees, and Assessments."

(L) "Electronic Funds Transfer." "Electronic Funds Transfer" means any transfer of money, other than by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Some common examples of an Electronic Funds Transfer are point-of-sale transfers (where a card such as an asset or debit card is used at a merchant), automated teller machine (or ATM) transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(M) "Escrow Items." Those items that are described in Section 3 will be called "Escrow Items."

(N) "Miscellaneous Proceeds." "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than Insurance Proceeds as defined in, and paid under the coverage described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) Condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of Condemnation or sale to avoid Condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property. A taking of the Property by any governmental authority by eminent domain is known as "Condemnation."

(O) "Mortgage Insurance." "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(P) "Periodic Payment." The regularly scheduled amount due for (i) principal and interest under the Note, and (ii) any amounts under Section 3 will be called "Periodic Payment."

(Q) "RESPA." "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (12 C.F.R. Part 1024), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(R) "Secretary" means the Secretary of the United States Department of Housing and Urban Development or his designee.

(S) "Deposit Account Agreement" shall mean that certain Deposit Account and Security Agreement [Borrower's Funds Account] of even date herewith, providing Lender with a first lien security interest in the Borrower's Funds Account and the "Pledged Funds" (as defined in the Deposit Account Agreement [Borrower's Funds Account]) deposited therein.

**DESCRIPTION OF THE PROPERTY**

I give Lender and Lender's successors and assigns rights in the Property described in

(A) through (G) below:

(A) The Property which is located at **123 Baxter Street, Unit 5D, New York**  
[Street] [City, Town or Village]

New York

[Zip Code]

This Property is in New York

County. It has the following legal description:

**SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS "EXHIBIT A".**

**APN #: Block: 206 Lot: 1122**

- (B) All buildings and other improvements that are located on the Property described in subsection (A) of this section;
- (C) All rights in other property that I have as owner of the Property described in subsection (A) of this section. These rights are known as "easements and appurtenances attached to the Property;"
- (D) All rights that I have in the land which lies in the streets or roads in front of, or next to, the Property described in subsection (A) of this section;
- (E) All fixtures that are now or in the future will be on the Property described in subsections (A) and (B) of this section;
- (F) All of the rights and property described in subsections (B) through (E) of this section that I acquire in the future; and
- (G) All replacements of or additions to the Property described in subsections (B) through (F) of this section and all Insurance Proceeds for loss or damage to, and all Miscellaneous Proceeds of the Property described in subsections (A) through (F) of this section.

**BORROWER'S RIGHT TO MORTGAGE THE PROPERTY AND BORROWER'S OBLIGATION TO DEFEND OWNERSHIP OF THE PROPERTY**

I promise that: (A) I lawfully own the Property; (B) I have the right to mortgage, grant and convey the Property to Lender; and (C) there are no outstanding claims or charges against the Property, except for those which are of public record.

I give a general warranty of title to Lender. This means that I will be fully responsible for any losses which Lender suffers because someone other than myself has some of the rights in the Property which I promise that I have. I promise that I will defend my ownership of the Property against any claims of such rights.

**PLAIN LANGUAGE SECURITY INSTRUMENT**

This Security Instrument contains promises and agreements that are used in real property security instruments all over the country. It also contains other promises and agreements that vary in different parts of the country. My promises and agreements are stated in "plain language."

**COVENANTS**

I promise and I agree with Lender as follows:

**1. Borrower's Promise to Pay.** I will pay to Lender on time principal and interest due under the Note and late charges and other amounts due under the Note. I will also timely pay all expenses, taxes, insurance and other obligations due in respect of the Property. Payments due under the Note and this Security Instrument shall be made in U.S. currency. If any of my payments by check or other payment instrument is returned to Lender unpaid, Lender may require my payment be made by: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location required in the Note, or at another location designated by Lender under Section 14 of this Security Instrument. Lender may return or accept any payment or partial payment if it is for an amount that is less than the amount that is then due. If Lender accepts a lesser payment, Lender may refuse to accept a lesser payment that I may make in the future and does not waive any of its rights. Lender is not obligated to apply such lesser payments when it accepts such payments. If interest on principal accrues as if all Periodic Payments had been paid when due, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until I make payments to bring the Loan current. If I do not do so within a reasonable period of time, Lender will either apply such funds or return them to me. In the event of foreclosure, any unapplied funds will be applied to the outstanding principal balance immediately prior to foreclosure. No offset or claim which I might have now or in the future against Lender will relieve me from making payments due under the Note and this Security Instrument or keeping all of my other promises and agreements secured by this Security Instrument.

**2. Application of Borrower's Payments and Insurance Proceeds.** Unless Applicable Law or this Section 2 requires otherwise, Lender will apply each of my payments that Lender accepts in the following order:

First, to interest due under the Note; Second, to late charges due under the Note, and Third, to the principal of the Note.

If Lender receives a payment from me for a late Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the late Periodic Payment and the late charge. If more than one Periodic Payment is due, Lender may apply any payment received from me: First, to the repayment of the Periodic Payments that are due if, and to the extent that, each payment can be paid in full; Next, to the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due.

Any application of payments, Insurance Proceeds, or Miscellaneous Proceeds to principal due under the Note will not extend or postpone the due date of the Periodic Payments or change the amount of those payments.

**3. Intentionally Omitted.**

**4. Borrower's Obligation to Pay Charges, Assessments And Claims.** I will pay all taxes, assessments, water charges, sewer rents and other similar charges, and any other charges and fines that may be imposed on the Property and that may be superior to this Security Instrument. I will also make ground rents or payments due under my lease if I am a tenant on the Property and Community Association Dues, Fees, and Assessments (if any) due on the Property. If these items are Escrow Items, I will do this by making the payments as described in Section 3 of this Security Instrument. In this Security Instrument, the word "Person" means any individual, organization, governmental authority or other party. I will promptly pay or satisfy all Liens against the Property that may be superior to this Security Instrument prior to disbursement of the Note proceeds by Lender.

**5. Borrower's Obligation to Maintain Hazard Insurance or Property Insurance.** I will obtain hazard or property insurance to cover all buildings and other improvements that now are, or in the future will be, located on the Property. The insurance will cover loss or damage caused by fire, hazards normally covered by "Extended Coverage" hazard insurance policies, and any other hazards for which Lender requires coverage, including, but not limited to earthquakes and floods. The insurance will be in the amounts (including, but not limited to, deductible levels) and for the periods of time required by Lender. What Lender requires under the last sentence can change during the term of the Loan. I may choose the insurance company, but my choice is subject to Lender's right to disapprove. Lender may not



disapprove my choice unless the disapproval is reasonable. Lender may require me to pay either (a) a one-time charge for food zone determination, certification and tracking services, or (b) a one-time charge for food zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect the food zone determination or certification. If I disagree with the food zone determination, I may request the Federal Emergency Management Agency to review the food zone determination and I promise to pay any fees charged by the Federal Emergency Management Agency for its review.

If I fail to maintain any of the insurance coverages described above, Lender may obtain insurance coverage, at Lender's option and my expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage will cover Lender, but might or might not protect me, my equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. I acknowledge that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that I could have obtained. Any amounts disbursed by Lender under this Section 5 will become my additional debt secured by this Security Instrument. These amounts will bear interest at the interest rate set forth in the Note from the date of disbursement and will be payable with such interest, upon notice from Lender to me requesting payment.

All of the insurance policies and renewals of those policies will include what is known as a "Standard Mortgage Clause" to protect Lender and will name Lender as mortgagee and/or as an additional loss payee. The form of all policies and renewals will be acceptable to Lender. Lender will have the right to hold the policies and renewal certificates. If Lender requires, I will promptly give Lender all receipts of paid premiums and renewal notices that I receive.

If I obtain any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy will include a Standard Mortgage Clause and will name Lender as mortgagee and/or as an additional loss payee.

If there is a loss or damage to the Property, I will promptly notify the insurance company and Lender. If I do not promptly prove to the insurance company that the loss or damage occurred, then Lender may do so.

The amount paid by the insurance company for loss or damage to the Property is called "Insurance Proceeds." Unless Lender and I otherwise agree in writing, any Insurance Proceeds, whether or not the underlying insurance was required by Lender, will be used to repair or to restore the damaged Property unless: (a) it is not economically feasible to make the repairs or restoration; (b) the use of the Insurance Proceeds for that purpose would lessen the protection given to Lender by this Security Instrument; or (c) Lender and I have agreed in writing not to use the Insurance Proceeds for that purpose. During the period that any repairs or restorations are being made, Lender may hold any Insurance Proceeds until it has had an opportunity to inspect the Property to verify that the repair work has been completed to Lender's satisfaction. However, this inspection will be done promptly. Lender may make payments for the repairs and restorations in a single payment or in a series of progress payments as the work is completed. Unless Lender and I agree otherwise in writing or unless Applicable Law requires otherwise, Lender is not required to pay me any interest or earnings on the Insurance Proceeds. I will pay for any public adjusters or other third parties that I hire, and their fees will not be paid out of the Insurance Proceeds. If the repair or restoration is not economically feasible or if it would lessen Lender's protection under this Security Instrument, then the Insurance Proceeds will be used to reduce the amount that I owe to Lender under this Security Instrument. Such Insurance Proceeds will be applied in the order provided for in Section 2. If any of the Insurance Proceeds remain after the amount that I owe to Lender has been paid in full, the remaining Insurance Proceeds will be paid to me.

If I abandon the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If I do not answer, within 30 days, a notice from Lender stating that the insurance company has offered to settle a claim, Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 24 of this Security Instrument or otherwise, I give Lender my rights to any Insurance Proceeds in an amount not greater than the amounts unpaid under the Note and this Security Instrument. I also give Lender any other of my rights (other than the right to any refund of unearned premiums that I paid) under all insurance policies covering the Property, if the rights are applicable to the coverage of the Property. Lender may use the Insurance Proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

**6. Borrower's Obligations to Occupy The Property.** I will occupy the Property and use the Property as my principal residence within 60 days after I sign this Security Instrument. I will continue to occupy the Property and to use the Property as my principal residence for at least one year. The one-year period will begin when I first occupy the Property. However, I will not have to occupy the Property and use the Property as my principal residence within the time frames set forth above if Lender agrees in writing that I do not have to do so. I also will not have to occupy the Property and use the Property as my principal residence within the time frames set forth above if extenuating circumstances exist which are beyond my control.

