

APPRAISAL REPORT

Of

Approximately 66.48 Acres of Land
8550 Stephenson Road,
Apex, Wake County, North Carolina

OWNED BY

Merion Investment Properties LLC

INTEREST VALUED

Fee Simple Interest

PREPARED BY

Neil C. Gustafson, MAI
Michael B. Moore

DATE OF VALUATION

May 17, 2016



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SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

Date of Appraisal:	May 17, 2016
Owner:	Merion Investment Properties, LLC
Land Area:	66.48 Acres of Wake County PIN 0750 54 5646
Location:	Approximately 1,100 feet west of Stephenson Road accessed by Derry Down Lane at the subject property's northeast corner and Thriftwood Drive at the subject's southeast corner, White Oak Township, Wake County
General Characteristics:	The tract is a vacant land tract lying west of the Cumulander Mobile Home Park on the west side of Stephenson Road in the Town of Apex extra-territorial jurisdiction. We would strongly recommend a wetlands and stream buffer study be prepared for this property to determine the amount of usable land on this site.
Improvements:	None of Value
Utilities:	Town of Apex public water is available 3,600 linear feet at its current terminus at Colvin Park northeast of subject on Stephenson Road. Public sewer service is estimated to be some 4,100 linear feet of outfall line to existing Sunset Hills pump station along Sunset Lake Road.
Zoning:	MD-CZ by Town of Apex ETJ
Highest and Best Use:	Residential ancillary use such as a school site or for residential development
Estimate of Market Value:	\$4,320,000 or around \$65,000 per acre



CLIENT: Wake County Public School System
c/o Real Estate Services
1429 Rock Quarry Road, Suite 116
Raleigh, North Carolina 27610

APPRAISER: Neil C. Gustafson, MAI
Michael B. Moore, Appraiser
Worthy & Wachtel, Inc.
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SUBJECT: A 66.48 acre tract located 1,100 feet west of Stephenson Road at the end of Thriftwood Drive, White Oak Township, Apex, Wake County, North Carolina

OWNERSHIP: Merion Investment Properties LLC

SCOPE OF THE APPRAISAL: Estimating the market value of a parcel of real property involves the process of defining the valuation problem; collecting information on the subject property, the area, and like properties; and researching and analyzing recent sale transactions that are comparable to the subject property being appraised. Then we process the data according to various techniques to arrive at a conclusion of market value of the subject.

PURPOSE AND INTENDED USE OF THE APPRAISAL: The purpose of this appraisal is to estimate the market value, as of May 17, 2016, of a 66.48 acre tract located 1,100 feet west of Stephenson Road at the end of Thriftwood Drive in White Oak Township, Apex, Wake County, North Carolina. The property, which hereinafter will be referred to as the "Subject Property," is owned by Merion Investment Properties LLC as of the date of this appraisal, May 17, 2016. The intended use of this report appraisal is for market valuation for a future school site for the Wake County Public School System.

DEFINITION OF MARKET VALUE:

Market value means 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 and 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 acting in what they consider their own best interests;
- (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.

(Source: Office of the Comptroller of the Currency under 12 CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions [f].)

This appraisal will be performed in conformity with and subject to the requirements of the code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute and the Uniform Standard of Professional Appraisal Practice as promulgated by the Appraisal Standards Board of the Appraisal Foundation.

INTEREST VALUED: This is an appraisal of the fee simple interest in the subject property. This interest by definition is absolute ownership unencumbered by any other interest or estate; subject only to the limitations of eminent domain, escheat, police power, and taxation.

DATE OF APPRAISAL: The appraisers inspected the subject property on May 17, 2016 which is the date of our valuation.

APPRAISAL DEVELOPMENT AND REPORTING PROCESS:

In preparing this appraisal, the appraisers:

- inspected the neighborhood of the subject property situated off Stephenson Road southeast of Apex and east of Holly Springs;
- gathered information on comparable land sales; and
- confirmed and analyzed the data and applied the sales comparison approach.

The appraisers did inspect the subject property for purposes of this report. To develop the opinion of value, the appraisers performed a complete appraisal process, as defined by the Uniform Standards of Professional Appraisal Practice. This Summary Appraisal Report is a brief recapitulation of the appraisers' data, analyses, and conclusions. Supporting documentation is contained in the appraisers' file.

DESCRIPTION OF REAL ESTATE APPRAISED:

Ownership History

The subject property transferred a 50% interest from Campbell University Incorporated to Merion Investment Properties, LLC by a general warranty deed on August 25, 2005 and recorded in Deed Book 11544, Page 1156, Wake County Deed Registry. A copy of this deed is shown as Exhibit C in the Addendum of this report. Revenue stamps indicated for \$1,320 was posted on the deed indicating a sales price of \$660,000 for this half-interest. There was no further history of prior deed transfers available through the Wake County Tax Office. A conversation with Michael Whitehead indicated he had purchased the assets of Merion Investment Properties through a court ordered sale in 2015.