**7. Borrower's Obligations to Maintain And Protect The Property And to Fulfill Any Lease Obligations.**

**(a) Maintenance and Protection of the Property.** I will not destroy, damage or harm the Property, and I will not allow the Property to deteriorate. Whether or not I am residing in the Property, I will keep the Property in good repair so that it will not deteriorate or decrease in value due to its condition. Unless it is determined under Section 5 of this Security Instrument that repair is not economically feasible, I will promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or Condemnation (as defined in the definition of Miscellaneous Proceeds) proceeds are paid because of loss or damage to, or Condemnation of, the Property, I will repair or restore the Property only if Lender has released those proceeds for such purposes. Lender may pay for the repairs and restoration out of proceeds in a single payment or in a series of progress payments as the work is completed. If the insurance or Condemnation proceeds are not sufficient to repair or restore the Property, I promise to pay for the completion of such repair or restoration.

If condemnation proceeds are paid in connection with the taking of the property, Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts, and then to payment of principal. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments or change the amount of such payments.

**(b) Lender's Inspection of Property.** Lender, and others authorized by Lender, may enter on and inspect the Property. They will do so in a reasonable manner and at reasonable times. If it has a reasonable purpose, Lender may inspect the inside of the home or other improvements on the Property. Before or at the time an inspection is made, Lender will give me notice stating a reasonable purpose for such interior inspection.

**8. Borrower's Loan Application.** If, during the application process for the Loan, I, or any Person or entity acting at my direction or with my knowledge or consent, made false, misleading, or inaccurate statements to Lender about information important to Lender in determining my eligibility for the Loan (or did not provide Lender with

such information), Lender will treat my actions as a default under this Security Instrument. False, misleading, or inaccurate statements about information important to Lender would include a misrepresentation of my intention to occupy the Property as a principal residence. This is just one example of a false, misleading, or inaccurate statement of important information.

**9. Lender's Right to Protect Its Rights in The Property.** If: (a) I do not keep my promises and agreements made in this Security Instrument; (b) someone, including me, begins a legal proceeding that may significantly affect Lender's interest in the Property or rights under this Security Instrument (such as a legal proceeding in bankruptcy, in probate, for Condemnation or Forfeiture (as defined in Section 10), proceedings which could give a Person rights which could equal or exceed Lender's interest in the Property or under this Security Instrument, proceedings for enforcement of a Lien which may become superior to this Security Instrument, or to enforce laws or regulations); or (c) I have abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and Lender's rights under this Security Instrument.

Lender's actions may include, but are not limited to: (a) protecting and/or assessing the value of the Property; (b) securing and/or repairing the Property; (c) paying sums to eliminate any Lien against the Property that may be equal or superior to this Security Instrument; (d) appearing in court; and (e) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Lender can also enter the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, have utilities turned on or off, and take any other action to secure the Property. Although Lender may take action under this Section 9, Lender does not have to do so and is under no duty to do so. I agree that Lender will not be liable for not taking any or all actions under this Section 9.

I will pay to Lender any amounts, with interest, which Lender spends under this Section 9. I will pay those amounts to Lender when Lender sends me a notice requesting that I do so. I will pay interest on those amounts at the interest rate set forth in the Note. Interest on each amount will begin on the date that the amount is spent by Lender. This Security Instrument will protect Lender in case I do not keep this promise to pay those amounts with interest.

If I do not own, but am a tenant on the Property, I will fulfill all my obligations under my lease. I also agree that, if I acquire the full title (sometimes called "Fee Title") to the Property, my lease interest and the Fee Title will not merge unless Lender agrees to the merger in writing.

**10. Agreements About Miscellaneous Proceeds; Forfeiture.** All Miscellaneous Proceeds are assigned to and will be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds will be applied to restoration or repair of the Property, if (a) the restoration or repair is economically feasible, and (b) Lender's security given in this Security Instrument is not lessened. During such repair and restoration period, Lender will have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect the Property to verify that the work has been completed to Lender's satisfaction. However, the inspection will be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless Lender and I agree otherwise in writing or unless Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender will not be required to pay Borrower any interest or earnings on the Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security given in this Security Instrument would be lessened, the Miscellaneous Proceeds will be applied to the Sums Secured, whether or not then due. The excess, if any, will be paid to me. Such Miscellaneous Proceeds will be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds will be applied to the Sums Secured, whether or not then due. The excess, if any, will be paid to me.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the Sums Secured immediately before the partial taking, destruction, or loss in value, the Sums Secured will be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the Sums Secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to me.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the Sums Secured immediately before the partial taking, destruction, or loss in value, the Miscellaneous Proceeds will be applied to the Sums Secured whether or not the sums are then due.

If I abandon the Property, or if, after Lender sends me notice that the Opposing Party (as defined in the next sentence) offered to make an award to settle a claim for damages, I fail to respond to Lender within 30 days after the date Lender gives notice, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the Sums Secured, whether or not then due. "Opposing Party" means the third party that owes me Miscellaneous Proceeds or the party against whom I have a right of action in regard to Miscellaneous Proceeds.

I will be in default under this Security Instrument if any civil or criminal action or proceeding that Lender determines could result in a court ruling (a) that would require Forfeiture of the Property, or (b) that could damage Lender's interest in the Property or rights under this Security Instrument. "Forfeiture" is a court action to require the Property, or any part of the Property, to be given up. I may correct the default by obtaining a court ruling that dismisses the court action, if Lender determines that this court ruling prevents Forfeiture of the Property and also prevents any damage to Lender's interest in the Property or rights under this Security Instrument. If I correct the default, I will have the right to have enforcement of this Security Instrument discontinued, as provided in Section 18 of this Security Instrument, even if Lender has required Immediate Payment in Full (as defined in Section 24). The proceeds of any award or claim for damages that are attributable to the damage or reduction of Lender's interest in the Property are assigned, and will be paid, to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property will be applied in the order provided for in Section 2.

**11. Continuation of Borrower's Obligations And of Lender's Rights.**

**(a) Borrower's Obligations. Intentionally Omitted.**

**(b) Lender's Rights.** Even if Lender does not exercise or enforce any right of Lender under this Security Instrument or under Applicable Law, Lender will still have all of those rights and may exercise and enforce them in the future. Even if: (1) Lender obtains insurance, pays taxes, or pays other claims, charges or Liens against the Property; (2) Lender accepts

payments from third Persons; or (3) Lender accepts payments in amounts less than the amount then due, Lender will have the right under Section 24 below to demand that I make Immediate Payment in Full of any amounts remaining due and payable to Lender under the Note and under this Security Instrument.

**12. Obligations of Borrower And of Persons Taking Over Borrower's Rights or Obligations.** If more than one Person signs this Security Instrument as Borrower, each of us is fully obligated to keep all of Borrower's promises and obligations contained in this Security Instrument. Lender may enforce Lender's rights under this Security Instrument against each of us individually or against all of us together. This means that any one of us may be required to pay all of the Sums Secured. However, if one of us does not sign the Note: (a) that Person is signing this Security Instrument only to give that Person's rights in the Property to Lender under the terms of this Security Instrument; (b) that Person is not personally obligated to pay the Sums Secured; and (c) that Person agrees that Lender may agree with the other Borrowers to delay enforcing any of Lender's rights, to modify, or make any accommodations with regard to the terms of this Security Instrument or the Note without that Person's consent.

Any Person who takes over my rights or obligations under this Security Instrument in writing, and is approved by Lender in writing, will have all of my rights and will be obligated to keep all of my promises and agreements made in this Security Instrument. Borrower will not be released from Borrower's obligations and liabilities under this Security Instrument unless Lender agrees to such release in writing. Any Person who takes over Lender's rights or obligations under this Security Instrument will have all of Lender's rights and will be obligated to keep all of Lender's promises and agreements made in this Security Instrument except as provided under Section 19.

**13. Loan Charges.** Lender may charge me fees for services performed in connection with my default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. Lender may collect fees and charges authorized by the Secretary. Lender may not charge fees that are prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to Applicable Law which sets maximum loan charges, and that Applicable Law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed permitted limits: (a) any such loan charge will be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment with no changes in the due date or in the monthly payment amount unless the Note holder agrees in writing to those changes. If I accept such a refund that is paid directly to me, I will waive any right to bring a lawsuit against Lender because of the overcharge.

**14. Notices Required under this Security Instrument.** All notices given by me or Lender in connection with this Security Instrument will be in writing. Any notice to me in connection with this Security Instrument is considered given to me when mailed by first class mail or when actually delivered to my notice address if sent by other means. Notice to any one Borrower will be notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address is the address of the Property unless I give notice to Lender of a different address. I will promptly notify Lender of my change of address. If Lender specifies a procedure for reporting my change of address, then I will only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender will be given by delivering it or by mailing it by first class mail to Lender's address stated on the first page of this Security Instrument unless Lender has given me notice of another address. Any notice in connection with this Security Instrument is given to Lender when it is actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

**15. Law That Governs this Security Instrument; Word Usage.** This Security Instrument is governed by federal law and the law of New York State. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might allow the parties to agree by contract or it might be silent, but such silence does not mean that Lender and I cannot agree by contract. If any term of this Security Instrument or of the Note conflicts with Applicable Law, the conflict will not affect other provisions of this Security Instrument or the Note which can operate, or be given effect, without the conflicting provision. This means that the Security Instrument or the Note will remain as if the conflicting provision did not exist.

As used in this Security Instrument: (a) words of the masculine gender mean and include corresponding words of the feminine and neuter genders; (b) words in the singular mean and include the plural, and words in the plural mean and include the singular; and (c) the word "may" gives sole discretion without any obligation to take any action.

**16. Borrower's Copy.** I will be given one copy of the Note and of this Security Instrument.

**17.** Intentionally omitted

**18. Note Holder's Right to Sell the Note or an Interest in the Note; Borrower's Right to Notice of Change of Loan Servicer; Lender's and Borrower's Right to Notice of Grievance.** The Note, or an interest in the Note, together with this Security Instrument, may be sold one or more times. I might not receive any prior notice of these sales.

The entity that collects the Periodic Payments and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law is called the "Loan Servicer." There may be a change of the Loan Servicer as a result of the sale of the Note. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. Applicable Law requires that I be given written notice of any change of the Loan Servicer. The notice will state the name and address of the new Loan Servicer, and also tell me the address to which I should make my payments. The notice also will contain any other information required by RESPA or Applicable Law. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to me will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither I nor Lender may commence, join, or be joined to any court action (as either an individual party or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other has not fulfilled any of its obligations under this Security Instrument, unless the other is notified (in the manner required under Section 14 of this Security Instrument) of the unfulfilled obligation and given a reasonable time period to take corrective action. If Applicable Law provides a time period which will elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to me under Section 24 and the notice of the demand for payment in full given to me under Section 24 will be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 19. All rights under this paragraph are subject

to Applicable Law.

**19. Borrower Not Third-Party Beneficiary to Contract of Insurance.** Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if I do not repay the Loan as agreed. I acknowledge and agree that I am not a third party beneficiary to the contract of insurance between the Secretary and Lender, nor am I entitled to enforce any agreement between Lender and the Secretary, unless explicitly authorized to do so by Applicable Law.

**20. Continuation of Borrower's Obligations to Maintain and Protect the Property.** The federal laws and the laws of New York State that relate to health, safety or environmental protection are called "Environmental Law." Environmental Law classifies certain substances as toxic or hazardous. There are other substances that are considered hazardous for purposes of this Section 21. These substances are gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. The substances defined as toxic or hazardous by Environmental Law and the substances considered hazardous for purposes of this Section 21 are called "Hazardous Substances." "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law. An "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

I will not do anything affecting the Property that violates Environmental Law, and I will not allow anyone else to do so. I will not cause or permit Hazardous Substances to be present on the Property. I will not use or store Hazardous Substances on the Property. I also will not dispose of Hazardous Substances on the Property, or release any Hazardous Substance on the Property, and I will not allow anyone else to do so. I also will not do, nor allow anyone else to do, anything affecting the Property that: (a) is in violation of any Environmental Law; (b) creates an Environmental Condition; or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The promises in this paragraph do not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized as appropriate for normal residential use and maintenance of the Property (including, but not limited to, Hazardous Substances in consumer products). I may use or store these small quantities on the Property. In addition, unless Environmental Law requires removal or other action, the buildings, the improvements and the fixtures on the Property are permitted to contain asbestos and asbestos-containing materials if the asbestos and asbestos-containing materials are undisturbed and "non-friable" (that is, not easily crumbled by hand pressure).

I will promptly give Lender written notice of: (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which I have actual knowledge; (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance; and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If I learn, or any governmental or regulatory authority, or any private party, notifies me that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, I will promptly take all necessary remedial actions in accordance with Environmental Law.

Nothing in this Security Instrument creates an obligation on Lender for an Environmental Cleanup.

**21. Grounds for Acceleration of Debt.**

(a) **Default.** Lender may, except as limited by regulations issued by the Secretary, in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if: I default by failing to pay in full any monthly payment required by this Security Instrument within the cure period set forth in the Note, a material adverse change happens with respect to the Property, the Makers of the Note or Guarantor of the Note obligation

(b) **No Waiver.** If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.

(c) **Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.

**NON-UNIFORM COVENANTS**

I also promise and agree with Lender as follows:

**22. Assignment of Rents.** I unconditionally assign and transfer to Lender all the rents and revenues of the Property. I authorize Lender or Lender's agents to collect the rents and revenues and hereby direct each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to me of my breach of any covenant or agreement in the Security Instrument, I shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and me. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to me: (a) all rents received by me shall be held by me as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

I have not executed any prior assignment of the rents and have not and will not perform any act that would prevent Lender from exercising its rights under this Section 23.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to me. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

**23. Lender's Rights if Borrower Fails to Keep Promises and Agreements.** Lender shall give notice to me prior to acceleration following my breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 17 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 5 days from the date the notice is given to me, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform me of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense I have to acceleration and foreclosure. If

the default is not cured on or before the date specified in the notice, Lender may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender will have the right to collect all costs allowed by law, including, but not limited to reasonable attorneys' fees and costs of title evidence.

If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under Section 22, the Secretary may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. 3751 et seq.) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this Section 24 or applicable law.

24. **Lender's Obligation to Discharge this Security Instrument.** When Lender has been paid all amounts due under the Note and under this Security Instrument, Lender will discharge this Security Instrument by delivering a certificate stating that this Security Instrument has been satisfied. I will pay all costs of recording the discharge in the proper official records. I agree to pay a fee for the discharge of this Security Instrument, if Lender so requires. Lender may require that I pay such a fee, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted by Applicable Law.

25. **Agreements about New York Lien Law.** I will receive all amounts lent to me by Lender subject to the trust fund provisions of Section 13 of the New York Lien Law. This means that I will: (a) hold all amounts which I receive and which I have a right to receive from Lender under the Note as a trust fund; and (b) use those amounts to pay for "Cost of Improvement" (as defined in Section 13 of the New York Lien Law) before I use them for any other purpose. The fact that I am holding those amounts as a trust fund means that for any building or other improvement located on the Property I have a special responsibility under the law to use the amount in the manner described in this Section 26.

26. **Borrower's Statement Regarding the Property [check box as applicable].**

This Security Instrument covers real property improved, or to be improved, by a one or two family dwelling only. This Security Instrument covers real property principally improved, or to be improved, by one or more structures containing, in the aggregate, not more than six residential dwelling units with each dwelling unit having its own separate cooking facilities.

This Security Instrument does not cover real property improved as described above.

27. **Event of Default.** Any event of default under any of the Loan Documents shall constitute an event of default for purposes of this Security Instrument.

BY SIGNING BELOW, I accept and agree to the promises and agreements contained in pages 1 through 10 of this Security Instrument and in any Rider signed by me and recorded with it.

Jesand, LLC, a Delaware limited liability co


By: Kathleen Manafort  
Kathleen Manafort, Managing Member - Borrower

see attached  
Andrea Manafort, mortgagor

**SEAL**

State of VIRGINIA )  
 ) ss:  
County of ALEXANDRIA )

On the 7th day of August in the year 2017, before me, the undersigned, a Notary Public in and for said State, personally appeared Kathleen Manafort, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity (ies), and that by his/her/their signature(s) on the Instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

 **JASPER S YOO**  
NOTARY PUBLIC 7596769  
COMMONWEALTH OF VIRGINIA  
MY COMMISSION EXPIRES AUGUST 31, 2018  
Notary Public  
My commission expires: 08/31/2018

State of \_\_\_\_\_ )  
 )  
County of \_\_\_\_\_ ) ss.

On the \_\_\_th day of August in the year 2017, before me, the undersigned, a Notary Public in and for said State, personally appeared Andrea Manafort, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity (ies), and that by his/her/their signature(s) on the Instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

\_\_\_\_\_  
Notary Public  
My commission expires: \_\_\_\_\_



CONDOMINIUM RIDER

THIS CONDOMINIUM RIDER is made this <sup>7<sup>TH</sup></sup> day of August, 2017, and is incorporated into and shall be deemed to amend and supplement the Mortgage (the "Security Instrument") of the same date given by the undersigned Jesand, LLC and Andrea Manafort (collectively the "Borrower") to secure the Note of Jesand, LLC to Woodlawn, LLC., 123 W. Nye Lane, Ste 129, Carson City, Nevada 89706 (the Lender") of the same date and covering the Property described in the Security Instrument and located at: 123 Baxter Street, Unit 5D, New York, New York. The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as:

Baxter Street Condominium and 123 Baxter Street  
(the "Condominium Project").

If the owners association or other entity which acts for the Condominium Project (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

CONDOMINIUM COVENANTS.

In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. Condominium Obligations. Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Property Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, from which Lender requires insurance, then: (i) Lender waives the provision in Section 3 for the Periodic Payment to Lender of the yearly premium installments for property insurance on the Property; and (ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy. What Lender requires as a condition of this waiver can change during the term of the loan. Borrower shall give Lender prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy. In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to

Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Section 11.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Condominium Rider.

Kathleen B Manafort (Seal)  
Kathleen B. Manafort, Managing Member, Jesand, LLC – Borrower

See attached (Seal)  
Andrea Manafort



Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Section 11.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Condominium Rider.

See attached (Seal)  
Kathleen B. Manafort, Managing Member, Jesand, LLC – Borrower

[Handwritten Signature] (Seal)  
Andrea Manafort

State of VA County of Delaware  
Subscribed and sworn before me on 08/13/17  
(Date)  
[Handwritten Signature]  
(Notary Signature)



**SEAL**

***AmTrust Title Insurance Company***

Title Number: **FN-13390-NY**

Page 1

**SCHEDULE A DESCRIPTION**

The Condominium Unit known as Unit No. 5D (hereinafter called the "Unit") in the Building known collectively as Baxter Street Condominium and 123 Baxter Street, Borough of Manhattan, City, County and State of New York, (the "Building") designated and described in the Declaration establishing a plan for condominium ownership of the Building and the land upon which the Building is situated (said Building and land referred to collectively herein as the "Property" or the "Condominium"), dated September 21, 2007, under the Condominium Act of the State of New York (Article 9-B of the Real Property Law of the State of New York), recorded in the Office of the Register of the City of New York, in the County of New York, on the 28th day of September, 2007, with a CRFN 2007000498520 (the "Declaration"). The Unit is also designated as Tax Lot No. 1122 in Block 206 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of the City of New York and on the floor plans of the Buildings, certified by Hal Dorfman Architects, licensed professional architects, on September 24, 2007, filed in the Register's Office of New York County on September 28, 2007.

Together with a 4.65% interest in the Common Elements (as defined in said Declaration).

The land upon which the Building containing the Unit is situated is more particularly bounded and described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point formed by the intersection of the southerly side of Hester Street and the easterly side of Baxter Street;

THENCE southerly along said easterly side of Baxter Street at an interior angle of 90 degrees 59 minutes 40 seconds a distance of 125 feet 4½ inches (125 feet 4 inches - Tax Map);

THENCE easterly from said point on the easterly side of Baxter Street at an interior angle of 88 degrees 53 minutes 20 seconds a distance of 100 feet 4½ inches to a point (100 feet 8 inches - Tax Map);

THENCE northerly from said point at an interior angle of 91 degrees 00 minutes 10 seconds a distance of 25 feet 2 inches (25 feet 0 inches - Tax Map);

THENCE westerly at an interior angle of 89 degrees 06 minutes 20 seconds a distance of 25 feet 4 inches (25 feet 0 inches - Tax Map);

THENCE northerly at an interior angle of 91 degrees 02 minutes 30 seconds a distance of 100 feet 0 inches to the southerly side of Hester Street;

THENCE westerly along the southerly side of Hester Street at an interior angle of 88 degrees 57 minutes 30 seconds a distance of 75 feet 1 inch (75 feet 0 inches - Tax Map) to the easterly side of Baxter Street, the point or place of BEGINNING.