REGIONAL DATA:

The subject property is located in a large regional market known as the Triangle, six counties including Durham and Wake. The economy of the Triangle is based in great measure on five components, which have combined create one of the country's fastest growing metropolitan areas:

- Raleigh is the capital of North Carolina, and as such is the location for many state and federal agencies. The Raleigh-Cary metropolitan area is the 11th fastest-growing in the nation since the 2010 Census. The current enrollment for the Wake County School System has been reported as over 157,000 students for 2016, making it the largest school system in the state and the 16th largest in the nation.
- The Triangle has emerged as a center for high tech research, development and manufacturing. The role of the 7,000 acre Research Triangle Park has been crucial in this evolution. Currently about 50,000 people work in the Park, up from 42,000 in 2000. Numerous spin-off companies also exist in the Triangle, especially in the I-40 corridor and in Cary. The high tech fields of computer software, telecommunications, pharmaceuticals, biomedicine and transportation equipment are especially important in the Triangle.
- The Triangle is an important medical research and training center. The presence of nationally prominent hospitals at Duke University in Durham and the University of North Carolina at Chapel Hill, combined with research ongoing at many private businesses and laboratories, helps to attract professionals to the Triangle.
- Over 60,000 students attend colleges and universities full-time in the Triangle. This reserve of students and faculty help create an environment conducive to innovation and research, and attracts to the Triangle some of the nation's most active research and development-oriented corporations. Few metropolitan areas of similar size can boast of having three major universities.
- As the largest metropolitan area in eastern North Carolina, the Triangle is a center for shopping, services, government, culture and recreation for much of that section of the state.

The healthy economy draws people to the Triangle and provides employment for local residents and the population in the six county metropolitan statistical area has grown considerably since 1970:

Population Trends
Year Population %Change

1970	537,365	N/A
1980	664,788	24%
1990	858,485	29%
2000	1,187,941	38%
2010	1,749,525	47%

Source: U.S. Census Bureau

Employment levels also grew over the past decade. Even during the recession of 1991-1992 employment growth continued, although at a reduced level. Currently, the rate of growth is once again improving and is slightly better than the national and state levels. The seasonally adjusted unemployment rate for the Raleigh-Cary MSA was about 4.4% in December 2015 compared to the state's overall rate of about 5.6% while the national average is 5.0%. A history of the employment trends for the Raleigh-Cary area is summarized on the following table:

<u>Employment Trends</u>				
<u>Year</u>	<u>Labor Force</u>	<u>Growth</u>	<u>%</u>	<u>Unemployment</u>
2006	528,233	24,897	4.9	3.7%
2007	539,127	10,894	2.1	3.6%
2008	558,034	18,907	3.5	4.9%
2009	560,468	2,434	0.4	8.7%
2010	573,901	13,433	2.4	8.1%
2011	585,660	11,759	2.0	8.0%
2012	595,376	9,716	1.7	7.5%
2013	595,800	424	0.0	5.2%
2014	629,700	33,900	5.4	4.1%
2015	653,400	23,700	3.8	4.4%

The current local economy, lagging behind national trends somewhat, began to stall in late 2007 and then decline through 2009. On a national basis, a rise in the number of residential mortgage defaults created by sub-prime mortgage lending policies began to ripple through the economy. As these problems plagued Wall Street and the national economy, the local economy has suffered as well with the rise of unemployment, financial stress for private businesses as well as state and municipal governments, and the freezing of loan funding in the credit markets.

The local economy, in particular the local real estate market, has shown improvements recently. The Downtown Raleigh real estate values have increased dramatically in the last few years. Overall, the national economy is slowly coming out of this downturn. While the Triangle economy has certainly felt the effects of this downturn, the slowdown in the Triangle has been less severe and shorter than most areas of the country.

Neighborhood Description

Neighborhood use is defined by the *Dictionary of Real Estate Appraisal*, second edition, as "a group of complementary land uses." It is typically bounded by either natural or man-made barriers, although they may also be defined by changes in land uses. The neighborhood of the subject is defined as the area southeast of US Highway 1 and the Town of Apex; east of NC Highway 55; northeast of the Town of Holly Springs and south of Ten Ten Road (NCRR 1010).

This subject neighborhood lies southeast of the Town of Apex town limits but is within Apex's extra-territorial jurisdiction. Apex's ETJ covers the area south of Ten Ten Road and west of Stephenson Road while the Town of Cary has jurisdiction in the area east of Stephenson Road. Additionally, the Town of Holly Springs has jurisdiction in the neighborhood for the areas lying south of Sunset Lake Road. As one of the under-developed areas in southwestern Wake County, the subject's neighborhood is experiencing increasing interest in residential development. One large factor in the increased interest has been the completion of the New Hill sewer treatment plant. This sewer plant has provided additional sewage treatment capacity for this area of the county allowing Apex and Holly Springs to flourish with additional residential development.

Another factor of the increased interest in this area of Wake County has been the completion of the latest phase of the Outer Loop. This phase, also known as the Wake Expressway or the NC Highway 540 Toll Road, extended the Outer Loop to NC Highway 55 Bypass west of the subject neighborhood. This completed portion of this toll road has significantly improved access from this area to the Research Triangle Park and the Raleigh Durham International Airport. Plans call for the Outer Loop to eventually encircle the southern portion of Raleigh and Garner and tying the current Interstate 540 terminus and US Highway 64 Bypass at Knightdale as the Southern Wake Parkway. The next phase of this roadway project will extend the Outer Loop east to N. C. Highway 401 within 5 years and to Interstate-40 at its intersection with the U. S. Highway 70 bypass of Clayton within 10 years. The next phase will rout the Outer Loop through the neighborhood south of the subject property and north of Sunset Lake.