*AmTrust Title Insurance Company*

Title Number: **FN-13390-NY**

Page **2**

PARCEL A

ALL that certain plot, piece or parcel of land lying and being in the Borough of Manhattan, City, County and State of New York, being distinguished on a Map of Bayard East Farm filed in the Office of the Secretary of State by the Lot number 494 and by the same number on a Map of Lands of the City of New York, belonging to the Estate of Stephen Van Renselaer, deceased, filed in the Office of the Register of the County of New York, which said plot is bounded and described as follows:

BEGINNING at a point on the easterly side of Baxter Street, distant 100 feet southerly from Hester Street;

RUNNING THENCE easterly 100 feet 8 inches;

THENCE southerly in the rear 25 feet;

THENCE westerly 100 feet 8 inches to Baxter Street;

THENCE northerly along the easterly side of Baxter Street 25 feet 2 inches to the point or place of BEGINNING.

PARCEL B

ALL the certain plot, piece or parcel of land, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the easterly side of Baxter Street and the southerly side of Hester Street;

THENCE southerly along the easterly side of Baxter Street, one hundred feet;

THENCE easterly parallel, or nearly so, with the southerly side of Hester Street, 75 feet;

THENCE northerly parallel, or nearly so, with Baxter Street, one hundred feet more or less to the southerly side of Hester Street;

THENCE westerly along the same 75 feet 1 inch, more or less, to the point or place of BEGINNING.

**123 Baxter Street, Unit 5D, NY, NY**

**PROPERTY VALUATION**

https://www.zillow.com/homedetails/123-Baxter-St-APT-5D-New-York-NY-10013/83932096\_zpid/?fullpage=true

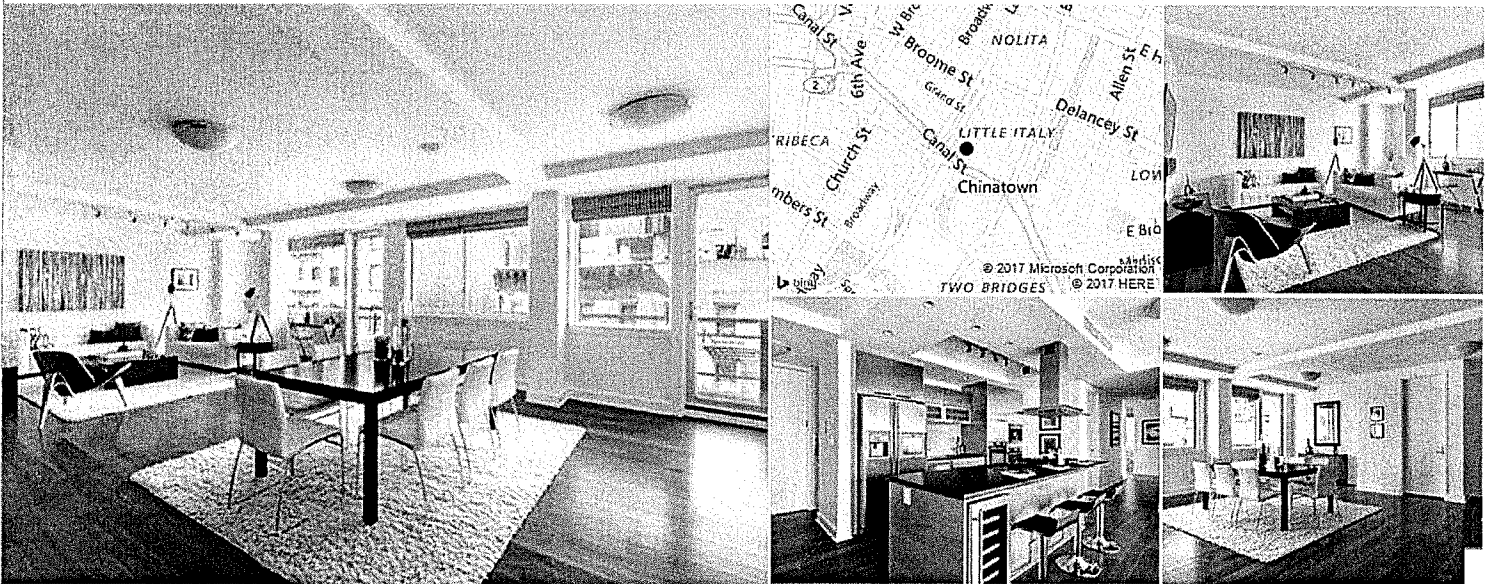


Buy Rent Sell Mortgages Agent finder Home design More Lis

LIST FOR RENT SAVE SHARE HIDE GET UPDATES MORE

Public Landlord

New York · New York · 10013 · Manhattan



# 123 Baxter St APT 5D, New York, NY 10013

3 beds · 3 baths · 2,133 sqft

OFF MARKET

Zestimate<sup>®</sup>:

\$4,797,685

I disagree

Rent Zestimate<sup>®</sup>: \$12,500 /mo

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

APPLICATION TO PLEDGE REAL PROPERTY TO SECURE RELEASE ON BOND

UNITED STATES OF AMERICA )

v. )

Criminal Number 17-201-01 (ABJ)

Paul J. Manafort, Jr. )

1. Name(s) of person(s) offering real property for appearance or surety bonds:

Paul J. Manafort, Jr. and Kathleen B. Manafort

2. Address(es): 10 St. James Drive, Palm Beach Gardens, FL  
33418

3. Location of property offered (address and brief description of property):

10 St. James Drive, Palm Beach Gardens, FL  
(single family home)

4. Person(s) and address(es) in whose name property is assessed:

Paul J. Manafort, Jr. and Kathleen B. Manafort

5. Mortgage, liens, encumbrances of any kind on such property and the interest held in such property by anyone other than the person(s) in whose name the property is assessed:

None.

6. Assessed value of property: \$ 1,250,000

7. Mortgage, liens, encumbrances or other interests (total)  
\$ 0

(over)

8. Net assessed value of property (line 6 less line 7):

\$ 1,250,000

9. Amount required for appearance or surety bonds:

\$ See attached rider.

There must be attached to this form a certificate from the Assessor's Office of the District of Columbia, indicating the square and lot numbers, street address, current assessed value, and in whose name the property is assessed.

If the amount shown on line 8 (listed above) exceeds that shown on line 9, then the property, if qualified in all other respects, is adequate to secure the bond in question.

\* \* \* \* \*

**AFFIDAVIT IN SUPPORT TO APPLICATION TO PLEDGE REAL PROPERTY TO SECURE RELEASE OF DEFENDANT ON BOND**

I declare under penalty of perjury that the information on this application is true and correct.

I also warrant under oath that, subsequent to the execution of deed of trust on the property described in this application to secure the release of:

Paul J. Manafort, Jr.

and prior to recordation of said deed, no other deed of any kind will be executed by me or will this property be further encumbered in any way.

Witness my hand and seal \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
CLERK, U.S. DISTRICT COURT

United States of America v. Paul Manafort  
Crim No:17 -20101 (ABJ)

Rider to Application to Pledge Real Property to Secure Release on Bond

5. 174 Jobs Lane, Bridgehampton N.Y. has a mortgage to Federal Savings Bank dated November 16, 2016 in the amount of \$9,500,000.

601 N. Fairfax Street, Alexandria, Va is encumbered by a deed of trust to Federal Savings Bank as collateral for the mortgage on 174 Jobs Lane.

123 Baxter Street, New York, N.Y. has a mortgage to Woodlawn LLC dated August 7, 2017 in the amount of \$1,025,000.

10 St. James Drive, Palm Beach Gardens FL has no encumbrances.

6. Assessed Value:

174 Jobs Lane, Bridgehampton	\$13,500,000
123 Baxter Street, New York	4,725,000
601 N. Fairfax Street, Alexandria	2,700,000
10 St. James Drive, Palm Beach Gardens	1,250,000
Total	\$22,175,000

7. Mortgages, liens, encumbrances or other interest: \$10,525,000

8. Net assessed value: \$11,650,000

9. Amount required for appearance or surety: \$10,000,000

Line 8 exceeds Line 9.



UNITED STATES DISTRICT COURT  
for the District of Columbia

United States of America

v.

Paul J. Manafort  
Defendant

)  
)  
)  
)  
)

17-201-01 (ABJ)

Case No.

AGREEMENT TO FORFEIT REAL PROPERTY TO OBTAIN A DEFENDANT'S RELEASE

To obtain the defendant's release, we jointly and severally agree to forfeit the following property to the United States of America if this defendant fails to appear as required for any court proceeding or for the service of any sentence imposed as may be noticed or ordered by any court considering this matter, or fails to comply with any conditions of release set by the court (describe property and any claim, lien, mortgage, or other encumbrance on it):

10 Saint James Drive, Palm Beach Gardens,  
Florida

No encumbrances; we hereby waive the benefit  
of the homestead exemption

**Ownership.** We declare under penalty of perjury that we are this property's sole owners and that it is not subject to any claim, lien, mortgage, or other encumbrance except as disclosed above. We promise not to sell, mortgage, or otherwise encumber the property, or do anything to reduce its value while this agreement is in effect. We deposit with the court the following ownership documents, including any encumbrance documents (list all documents and submit as attachments):

- 1. Deed dated September 17, 2007
- 2. Valuation

**Surety Information.** We understand that the court and the United States of America will rely on the surety information in approving this agreement.

**Conditions of Release.** We state that we have either read all court-ordered conditions of release imposed on the defendant or had them explained to us.

**Continuing Agreement.** Unless the court orders otherwise, this agreement remains in effect during any appeal or other review until the defendant has satisfied all court notices, orders, and conditions.

**Exoneration of Sureties.** This agreement is satisfied and ends if the defendant is exonerated on all charges or, if convicted, the defendant reports to serve any sentence imposed.

**Forfeiture.** If the defendant fails to obey all conditions of release, court notices, and orders to appear, the court will immediately order the property forfeited and on motion of the United States of America may order a judgment of forfeiture against the signing parties and their representatives, jointly and severally, including interest and costs.

AO 100 (Rev. 06/09) Agreement to Forfeit Real Property to Obtain a Defendant's Release

I swear under penalty of perjury that the above information is true and agree to the conditions of this agreement.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Defendant (if a property owner)*

City and state: \_\_\_\_\_

\_\_\_\_\_  
*Property owner's signature*

Kathleen B. Manafort  
*Property owner's printed name*

\_\_\_\_\_  
*Property owner's signature*

\_\_\_\_\_  
*Property owner's printed name*

\_\_\_\_\_  
*Property owner's printed name*

\_\_\_\_\_  
*Property owner's signature*

Sworn and signed before me.

**CLERK OF COURT**

Date: \_\_\_\_\_

\_\_\_\_\_  
*Signature of Clerk or Deputy Clerk*

Agreement accepted.

**UNITED STATES OF AMERICA**

Date: \_\_\_\_\_

\_\_\_\_\_  
*Assistant United States Attorney's signature*

Agreement approved.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Judge's signature*

**10 Saint James Drive, Alexandria, VA**

**DEED**



CFN 20070443636  
OR BK 22124 PG 1544  
RECORDED 09/20/2007 10:27 00  
Palm Beach County, Florida  
AMT 1,500,000 00  
Doc Stamp 10,500 00  
Sharon R Bock, CLERK & COMPTROLLER  
Pg# 1544 - 1546, (3pgs)

**PREPARED BY AND RETURN TO**

Signature Land Title Company, LLC  
400 Village Square Crossing, Suite 2E  
Palm Beach Gardens, FL 33410

Property Control No 52-42-42-11-15-000-0760

**WARRANTY DEED**

**THIS WARRANTY DEED**, made this 17 day of September, 2007 by AARON W LEVY and EVELYN LEVY, husband and wife, hereinafter called the Grantor, whose mailing address is 116 "C" Palm Bay Drive, Palm Beach Gardens, FL 33418, to PAUL J MANAFORT and KATHLEEN B MANAFORT, husband and wife, hereinafter called the Grantee, whose mailing address is 211 North Union Street, Suite 230, Alexandria, VA 22314

(Wherever used herein the terms "Grantor" and "Grantee" are used for singular or plural, as context requires and include all the parties to this instrument and the heirs legal representatives and assigns of individuals, and the successors and assigns of corporations )

**WITNESSETH**, that the said Grantor, for and in consideration of the sum of Ten Dollars (\$10 00) and other good and valuable considerations, receipt whereof is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirm unto the Grantee, all that certain land situate in the County of Palm Beach, State of Florida, to-wit

**Lot 76, PLAT ONE HANSEN JDM**, according to the Plat thereof, as recorded in Plat Book 64, Page 67, of the Public Records of Palm Beach County, Florida

**SUBJECT TO** restrictions, reservations, covenants, conditions and easements of record, taxes for the year 2007 and the years subsequent thereto, and all applicable laws, ordinances, and governmental regulations, including without limitation, zoning and building codes and ordinances

**TOGETHER** with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining

**TO HAVE AND TO HOLD**, the same in fee simple forever

**AND** the said Grantor hereby covenants with said Grantee that the Grantor is lawfully seized of said land in fee simple, that the Grantor has good right and lawful authority to sell and convey said land, that the Grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever, and that said land is free of all liens and encumbrances, except taxes accruing subsequent to December 31, 2006

**IN WITNESS WHEREOF**, the said Grantor has signed and sealed these presents the day and year first above written

Signed, sealed and delivered  
in the presence of

[Signature]

Witness  
GREGOIRE NADPAU  
(Print Name)

Witness  
Tim Quinn  
(Print Name)

[Signature]

Witness  
GREGOIRE NADPAU  
(Print Name)

Witness  
Tim Quinn  
(Print Name)

[Signature]  
AARON W LEVY

[Signature]  
EVELYN LEVY

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 17 day of September 2007, by  
AARON W LEVY and EVELYN LEVY



GREGOIRE NADPAU  
NOTARY PUBLIC STATE OF FLORIDA  
COMMISSION # DD446177  
EXPIRES 9/11/2009  
BONDED THRU 1 888 NOTARY1

NOTARY PUBLIC

[Signature]  
GREGOIRE NADPAU  
(Print Name)  
My commission expires 9 11 09  
Commission No DD 446177

Personally Known      OR Produced Identification       
Type of identification Produced Florida ID  
F:\My Documents\Dan\91732\wdr\wosellers wpd

This instrument prepared by  
Larry Z. Glickman  
Sacha Sax Klein P A  
Suite A150 301 Yamato Road  
Boca Raton FL 33431

**CERTIFICATE OF COMPLIANCE  
for transfer of a UNIT  
in the BALLENISLES Community**

**THIS IS TO CERTIFY** that BALLENISLES COMMUNITY ASSOCIATION INC  
( ASSOCIATION ) hereby verifies to Paul J & Kathleen B Manafort [NAME OF BUYER] as grantee(s)  
of the following UNIT in the BALLENISLES Community

**LOT 76 Ballenisles Pod 5B according to the Plat thereof on file in the  
Office of the Clerk of the Circuit Court in and for Palm Beach County  
Florida recorded in Plat Book 64 Page 67**

that as of the date hereof the UNIT referenced above is in compliance with all relevant provisions of  
Second Restated and Amended Declaration of Protective Covenants Conditions and Restrictions for  
Ballenisles as amended

Dated this 23<sup>rd</sup> day of August 2007

Signed sealed and delivered  
in the presence of

BALLENISLES COMMUNITY ASSOCIATION INC

By Carole Cauthen

(Sign) Jillian Arena

(Print) Jillian Arena

Print name Carole Cauthen

Title Controller

(Sign) JUNE K HENIG

(Print) JUNE K HENIG

STATE OF FLORIDA )

SS

PALM BEACH COUNTY )

The foregoing instrument was acknowledged before me this 23<sup>rd</sup> day of August  
2007 by Carole Cauthen as Controller of BALLENISLES COMMUNITY  
ASSOCIATION INC He/she is personally known to me or has produced \_\_\_\_\_  
as identification

Arlene J King  
NOTARY PUBLIC  
PRINT/STAMP/TYPE NAME  
COMMISSION EXPIRES  
COMMISSION NUMBER



Arlene J King  
Commission # DD411854  
Expires MAR 27, 2009  
WWW.AARONNOTARY.COM

**10 Saint James Drive, Alexandria, VA**

**PROPERTY VALUE**

Zillow, Inc. (US) | [https://www.zillow.com/homedetails/10-Saint-James-Dr-Palm-Beach-Gardens-FL-33418/46856376\\_zpid/?fullpage=true](https://www.zillow.com/homedetails/10-Saint-James-Dr-Palm-Beach-Gardens-FL-33418/46856376_zpid/?fullpage=true)



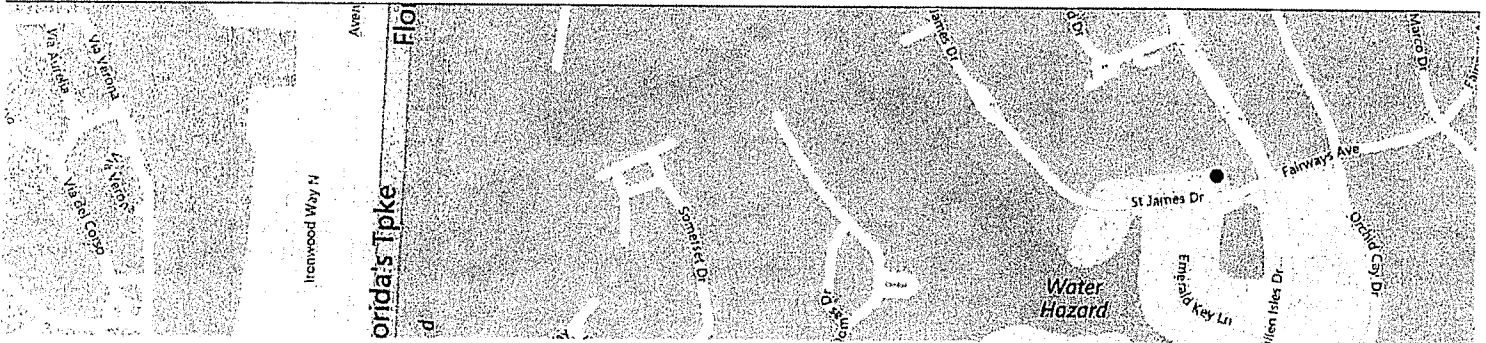
Buy Rent Sell Mortgages Agent finder Home design More

CORRECT HOME FACTS SAVE SHARE HIDE GET UPDATES MORE

Public View Owner View

Florida

Find the right renter. List your rental for free on Zillow.



**10 Saint James Dr,  
Palm Beach Gardens, FL  
33418**

**5 beds · 5 baths · 4,034 sqft**

OFF MARKET

Zestimate<sup>®</sup>:

**\$1,250,497**

I disagree

Rent Zestimate: \$6,792 /mo



UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

APPLICATION TO PLEDGE REAL PROPERTY TO SECURE RELEASE ON BOND

UNITED STATES OF AMERICA )
v. )
Paul J. Manafort, Jr. )

Criminal Number 17-201-01 (ABJ)

1. Name(s) of person(s) offering real property for appearance or surety bonds: Paul J. Manafort, Jr. and Kathleen B. Manafort

2. Address(es): 10 St. James Drive, Palm Beach Gardens, FL 33418

3. Location of property offered (address and brief description of property): 601 N. Fairfax Street, Alexandria, VA Unit 405 (condominium)

4. Person(s) and address(es) in whose name property is assessed: Paul J. Manafort, Jr. and Kathleen B. Manafort

5. Mortgage, liens, encumbrances of any kind on such property and the interest held in such property by anyone other than the person(s) in whose name the property is assessed: Deed of Trust to Federal Savings Bank (see attached rider) Collateral for mortgage on 174 Jobs Lane, Bridgewater, NY

6. Assessed value of property: \$ 2,700,000

7. Mortgage, liens, encumbrances or other interests (total) \$ 0

(over)

8. Net assessed value of property (line 6 less line 7):

\$ 2,700,000

9. Amount required for appearance or surety bonds:

\$ see attached rider

There must be attached to this form a certificate from the Assessor's Office of the District of Columbia, indicating the square and lot numbers, street address, current assessed value, and in whose name the property is assessed.

If the amount shown on line 8 (listed above) exceeds that shown on line 9, then the property, if qualified in all other respects, is adequate to secure the bond in question.

\* \* \* \* \*

AFFIDAVIT IN SUPPORT TO APPLICATION TO PLEDGE REAL PROPERTY TO SECURE RELEASE OF DEFENDANT ON BOND

I declare under penalty of perjury that the information on this application is true and correct.