As for the subject property, adjacent land uses include a 95-site mobile home park to the east; several residential subdivisions such as Merion, Harmony Glen and Fair Oaks along Smith and Stephenson Roads and Sunset Lake Road; vacant wooded tracts of land and scattered single family dwellings to the west; and the Currin Brothers landfill to the south along Sunset Lake Road. Smaller single-family lot residential development has emerged as public water and sewer have been extending into the neighborhood. These newer residential developments such as Miramonte and Pemberly have been developed to the west; Woodcreek, and Newbury Park to the south; Kildaire Estates and Windermere to the east; and most recently, Colvin Park and Lily Orchard subdivisions to the north.

With the improving economy, the plans for extending the Southern Wake Expressway through the neighborhood and the recent residential subdivision developments in the immediate area as public utilities slowly migrate into the area, we expect the neighborhood to see steady residential growth in the foreseeable future.

SITE DATA:

Site Characteristics

The subject property is a 66.48 acre rectangular wooded tract lying west of Stephenson Road, east of Smith Road, and north of Sunset Lake Road in White Oak Township. The tract has access to Stephenson Road through Thriftwood Drive at its southeastern margin and lies approximately 1,100 feet west of Stephenson Road. Derry Down Lane also accesses the subject tract at its northeastern corner and is marked as a private street extending some 1,500 feet west of Stephenson Road. An Offer to Purchase and Contract from Wake County Board of Education has been extended to Merion Investment Properties, LLC, as owner of the subject property, and describes the subject property with a street address of 8550 Stephenson Road. This Contract is included as Exhibit G in the Addendum of this report. Among the conditions in this contract is the approval of both the Town of Apex and NCDOT to construct a suitable means of ingress and egress to the site as well as approval to construct a suitable sewer system to serve a high school on the site.

The tract is wooded with the general topography falling off to the west and is bisected by a small perennial tributary feeding Middle Creek which lies west of the parcel. There is also a small ephemeral stream bed that bisects the lower one-third of the tract running to the west. The Wake County GIS mapping system showing an elevation of 430 feet above sea level along its eastern boundary and falling off to 390 feet at its western boundary. Reference is made to Exhibit B, entitled "Wake County GIS Tax Map," Exhibit D, entitled "Topo Map," and Exhibit E, entitled "Soils Map." This parcel of land referred to in the Contract as the "H-12/E-46" Site for the Wake County Public School System.

The neighborhood of the subject has been primarily rural in nature in the recent past. Smith Road lies to the west and "dead-ends" without a through connection to the south. Large residential home tracts and woodland compose these adjacent lands lying at the southern end of Smith Road effectively landlocking the subject from this direction. An 84 acre tract operated as the Currin Brothers landfill lies to the south fronting on Sunset Lake Road. The subject property is bounded on the east by the Cumalander mobile home park with approximately 95 mobile home sites available. Even with these adjacent properties, single family residential development is evident in the immediate area with the 177 lot Colvin Park and the 52 lot Lily Orchard being developed north of the subject. Public water is available at Colvin Park northeast of the subject and along the Stephenson Road. Extending this water service from Colvin Park would require some 3,600 linear feet of line at an estimated cost of \$234,000. As for public sewer, an outfall line through the Currin landfill and along Sunset Lake Road would require some 4,100 linear feet at an estimated cost of \$185,000.

Although the Wake County GIS system does not indicate wetlands on the property, we would suggest a soils analysis and report to certify the viability of any sewer service and environmental impact development of this site might create. For this report, we are also assuming that there are no areas on the property encumbered by stream buffer regulations. We would recommend that an engineering study be undertaken to determine the location and size of area encumbered by stream buffer regulations as well as area designated wetlands or floodplain.

Zoning

The subject property is within the Town of Apex extra-territorial limits and is zoned currently **MD-CZ (Medium Density Single Family Residential District-Conditional Zoning)**, a classification usually found in developed areas of the jurisdiction where municipal utilities are available or are nearby. The purpose and intent of the Medium Density Residential District is to provide for medium density single-family and duplex residential uses up to densities of six units per acre. The property was rezoned on January 14, 2013 through Ordinance #12CZ14 as passed by the Town of Apex. Permitted uses detailed in this ordinance included single-family, accessory apartment, greenway, and park uses. A copy of this Ordinance is included in the Addendum as Exhibit F. Although the specific use of the property as a school site is not listed, it is presumed that the property could be re-zoned to accommodate that form of land use.