I also warrant under oath that, subsequent to the execution of deed of trust on the property described in this application to secure the release of:

Paul I. Manafort, Jr.

and prior to recordation of said deed, no other deed of any kind will be executed by me or will this property be further encumbered in any way.

Witness my hand and seal \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_,

19\_\_\_\_.

\_\_\_\_\_  
CLERK, U.S. DISTRICT COURT

United States of America v. Paul Manafort  
Crim No:17 -20101 (ABJ)

Rider to Appilcation to Pledge Real Property to Secure Release on Bond

5. 174 Jobs Lane, Bridgehampton N.Y. has a mortgage to Federal Savings Bank dated November 16, 2016 in the amount of \$9,500,000.

601 N. Fairfax Street, Alexandria, Va is encumbered by a deed of trust to Federal Savings Bank as collateral for the mortgage on 174 Jobs Lane.

123 Baxter Street, New York, N.Y. has a mortgage to Woodlawn LLC dated August 7, 2017 in the amount of \$1,025,000.

10 St. James Drive, Palm Beach Gardens FL has no encumbrances.

6. Assessed Value:

174 Jobs Lane, Bridgehampton	\$13,500,000
123 Baxter Street, New York	4,725,000
601 N. Fairfax Street, Alexandria	2,700,000
10 St. James Drive, Palm Beach Gardens	1,250,000

Total \$22,175,000

7. Mortgages, liens, encumbrances or other interest: \$10,525,000

8.Net assessed value: \$11,650,000

9.Amount required for appearance or surety: \$10,000,000

Line 8 exceeds Line 9.

UNITED STATES DISTRICT COURT  
for the District of Columbia

United States of America )  
v. ) Case No. 17-201-01 (ABJ)  
Paul J. Manafort )  
Defendant )

AGREEMENT TO FORFEIT REAL PROPERTY TO OBTAIN A DEFENDANT'S RELEASE

To obtain the defendant's release, we jointly and severally agree to forfeit the following property to the United States of America if this defendant fails to appear as required for any court proceeding or for the service of any sentence imposed as may be noticed or ordered by any court considering this matter, or fails to comply with any conditions of release set by the court (describe property and any claim, lien, mortgage, or other encumbrance on it):

601 N. Fairfax St., Units 405, P-113, P-114, S-10,  
Alexandria, Virginia, as more fully described in attached  
deed.  
Deed of Trust to Federal Savings Bank, dated Nov.  
16, 2016. Amount: \$9,500,000.00 (cross-collateralization  
of debt from Bridgehampton NY property

Ownership. We declare under penalty of perjury that we are this property's sole owners and that it is not subject to any claim, lien, mortgage, or other encumbrance except as disclosed above. We promise not to sell, mortgage, or otherwise encumber the property, or do anything to reduce its value while this agreement is in effect. We deposit with the court the following ownership documents, including any encumbrance documents (list all documents and submit as attachments):

1. Deed dated Jan. 15, 2015
2. Deed of Trust dated Nov. 16, 2016.
3. Valuation

Surety Information. We understand that the court and the United States of America will rely on the surety information in approving this agreement.

Conditions of Release. We state that we have either read all court-ordered conditions of release imposed on the defendant or had them explained to us.

Continuing Agreement. Unless the court orders otherwise, this agreement remains in effect during any appeal or other review until the defendant has satisfied all court notices, orders, and conditions.

Exoneration of Sureties. This agreement is satisfied and ends if the defendant is exonerated on all charges or, if convicted, the defendant reports to serve any sentence imposed.

Forfeiture. If the defendant fails to obey all conditions of release, court notices, and orders to appear, the court will immediately order the property forfeited and on motion of the United States of America may order a judgment of forfeiture against the signing parties and their representatives, jointly and severally, including interest and costs.

AO 100 (Rev. 06/09) Agreement to Forfeit Real Property to Obtain a Defendant's Release

I swear under penalty of perjury that the above information is true and agree to the conditions of this agreement.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Defendant (if a property owner)*

City and state: \_\_\_\_\_

Kathleen B. Manafort  
*Property owner's printed name*

\_\_\_\_\_  
*Property owner's signature*

\_\_\_\_\_  
*Property owner's printed name*

\_\_\_\_\_  
*Property owner's signature*

\_\_\_\_\_  
*Property owner's printed name*

\_\_\_\_\_  
*Property owner's signature*

Sworn and signed before me.

**CLERK OF COURT**

Date: \_\_\_\_\_

\_\_\_\_\_  
*Signature of Clerk or Deputy Clerk*

Agreement accepted.

**UNITED STATES OF AMERICA**

Date: \_\_\_\_\_

\_\_\_\_\_  
*Assistant United States Attorney's signature*

Agreement approved.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Judge's signature*

**601 N. Fairfax St., Alexandria, VA**

**DEED**

150000627

000550

DEED

This Special Warranty Deed, made this 16th day of January, 2015, by and between 601 NF ASSOCIATES, LLC, a Delaware Limited Liability Company, GRANTOR and Paul J. MANAFORT, Jr. and Kathleen B. MANAFORT, husband and wife, GRANTEES;

WITNESSETH

That for and in consideration of the conveyance made hereby, the consideration received by the GRANTOR and other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the GRANTOR subject to the matters described herein, hereby grants and conveys to the GRANTEES with Special Warranty of Title, in fee simple unto the GRANTEES, Paul J. Manafort, Jr. and Kathleen B. Manafort, as tenants by the entirety with common law right of survivorship, the following described real estate, situate, lying and being in City of Alexandria County, Commonwealth of Virginia, (the "Real Estate"), to wit:

SEE LEGAL DESCRIPTION ON EXHIBIT A ATTACHED HERETO

AND BEING A PORTION OF the same property conveyed unto 601 NF Associates LLC, a Delaware Limited Liability Company, from Sheet Metal Workers' National Pension Fund Headquarters Building L.L.C., a Delaware Limited Liability Company by virtue of Deed dated September 22, 2011 and recorded October 5, 2011 as Instrument Number 110016877 among the Land Records of the City of Alexandria, Virginia.

This Deed is delivered and accepted subject to all the provisions of the Virginia Condominium Act, as amended, the Condominium Declaration, Condominium Bylaws, the Condominium Plat, Condominium Plans, and Rules and Regulations, including, but not limited to, the obligation for the payment and lien of assessments for the maintenance, repair, replacement and other costs of operation of the Condominium, which the Grantee(s) assume(s) and agree(s) to observe and perform as evidenced by the signature(s) on this instrument. This provision shall be construed to run with the land and shall inure to the benefit of and be binding upon the parties hereto and their successors, heirs, personal representatives and assigns.

The Real Estate is conveyed subject to all recorded easements, conditions, restrictions, and agreements that lawfully apply to the Real Estate or any part thereof.

PREPARED BY  
LAW OFFICES  
SHREVE,  
SCHUELE,  
SALUNDERS,  
JACKSON &  
PARELLO, PLLC  
529 King Street, Suite  
218  
Alexandria, VA 22314  
P: 703-419-7922

Tax Map Number: 065.01-0A-405, Acct. 80029360  
Grantee's Address: 10 St. James Dr., Palm Beach Gardens, FL 33418  
Property Address: 601 N. Fairfax Street, Units 405, P-113, P-114, S-10,  
Alexandria, VA 22314  
Consideration: \$2,700,000.00  
Assessed Value: \$  
Case: 134705ALE  
Underwriter: Title Resources Guaranty Company  
VSB#: 85046

137

Deed Page 2  
Case No. 134705ALE

000551

The GRANTOR covenant that said GRANTOR has the right to convey the Real Estate, that the GRANTOR has done no act to encumber the Real Estate; that the said GRANTEE shall have quiet possession of the Real Estate; and that the GRANTOR will execute such further assurances as may be requisite.

Witness the following signatures and seals:

**GRANTOR**

**601 NF ASSOCIATES LLC**  
A Delaware Limited Liability Company

By: **EYA NF MANAGER LLC**  
A Delaware Limited Liability Company  
Sole Manager of Grantor LLC pursuant Operating Agreement

By: [Signature]  
Name: Frank R. Connors  
Title: Executive Vice President, EYA NF Manager LLC

Commonwealth of Virginia, City/County of: Montgomery to wit:

I, the undersigned, a Notary Public for the jurisdiction aforesaid, do certify that Frank R. Connors, Vice President of EYA NF Manager LLC, on behalf of Grantor 601 NF Associates, LLC, whose name is signed to the foregoing document, bearing the date of the 15th day of January, 2015, acknowledged the same before me in my jurisdiction aforesaid, this 15<sup>th</sup> day of January, 2015

[Signature]  
Notary Public

My Commission Expires: 09/05/2017





Deed Page 3  
RGS Case No. 134705ALE

000552

Exhibit A

Legal Description

Residential Unit No. 405, THE ORONOCO CONDOMINIUM, in accordance with the Declaration of Condominium and Exhibits attached thereto, recorded as Instrument Number 140007140, and any and all subsequent amendments thereto, among the Land Records of the City of Alexandria, Virginia. (the "Condominium Declaration").

Parking Unit Nos. P113, and P114, The Oronoco Condominium, in accordance with the Condominium Declaration; and

Storage Unit No. S10, The Oronoco Condominium, in accordance with the Condominium Declaration.

The Condominium Declaration allocates to each Residential Unit, Parking Unit and the Storage Unit an undivided interest (stated as a percentage) in the common elements of the Condominium (hereinafter called the "Percentage Interest"). The Percentage Interests of the Residential Unit, each Parking Unit and the Storage Unit are set forth in Exhibit "B" to the Condominium Declaration.

TOGETHER WITH the Limited Common Elements as set forth in the aforesaid Declaration, as amended.

SUBJECT to covenants, conditions and restrictions of record.

INSTRUMENT #150000627  
RECORDED IN THE CLERK'S OFFICE OF  
ALEXANDRIA ON  
JANUARY 20, 2015 AT 01:53PM  
\$2,700.00 GRANTOR TAX WAS PAID AS  
REQUIRED BY SEC 58.1-802 OF THE VA. CODE  
STATE: \$1,350.00 LOCAL: \$1,350.00

EDWARD SEMONIAN, CLERK  
RECORDED BY: AAD

**601 N. Fairfax St., Alexandria, VA**

**DEED OF TRUST  
(Cross-collateralization)**

Loan Number 1010001429

City of Alexandria, Virginia  
Fidelity National Title Insurance Company

After Recording Return To:  
The Federal Savings Bank  
Attn: Final Document Department  
300 North Elizabeth Street, Suite 3E Chicago, IL 60607

Consideration: \$9,500,000.00

Map- Number: 065.01-0A-405

[Space Above This Line For Recording Data]

### DEED OF TRUST

The following information, as further defined below, is provided in accordance with Virginia law:

This Deed of Trust is given by Paul J. MANAFORT and Kathleen B. MANAFORT (as Trustor), Grantors, to William H. CASTERLINE, JR. and Jeremy B. ROOT (as Trustees), Grantees, for the benefit of THE FEDERAL SAVINGS BANK, as Beneficiary.

#### DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) **“Security Instrument”** means this document, which is dated November 16, 2016, together with all Riders to this document.

(B) **“Borrower”** is SUMMERBREEZE, LLC, Paul J. Manafort and Kathleen B. Manafort. Paul J. Manafort and Kathleen B. Manafort is the trustor under this Security Instrument.

(C) **“Lender”** is The Federal Savings Bank. Lender’s address is 300 N. Elizabeth Street, Suite 3E, Chicago, IL 60607. Lender is the beneficiary under this Security Instrument.

(D) **“Trustee”** is William H. Casterline, Jr., and Jeremy B. Root, either of whom may act, Trustee (whether one or more persons) is a Virginia resident and/or a United States- or Virginia-chartered corporation whose principal office is located in Virginia. Trustee’s address is 4020 University Drive, Suite 300, Fairfax, Virginia 22030.

(E) **“Note”** means the promissory note signed by Borrower dated November 16, 2016. The Note states that Borrower owes Lender Nine Million Five Hundred Thousand and 00/100’s Dollars (U.S. \$9,500,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than December 1, 2046.

(F) **“Property”** means the property that is described below under the heading “Transfer of Rights in the Property.”

(G) **“Loan”** means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(H) **“Riders”** means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

Adjustable Rate Rider  
 Balloon Rider

Condominium Rider  
 Planned Unit Development Rider

Second Home Rider  
 Other(s) [specify] \_\_\_\_\_

1-4 Family Rider

Biweekly Payment Rider

**(I) “Applicable Law”** means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

**(J) “Community Association Dues, Fees, and Assessments”** means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

**(K) “Electronic Funds Transfer”** means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

**(L) “Escrow Items”** means those items that are described in Section 3.

**(M) “Miscellaneous Proceeds”** means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

**(N) “Mortgage Insurance”** means insurance protecting Lender against the nonpayment of, or default on, the Loan.

**(O) “Periodic Payment”** means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

**(P) “RESPA”** means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, “RESPA” refers to all requirements and restrictions that are imposed in regard to a “federally related mortgage loan” even if the Loan does not qualify as a “federally related mortgage loan” under RESPA.

**(Q) “Successor in Interest of Borrower”** means any party that has taken title to the Property, whether or not that party has assumed Borrower’s obligations under the Note and/or this Security Instrument.

#### TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower’s covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the City of Alexandria, Virginia:

#### SEE ATTACHED EXHIBIT “A”

which currently has the address of 601 N. Fairfax Street, Unit 405, Alexandria, Virginia 22314 (“Property Address”):

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

**1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

**2. Application of Payments or Proceeds.** Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it

became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

**3. Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so

insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

**4. Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

**5. Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood

zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if



Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

**6. Occupancy.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

**7. Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

**8. Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

**9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property.

Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

**10. Mortgage Insurance.** If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to

time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

**(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.**

**(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.**

**11. Assignment of Miscellaneous Proceeds; Forfeiture.** All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount

of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

**12. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

**13. Joint and Several Liability; Co-signers; Successors and Assigns Bound.** Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-

signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

**14. Loan Charges.** Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

**15. Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

**16. Governing Law; Severability; Rules of Construction.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the

parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

**17. Borrower's Copy.** Borrower shall be given one copy of the Note and of this Security Instrument.

**18. Acceleration Upon Alienation or Further Encumbrances or Change of Form.** Borrower understands that Section 10 of the Note contains the following acceleration clause which reads as follows and is applicable to this Security Instrument:

"10. Due on Sale and Encumbrance.

10.1 Alienation or Further Encumbrance of Property. If the Property, or any part of or any interest in the Property, is sold, conveyed, transferred, hypothecated, alienated, leased or further encumbered, whether voluntarily or involuntarily, without Lender's prior written consent (which consent may be withheld in Lender's sole and absolute discretion), Lender shall have the right at its option to declare this Note immediately due and payable regardless of the maturity date specified in this Note, except where and to the extent such right is limited by applicable law. In any case when Lender may, in its sole and absolute discretion, consent to any further encumbrance of the Property, such consent may be conditioned upon delivery to and for the benefit of Lender a subordination agreement duly executed by Borrower and the party for whose benefit such further encumbrance is being made, such subordination agreement being in form and substance acceptable to Lender, in its sole and absolute discretion.

10.2 Change in Form or Status of Borrower Which is a Limited Liability Company, Corporation or Partnership. If Borrower is a limited liability company, corporation or a partnership, Lender shall have the right at its option to declare this Note immediately due and payable regardless of the maturity date specified in this Note, upon the occurrence of any of the following:

10.2.1 If, without the written consent of Lender being first had and obtained (which may be withheld in Lender's sole and absolute discretion), there is a transfer, assignment or hypothecation of any stock or ownership interest in such limited liability company, corporation, or partnership, whichever the case may be, which changes the ownership of such entity, in the aggregate, by more than twenty-five percent (25%) as compared with the ownership of such entity as it exists on the date of this Note;

10.2.2 If, without the written consent of Lender being first had and obtained (which consent may be withheld in Lender's sole and absolute discretion), any of the following events occurs with respect to Borrower if it is a limited liability company or a corporation, as the case may be: (i) Borrower materially ceases operations, or its members or the board of directors of Borrower resolves to dissolve and liquidate Borrower; (ii) a judicial decree for winding up and dissolution is granted; (iii) Borrower otherwise terminates its existence, whether voluntarily or involuntarily; (iv) the members or the board of directors of Borrower resolve to consolidate, merge, restructure or enter into any other combination reorganization (unless (A) the net worth of the surviving limited liability company or corporation will exceed

Borrower's net worth as of the date of this Note, computed on both a book value and a fair market value basis, respectively, and (B) the members or shareholders of Borrower as of the date of this Note will own or control not less than twenty-five percent (25%) of the stock, on a fully diluted basis, of the surviving limited liability company or corporation); (v) if the members or the board of directors of Borrower resolve to enter into any divisive reorganization such as, by way of example, a "spin-off" or a "split-off" (unless each surviving limited liability company or corporation: (A) remains jointly and severally liable under this Note, the Deed of Trust executed by Borrower and any other Loan Documents and (B) has executed and delivered such documents as Lender may require and in such form as Lender may require to evidence this continuing obligation); (vi) if Borrower sells or hypothecates ten percent (10%) or more of Borrower's gross assets based on both book value and fair market value outside the ordinary course of its business (not including providing security for the Note) in any three (3) year period; or (vii) if Borrower distributes to its members or shareholders, whether such distribution is classified as a dividend, compensation, redemption, loan repayment or otherwise, an amount equal to ten percent (10%) or more of Borrower's gross assets based on both book value and fair market value, respectively, in any three (3) year period; or

10.2.3 If, without the written consent of Lender being first had and obtained (which consent may be withheld in Lender's sole and absolute discretion), any of the following events occur with respect to Borrower if it is a partnership: (i) if Borrower materially ceases operations; (ii) if the partners of Borrower elect to wind up and dissolve; (iii) if Borrower otherwise terminates its existence, whether by operation of law or by agreement; (iv) if the partners of Borrower elect to restructure, consolidate, merge or enter into any other reorganization with another partnership or entity (unless (A) the net worth of the surviving partnership will exceed Borrower's net worth as of the date of this Note, computed on both a book value and a fair market value basis, respectively, and (B) the partners of Borrower will own or control not less than twenty-five percent (25%) of the surviving partnership); (v) if Borrower distributes to its partners, whether such distribution is classified as a capital, income or liquidating distribution, compensation, loan repayment or otherwise, an amount equal to ten percent (10%) or more of Borrower's gross assets based on both book value and fair market value, respectively, in any three (3) year period; or (vi) in the event any of the general partners of Borrower are either a limited liability company, corporation or a partnership, if any of the events of Paragraph 10.2.2 above or this Paragraph 10.2.3 (i) - (v) occur with respect to any such general partners."

**19. Borrower's Right to Reinstate After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums

secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

**20. Sale of Note; Change of Loan Servicer; Notice of Grievance.** The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

**21. Hazardous Substances.** As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property.



Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

**22. Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender or Trustee shall give to Borrower, the owner of the Property, and all other persons, notice of sale as required by Applicable Law. Trustee shall give public notice of sale by advertising, in accordance with Applicable Law, once a week for two successive weeks in a newspaper having general circulation in the county or city in which any part of the Property is located, and by such additional or any different form of advertisement the Trustee deems advisable. Trustee may sell the Property on the eighth day after the first advertisement or any day thereafter, but not later than 30 days following the last advertisement. Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the

**terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by advertising in accordance with Applicable Law. Lender or its designee may purchase the Property at any sale.**

**Trustee shall deliver to the purchaser Trustee's deed conveying the Property with special warranty of title. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to discharge the expenses of executing the trust, including a reasonable commission to Trustee; (b) to discharge all taxes, levies, and assessment, with costs and interest if these costs have priority over the lien of this Security Instrument, including the due pro rata thereof for the current year; (c) to discharge in the order of their priority, if any, the remaining debts and obligations secured by this Security Instrument, and any liens of record inferior to this Security Instrument under which sale is made, with lawful interest; and, (d) the residue of the proceeds shall be paid to Borrower or Borrower's assigns. Trustee shall not be required to take possession of the Property prior to the sale thereof or to deliver possession of the Property to the purchaser at the sale.**

**23. Release.** Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to release this Security Instrument and shall surrender all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

**24. Substitute Trustee.** Lender, at its option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by Applicable Law.

**NOTICE: THE DEBT SECURED HEREBY IS SUBJECT TO CALL IN FULL OR THE TERMS THEREOF BEING MODIFIED IN THE EVENT OF SALE OR CONVEYANCE OF THE PROPERTY CONVEYED.**

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

\_\_\_\_\_  
by: *Bruce E. Baldinger*  
Bruce E. Baldinger, POA  
Attorney in Fact for Paul Manafort

\_\_\_\_\_  
by: *Bruce E. Baldinger*  
Bruce E. Baldinger, POA  
Attorney in Fact for Kathleen Manafort

STATE OF *NY*  
COUNTY/CITY of *NY*, to-wit:

The foregoing instrument was acknowledged before me this 16<sup>TH</sup> day of November, 2016, by Bruce E. Baldinger.