Ad Valorem Taxes

The subject is identified as a portion of Wake County Parcel Identification Number (PIN) 0750 54 5646 or REID 0018131. The property was revalued for the 2016 tax year. Normally in a re-valuation year, the respective tax rates are reduced in order to approach a net zero ad valorem tax bill although that is not always the case. The property is shown by its tax assessed value as follows:

Land	\$2,823,090
Buildings	\$ 0
Total Tax Assessed Value	\$2,823,090

The 2015 Wake County combined tax rate was \$0.6945 per \$100 of tax assessed value, which included the Wake County rate of \$0.6145 per \$100 and the Fire District tax rate of \$0.08 per \$100. The Wake County Tax Office also shows that the ownership has not paid property taxes for the last several years. The 2016 taxes are estimated based on the new 2016 tax valuation and the 2015 combined tax rate as follows:

	<u>Market Tax Value</u>
Total Assessed Value	\$2,823,090
2015 Tax Rate	\$0.6945 per \$100
Estimated 2016 Ad Valorem Taxes	\$19,606

The previous tax valuation for the subject property was \$90,000. The State of North Carolina requires that all of the real estate in every county be revalued for tax purposes at least every eight years. Wake County revalues its real estate every eight years and established the current tax assessed values in January 2016. There is a current initiative to revalue every so the next reassessment for Wake County will be January 2020.

HIGHEST AND BEST USE:

Highest and best use, as defined, is that use which, at the time of appraisal, is the most profitable and likely use to which a property can be put. It may also be defined as that available use and program of future utilization which produces the highest present land value. According to *The Appraisal of Real Estate*, 9th Edition, the highest and best use must be 1) physically possible, 2) legally permissible, 3) financially feasible, and 4) maximally productive.

Physically Possible: The size, shape, area and terrain of a parcel of land affects the uses to which it may be developed. The highest and best use of a property must be a use to which the property is capable of being developed. It must consider factors including capacity and availability of utilities, topography, and sub-soil conditions and any other physical characteristics of a property which will alter the property's development potential.

Legally Permissible: The highest and best use must be a use which is legally allowable. Private restrictions, zoning, building codes, and environmental regulations must allow for the development of a site's highest and best use.

Financially Feasible: In the highest and best use analysis, all uses that generate a positive return on the property should be considered. If a use does not generate a positive return, it is not considered financially feasible and would not be considered as a potential highest and best use of a property.

Maximally Productive: Of the financially feasible uses, that use which produces the highest price, or value, (given a constant rate of return), is the highest and best use.

The subject is a 66.48 acre wooded tract some 1,100 feet west of Stephenson Road and south of Ten Ten Road within the extra-territorial jurisdiction of the Town of Apex. This tract has access by way of Thriftwood Drive from the east. The subject has some sloping topography with a drainage area crossing the subject that could possibly require some riparian buffer to enable development. Any topographic issues that this parcel might have should be overcome with a degree of engineering. The Cumalander Mobile Home Park lies adjacent to the subject along its eastern boundary. While the property could be developed with a septic system (assuming suitable soils), it is more likely that development include the extension of public water and sewer. Town of Apex public water is available along Stephenson Road northeast of the subject. The subject property could be connected to Town of Apex sewer through an outfall line to the Sunset Hills pump station west of the property. Otherwise, the overall development of the subject is currently limited by its size, topography and lack of public utilities.

The subject property is within the Town of Apex extra-territorial jurisdiction and is zoned MD-CZ Residential by the Town of Apex. Without public sewer service, single-family residential development with a maximum of 6 residential units per acre would be allowed. This classification permits residential development at a medium density that fits the tenor of the existing neighborhood. An ancillary use such as a school site would most likely be permitted and would fulfill the legally permissible aspect.

Overall, the national economy is emerging from the 2008 recession. The Triangle real estate market, particularly this area of Wake County, has completely recovered and is currently quite strong. Specifically, residential development in the area between Ten Ten Road to the north and

Sunset Lake Road to the south appears to be picking up and will grow stronger as the southern leg of Triangle Expressway is eventually constructed through the neighborhood. Given the changing market conditions, development of the subject as either a residential subdivision or as an ancillary use such as a school site would be the highest and best use of the land in our opinion. Of all of the physically possible, legally permitted and financially feasible uses, this property use will maximize the subject's land value in our opinion.

SUMMARY OF ANALYSIS AND VALUATION:

As stated in the **Interest Valued** section of this report, we are seeking to estimate the fee simple interest of the subject property. Since there are no improvements of marketable value on the subject property, we have employed the sales comparison approach to value for comparable land sales to determine the fee simple interest of the property.

SALES COMPARISON APPROACH TO VALUE:

The Sales Comparison Approach to Value, or Land Value by Comparison, is an appraisal technique in which the market estimate is predicated upon prices paid in actual market transactions of similar tracts of land. In estimating the land value of the subject property, we have included the Offer to Purchase for the subject property as well as five land sales for comparison purposes with the subject tract. A summary of pertinent information regarding these land transactions is included on the following pages. We compared these transactions to the subject tract noting the differences between these sales and the subject for such items as date of sale, location, size, topography, floodplain, and utilities.

Subject Property Contract

Owner: Merion Investment Properties, LLC

Prospective Buyer: The Wake County Board of Education

Location: 8550 Stephenson Road, 1,100 feet west of Stephenson Road,
White Oak Township, Apex, Wake County, NC

Land Area: 66.48 Acres

Frontage: Western terminus of Thriftwood Drive and west of
Cumalander Mobile Home Park

Shape: Rectangular

Drainage: Adequate

Topography: Gently sloping to the south

Utilities: Town of Apex water along Stephenson Road

Zoning: MD-CZ by Town of Apex (ETJ)

Improvements: None of value

Present Use: Vacant Land

Highest and Best Use: Medium density residential development

Contract Sales Price: \$4,254,720 or \$64,000 per useable acre

Financing: Cash to seller

Confirmed by: Offer to Purchase Contract

Condition of Sale: Market

Deed Reference: N/A

Tax Reference: PIN 0750 54 5646 (REID 0018131)

Remarks: Contract contingent on due diligence approval by both
parties to sale. Seller has conditioned contract on satisfactory
road extensions and feasibility of public water and sewer
service.

Land Sale Number 1

Date of Sale: February 19, 2015

Grantor: Leonard and Katherine Shaffer

Grantee: HHHunt Shaffer, LLC

Location: North side Holly Springs New Hill Road, 2,000 feet west of Old Holly Springs Apex Road, Holly Springs, Wake County, NC

Land Area: 33.85 Acres

Frontage: 1,256 feet on Holly Springs New Hill Road

Shape: Rectangular

Drainage: Adequate

Topography: Rolling

Utilities: Public water, electricity and telephone

Zoning: R-MF-15 by Holly Springs; R-40 by Wake County

Improvements: None at sale

Present Use: Vacant land

Highest and Best Use: Residential

Revenue Stamps: \$3,386

Estimated Contract Price: \$1,693,000 or \$50,015 per acre

Confirmed by: Leonard Shaffer, Grantor

Condition of Sale: Market

Deed Reference: Book 15923, Page 1339, Wake County Registry

Tax Reference: PIN 0649 06 8141

Remarks: This parcel is part of an assembly of land by HH Hunt Builders planned for the Shaffer Subdivision and approved by Town of Holly Springs as a split zoned development yielding a 75 lot multi-family subdivision and a 74 lot single family subdivision. Sewer to be extended at developer's cost.

Land Sale Number 2

Date of Sale: December 14, 2010

Grantor: Clark Land Company, LLC

Grantee: Ashton Raleigh Residential. LLC

Location: On the east side of East Williams Street some 100 feet south of Bobbitt Road, Apex, Wake County, NC

Land Area: 54.271 acres

Frontage: Some 246 feet on East Williams Street.

Shape: Irregular

Topography: Gently rolling with some 10 acres in floodplain

Utilities: All public.

Zoning: PUD-CZ by the Town of Apex

Improvements: None of value.

Present Use: Pemberly residential under development (117 single family lots and 110 townhouse pads)

Highest and Best Use: Residential subdivision

Revenue Stamps: \$8,400.00

Confirmed Sales Price: \$4,200,000 or around \$77,389 per acre

Financing: Cash to Sellers

Confirmed by: Hampton Pitts, with Grantee

Condition of Sale: Market

Deed Reference: Deed Book 14198 Page 2722, Wake County Registry

Tax Reference: PINs 0750 17 0216, 0750 07 2981 and 0740 98 6027.

Remarks: Infrastructure has been installed and construction of houses within the subdivision are underway.

Land Sale Number 3

Date of Sale: October 28, 2015

Grantor: James and Anne Woodall and JS Development

Grantee: Standard Pacific of the Carolinas, LLC

Location: Southern side of Apex Barbecue Road, approximately 2,500 feet west of S. Salem Street, Apex, Wake County, NC

Land Area: 22.252 acres

Frontage: Some 1,000 feet on Apex Barbecue Road

Shape: Irregular

Topography: Gently rolling; almost entirely usable

Utilities: All nearby.

Zoning: HDSF-CZ by Town of Apex

Improvements: None of value

Present Use: Vacant

Highest and Best Use: Residential subdivision

Revenue Stamps: \$4,228.00

Confirmed Sales Price: \$2,575,000 per acre or \$115,720 per acre (See Remarks)

Financing: Cash to Sellers

Confirmed by: Tom Beebe, with Grantee

Condition of Sale: Market

Deed Reference: Deed Book 16196, Page 298, Wake County Registry

Tax Reference: PIN 0731 57 8672 (REID 0433267)

Remarks: Sale included purchase of a prior contract to sell from JS Development for the total sales price. Sale tract is currently being developed as Woodall Subdivision as a 51 lot subdivision with stream drainage and pocket park.

Land Sale Number 4

Date of Sale: January 16, 2015

Grantor: Wilbert Pollard, et al

Grantee: K Hovnanian at Lily Orchard, LLC

Location: 8011 Stephenson Road, Cary, Wake County, NC

Land Area: 19.370 Acres (Total of three parcels)
Frontage: Some 173 feet on Stephenson Road
Shape: Irregular
Topography: Gently rolling
Utilities: All nearby.