*[Signature]*  
Notary Public

My Commission Expires: *2018*

My Registration Number is: \_\_\_\_\_

KRYSTIANA GEMBRESSI  
Notary Public, State of New York  
No. 01GE6217319  
Qualified in Nassau County  
Commission Expires February 08, 2018

**EXHIBIT A**  
**LEGAL DESCRIPTION**

All that certain lot or parcel of land together with all improvements thereon and being in the City of Alexandria, Virginia and being more particularly described as follows:

Residential Unit No. 405, THE ORONOCO CONDOMINIUM, in accordance with the Declaration of Condominium and Exhibits attached thereto, recorded as Instrument No. 140007140, and any and all subsequent amendments thereto, among the Land Records of the City of Alexandria, Virginia. (the "Condominium Declaration")

Parking Units Nos. P113, and P114. The Oronoco Condominium, in accordance with the Condominium Declaration; and

Storage Unit No. S10. The Oronoco Condominium, in accordance with the Condominium Declaration.

The Condominium Declaration allocates to each Residential Unit, Parking Unit and the Storage Unit an undivided interest (stated as a percentage) in the common elements of the Condominium (hereinafter called the "Percentage Interest"). The Percentage Interests of the Residential Unit, each Parking Unit and the Storage Unit are set forth in Exhibit "B" to the Condominium Declaration.

TOGETHER WITH the Limited Common Elements as set forth in the aforesaid Declaration, as amended.

**601 N. Fairfax St., Alexandria, VA**

**PROPERTY VALUE**



Buy Rent Sell Mortgages Agent finder Home design More



Looking for pros?

Agent finder

Real estate agents

Home improvement pros

Property managers

Home builders

Home inspectors

Real estate photographers

Other pros

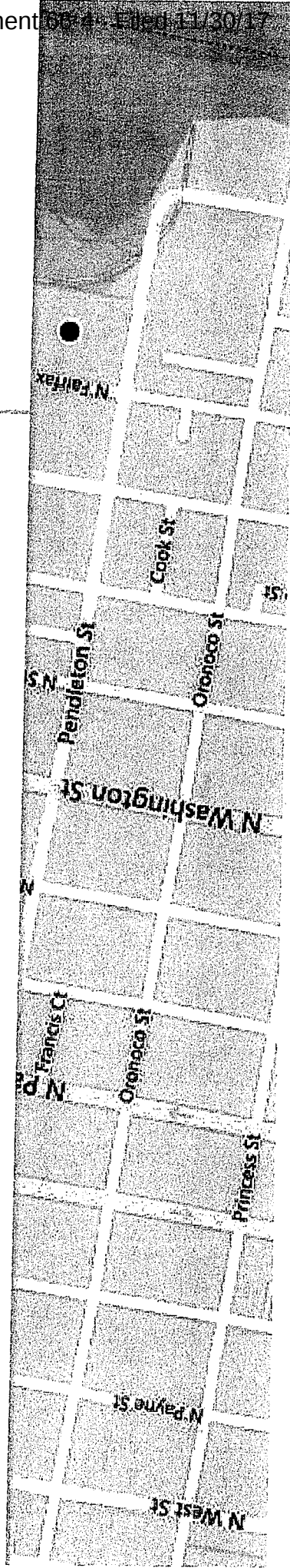
I'm a pro

Agent advertising

Agent resource center

Join the Agent Directory

Access agent hub



# 601 N Fairfax St APT 405,

## Alexandria, VA 22314

3 beds · 2.5 baths · 2,779 sqft

● SOLD: \$2,700,000

Sold on 01/20/15

EST. REFI PAYMENT

\$10,533/mo

See current rates

**SEALED**

**SEALED**



AO 98 (Rev. 12/11) Appearance Bond

UNITED STATES DISTRICT COURT
for the

United States of America
v.

Paul J. Manafort, Jr.
Defendant

Case No. 17-201-1 (ABJ)

APPEARANCE BOND

Defendant's Agreement

I, Paul J. Manafort, Jr. (defendant), agree to follow every order of this court, or any court that considers this case, and I further agree that this bond may be forfeited if I fail:

- (x) to appear for court proceedings;
(x) if convicted, to surrender to serve a sentence that the court may impose; or
( ) to comply with all conditions set forth in the Order Setting Conditions of Release.

Type of Bond

- ( ) (1) This is a personal recognizance bond.
( ) (2) This is an unsecured bond of \$
(x) (3) This is a secured bond of \$ 10,000,000, secured by:

( ) (a) \$, in cash deposited with the court.

(x) (b) the agreement of the defendant and each surety to forfeit the following cash or other property (describe the cash or other property, including claims on it - such as a lien, mortgage, or loan - and attach proof of ownership and value): 174 Jobs Lane, Bridgehampton, NY; mortgage held by Federal Savings Bank (single family home). 601 N. Fairfax Street, Alexandria, VA, Unit 405; deed of trust as collateral for mortgage on 174 Jobs Lane, Bridgehampton, NY. Condominium. 10 St. James Drive, Palm Beach Gardens, FL (single family home). See attachments 123 Baxter Street, Unit 5D, New York, NY; mortgage to Waddlawn, LLC (condo) If this bond is secured by real property, documents to protect the secured interest may be filed of record.

( ) (c) a bail bond with a solvent surety (attach a copy of the bail bond, or describe it and identify the surety):

Forfeiture or Release of the Bond

Forfeiture of the Bond. This appearance bond may be forfeited if the defendant does not comply with the above agreement. The court may immediately order the amount of the bond surrendered to the United States, including the security for the bond, if the defendant does not comply with the agreement. At the request of the United States, the court may order a judgment of forfeiture against the defendant and each surety for the entire amount of the bond, including interest and costs.

AO 98 (Rev. 12/11) Appearance Bond

*Release of the Bond.* The court may order this appearance bond ended at any time. This bond will be satisfied and the security will be released when either: (1) the defendant is found not guilty on all charges, or (2) the defendant reports to serve a sentence.

**Declarations**

*Ownership of the Property.* I, the defendant – and each surety – declare under penalty of perjury that:

- (1) all owners of the property securing this appearance bond are included on the bond;
- (2) the property is not subject to claims, except as described above; and
- (3) I will not sell the property, allow further claims to be made against it, or do anything to reduce its value while this appearance bond is in effect.

*Acceptance.* I, the defendant – and each surety – have read this appearance bond and have either read all the conditions of release set by the court or had them explained to me. I agree to this Appearance Bond.

I, the defendant – and each surety – declare under penalty of perjury that this information is true. (See 28 U.S.C. § 1746.)

Date: \_\_\_\_\_

\_\_\_\_\_  
*Defendant's signature*

Summerbreeze, LLC

\_\_\_\_\_  
*Surety/property owner – printed name*

\_\_\_\_\_  
*Surety/property owner – signature and date*

Jesand, LLC

\_\_\_\_\_  
*Surety/property owner – printed name*

\_\_\_\_\_  
*Surety/property owner – signature and date*

Kathleen B. Manafort

\_\_\_\_\_  
*Surety/property owner – printed name*

\_\_\_\_\_  
*Surety/property owner – signature and date*

*CLERK OF COURT*

Date: \_\_\_\_\_

\_\_\_\_\_  
*Signature of Clerk or Deputy Clerk*

Approved

Date: \_\_\_\_\_

\_\_\_\_\_  
*Judge's signature*

AO 98 (Rev. 12/11) Appearance Bond

UNITED STATES DISTRICT COURT
for the

United States of America
v.
Paul J. Manafort, Jr.
Defendant

Case No. 17-201-1 (ABS)

APPEARANCE BOND

Defendant's Agreement

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- (checked) to appear for court proceedings;
(checked) if convicted, to surrender to serve a sentence that the court may impose; or
(to comply with all conditions set forth in the Order Setting Conditions of Release.

Type of Bond

- ( ) (1) This is a personal recognizance bond.
( ) (2) This is an unsecured bond of \$
(checked) (3) This is a secured bond of \$ 3,700,000, secured by:
(a) \$ , in cash deposited with the court.
(checked) (b) the agreement of the defendant and each surety to forfeit the following cash or other property (describe the cash or other property, including claims on it - such as a lien, mortgage, or loan - and attach proof of ownership and value): 123 Baxter Street, Unit 5D, New York, NY (condominium); Mortgage held by Woodlawn, LLC. See attachments.

If this bond is secured by real property, documents to protect the secured interest may be filed of record.

- ( ) (c) a bail bond with a solvent surety (attach a copy of the bail bond, or describe it and identify the surety):

Forfeiture or Release of the Bond

Forfeiture of the Bond. This appearance bond may be forfeited if the defendant does not comply with the above agreement. The court may immediately order the amount of the bond surrendered to the United States, including the security for the bond, if the defendant does not comply with the agreement. At the request of the United States, the court may order a judgment of forfeiture against the defendant and each surety for the entire amount of the bond, including interest and costs.

AO 98 (Rev. 12/11) Appearance Bond

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I, the defendant – and each surety – declare under penalty of perjury that this information is true. (See 28 U.S.C. § 1746.)

Date: \_\_\_\_\_

\_\_\_\_\_  
*Defendant's signature*

Jesand, LLC (by Kathleen B. Manafort)

*Surety/property owner – printed name*

\_\_\_\_\_  
*Surety/property owner – signature and date*

Andrea Manafort Shand

*Surety/property owner – printed name*

\_\_\_\_\_  
*Surety/property owner – signature and date*

\_\_\_\_\_  
*Surety/property owner – printed name*

\_\_\_\_\_  
*Surety/property owner – signature and date*

**CLERK OF COURT**

Date: \_\_\_\_\_

\_\_\_\_\_  
*Signature of Clerk or Deputy Clerk*

Approved \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
*Judge's signature*

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA,	)	
	)	
v.	)	
	)	Crim. No. 17-201-01 (ABJ)
PAUL J. MANAFORT, JR.,	)	
	)	
Defendant.	)	

**[PROPOSED] ORDER**

IT IS HEREBY ORDERED that Defendant Paul J. Manafort, Jr.'s Motion to Modify Conditions of Release is GRANTED.

DATE: \_\_\_\_\_

---

HON. AMY BERMAN JACKSON  
UNITED STATES DISTRICT JUDGE