Zoning: R-8 CU by Town of Cary
Improvements: None of value
Present Use: Assembly for Lily Orchard residential subdivision
Highest and Best Use: Single-family residential subdivision

Revenue Stamps: \$3,182.00
Confirmed Sales Price: \$1,591,500 or \$82,163 per acre
Financing: Cash to Sellers

Confirmed by: Brad Simmons, Broker
Condition of Sale: Market

Deed Reference: Deed Book 15894, Page 2205, Wake County Registry

Tax Reference: PIN 0751901842; 0781904468; and 0751905172

Remarks: Subject sale was part of a land assembly for Lily Orchard Subdivision, with a build out of 52 single family residential lots. This project has been subsequently sold to CDCG 3 HOV Portfolio, a Lennar Homes subsidiary.

Land Sale Number 5

Date of Sale: September 4, 2015

Grantor: Heirs of William G. Ransdell Estate

Grantee: Sonoma Springs Developers, LLC

Location: 5724 Hilltop Needmore Road, north side of Hilltop Needmore Road, some 600 feet east of Sunset Lake Road, Middle Creek Township, Wake County, NC

Land Area: 30.41 Acres

Frontage: 200 feet on Hilltop Needmore Road

Shape: Irregular

Drainage: Adequate

Topography: Rolling

Utilities: Electricity and telephone; public water and sewer to be extended

Zoning: R10 by Fuquay Varina

Improvements: None at sale

Present Use: Grading and infrastructure under development

Highest and Best Use: Single Family residential

Revenue Stamps: \$3,041

Sales Price: \$1,520,500 or \$50,000 per acre

Confirmed by: Bruce Herbert, with Grantee

Condition of Sale: Market

Deed Reference: Book 16143, Page 1836, Wake County Registry

Tax Reference: PIN 0668 65 1095

Remarks: Town of Fuquay water being extended to the site and pump station being constructed by developers under a cost share agreement with the town. Site will be developed with 125 8,000 square foot residential building lots.

Adjustment Chart 17-May-16						
Item	Subject Property	Land Sale No. 1	Land Sale No. 2	Land Sale No. 3	Land Sale No. 4	Land Sale No. 5
Date	17-May-16	19-Feb-15	14-Dec-10	28-Oct-15	16-Jan-15	4-Sep-15
Location	East of Stephenson Road west of Smith Road	N. side of Holly Springs New Hill Rd. 2,000 ft west of Old Holly Sprs/Apex Rd	E. Side of Williams St. west of Smith Road	S. side of Apex Barbeque east of Salem St.	8011 Stephenson Road East of Stephenson Road south of Ten Ten Road	5724 Hilltop Needmore Rd. east of Sunset Lake Road
	White Oak Twsp. Wake Co.	Town of Holly Springs Wake Co.	Town of Apex Wake Co.	Apex Wake Co.	Cary Wake Co.	Fuquay Wake Co.
Land Area (Acres)	66.48	33.85	54.271	22.25	19.37	30.410
Price	\$4,254,720	\$1,693,000	\$4,200,000	\$2,575,000	\$1,591,500	\$1,520,500
Price Per Acre	\$64,000	\$50,015	\$77,389	\$115,720	\$82,163	\$50,000
Zoning	MD-CZ (Apex ETJ)	RMF-15/R-40 (Holly Sp.)	PUD-CZ (Apex)	HDSF-CZ (Apex)	R-8 CU (Cary)	R10 (Fuquay)
Utilities	Public water at Colvin Park	Public water available; sewer ext. at buyer's expense	Public water & sewer at site	Public water & sewer at site	Public water & sewer to ext. at developer expense	Public water & sewer to be extended at shared cost
Topography	Gravity sewer at Sunset Hills	Level	Gently rolling	Gently rolling	Level	Level
Other Characteristics	Gently rolling Wooded tract adjacent to Mobile Home Park	Part of HHHunt Shaffer land assembly	Pemberley Subdivision	Woodall Subdivision under development		
Adjustments						
Time		1.00	1.10	1.00	1.00	1.00
Size		0.95	1.00	0.90	0.90	0.95
Location		1.10	1.00	0.90	1.00	1.10
Zoning		1.10	1.00	0.95	1.05	1.05
Shape		1.00	1.00	1.00	1.00	1.00
Access		0.95	1.00	0.95	0.95	0.95
Topography		1.00	1.00	1.00	1.00	1.00
Utilities		0.95	0.90	0.90	1.00	1.00
Composite		1.04	0.99	0.66	0.90	1.04
Indicated Value		\$51,887	\$76,616	\$76,135	\$73,762	\$52,119

Summary of Adjustments and Conclusion of Land Value

- Time -** Land values in this area of Wake County have experienced a surge with the opening of the New Hill wastewater treatment plant and the Western Wake Expressway. With the exception of Land Sale No. 2, the land sales shown are fairly current and do not need adjustment. Due to the age of Land Sale No. 2, we have applied a 10% value appreciation factor to compare to the other land sales presented.
- Size -** Smaller land parcels normally achieve higher per acre prices in comparison to larger land parcels and require downward adjustments in order to be compared properly. Employing the converse of this, larger acreage parcels normally show an economy of scale in unit price comparison and should be adjusted upward in order to compare to smaller parcels. Although Land Sale No. 2 is slightly smaller, we feel it is similar in size and does not require adjustment. Land Sale Nos. 1 and 5 have been adjusted downward by 5%. Land Sales Nos. 3 and 4 have been adjusted downward by 10%.
- Location -** Land Sale Number 1 was judged to have inferior location in comparison to the subject and required a 10% upward adjustment. Land Sale Numbers 2 and 4 are both close to the subject and were judged to have similar location not requiring adjustment. Land Sale No. 3 is fairly close to the town center of Apex and was adjusted downward by 10%. Land Sale No. 5 was judged to have inferior location and was adjusted upward by 10%.
- Zoning -** Land Sale Nos. 1, 4 and 5 were judged to have inferior zoning and were adjusted upward by 10% and 5% respectively. Land Sale No. 2 was judged to have similar zoning and did not require adjustment. Land Sale No. 3 was deemed to have superior zoning and was adjusted downward by 5% in comparison to the subject property.
- Shape -** We feel all of the presented land sales had similar shape and thus, no adjustment was made.

- Access - Except for Land Sale No. 2 which has similar access, all other land sales were felt to possess superior access and required a downward adjustment of 5% to compare to the subject.
- Topography - This characteristic is an evaluation of the total acreage available for development in regard to the proportion of flood prone soils that will be able to handle future development. We feel that all land sales are similar to the subject and do not require adjustment.
- Utilities - Land Sale Number 1 had public water service available and required a downward adjustment of 5%. Land Sale Nos. 2 and 3 had water and sewer service available and required a 10% downward adjustment. Land Sale Nos. 4 and 5 had no utilities available at sale and did not require adjustment to compare to the subject.

Prior to any adjustments, the sales indicated a range of \$50,000 to \$115,720 per acre. After adjustments, the indicated value range was \$51,887 per acre to \$76,135 per acre. In regard to the land characteristics analyzed, we feel the location and utilities were the most pertinent factors and carried the greater weight in the overall analysis of the subject. Given this line of reasoning, we feel a value estimate in the upper middle of the adjusted range of roughly \$65,000 per acre is reasonable. We again emphasize that activity in the neighborhood has significantly increased in the past few months and the Triangle Expressway will impact this area in the near future. Based on the foregoing rationale, we have concluded the market value of the 66.48 acre subject tract as of May 17, 2016 is as follows:

66.48 Acres x	\$65,000 per Acre =	\$4,321,200
Rounded		\$4,320,000

ASSUMPTIONS AND LIMITING CONDITIONS:

This appraisal is subject to the following assumptions and limiting conditions:

1. The basic limitation of this and any appraisal is that the appraisal is an opinion of value, and is, therefore, not a guarantee that the property will sell at exactly the appraised value. The market price may differ from the market value, depending upon the motivation and knowledge of the buyer and/or seller, and may, therefore, be higher or lower than the market value. The market value, as defined herein, is our opinion of the probable price that is obtainable in a market free of abnormal influences.
2. This appraisal is being made based on the subject having a land area of 66.48 +/- acres excluding public road rights-of-way. We have made no survey of the subject and assume no responsibility for legality of title, which is assumed to be good and marketable. We would recommend a new survey of the property in order to determine the exact acreage. All existing liens and encumbrances have been disregarded, and the property is appraised as though free and clear under responsible ownership and competent management.
3. Exhibits in this report are included to assist the reader in visualizing the subject property. We assume responsibility for these exhibits only to the extent that they are based upon information which has been supplied to us. We believe this information to be reliable; however, further on-site physical inspections and tests may reveal different information that could cause us to change our opinion of value.
4. We are not aware of any hazardous substances such as polychlorinated biphenyl, petroleum leakage, or agricultural chemicals on the subject property. The value estimated in this report assumes that there are no such substances present on the subject property. We are not experts in such fields and make no claim of technical knowledge with regard to such hazardous substances. If any of these hazards are in fact present on the subject, the value of the subject would be reduced by at least the expense necessary to eliminate any potential hazard. If the client wishes to assess such matters, we urge the client to retain an expert in the field of environmental hazards.
5. We assume that there are no hidden conditions of the subject property such as subsoil conditions which affect the value of the subject property.
6. Based on our inspection of the property as well as pertinent publicly available maps, there are may be areas on the subject which could be subject to stream buffer regulations. In addition, there may be areas designated floodplain or subject to wetland regulations. We are assuming that there are areas on the subject which will eventually be encumbered with stream buffer regulations and that if there are areas subject to wetland or floodplain restrictions, they are located within the stream buffers. However, we have also concluded that if there are areas subject to these regulations, they are located such that they will not significantly adversely impact the overall development of the property. We recommend an engineering study to determine the exact size and location of the areas of the subject which are encumbered by these regulations and if so to what extent.
7. Possession of this report does not carry with it the right of publication, nor may it be used for any purpose other than that designated by my client without my previous written consent, and then only with proper qualifications.
8. It is our specific understanding that we are not required to give testimony or to appear in court by reason of this appraisal with reference to the subject property, unless further arrangements acceptable to us are made, regarding compensation for our time.

We, the undersigned, do hereby certify that the information and statements contained in this appraisal, and upon which the appraisal is based, are correct, subject to the limiting conditions hereinbefore set forth.

June 1, 2016

CERTIFICATION:

We, the undersigned, do hereby certify that to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
4. Our compensation is not contingent upon the reporting of a pre-determined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
5. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with Uniform Standards of Professional Appraisal Practice.
6. We have made a personal inspection of the property that is the subject of this report.
7. No one provided significant professional assistance to the persons signing this report.
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review of its duly authorized representatives.
9. We have not appraised the property in the past three years.
10. As of the date of this report, we have completed the continuing education program of the North Carolina Appraisal Board.

Neither all nor any part of the contents of this appraisal report shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communications without the prior written consent and approval of the undersigned.

Based upon the information obtained regarding the property and in the application of our best judgment, along with the use of sound appraisal techniques, it is our opinion that as of May 17, 2016, the market value of the 66.48 acre tract west of Stephenson Road with a street address of 8550 Stephenson Road in White Oak Township, Wake County, North Carolina and owned by Merion Investment Properties, LLC is **\$4,320,000**.

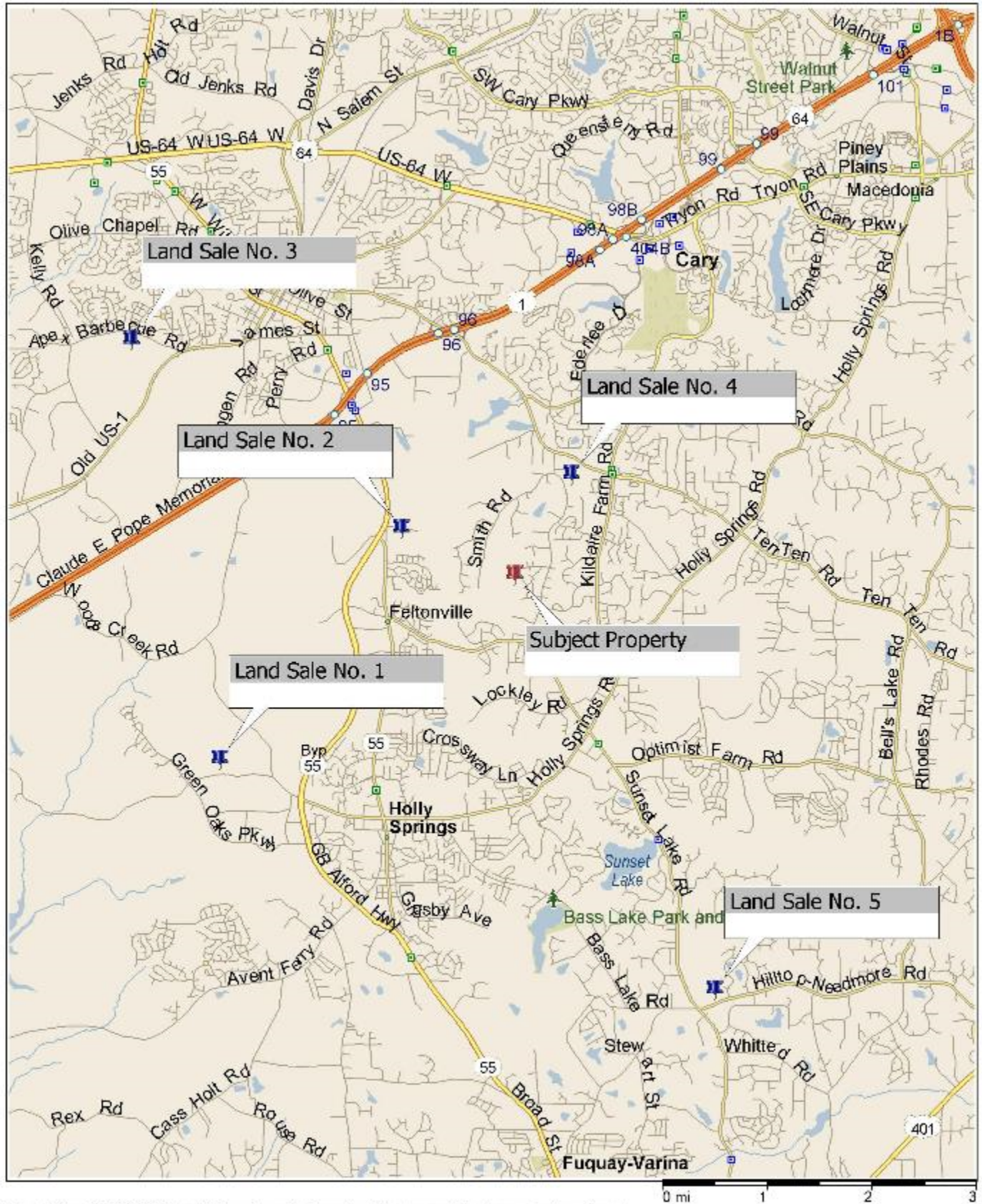


Neil C. Gustafson, MAI



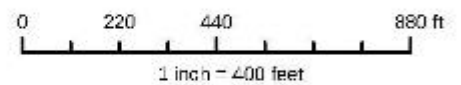
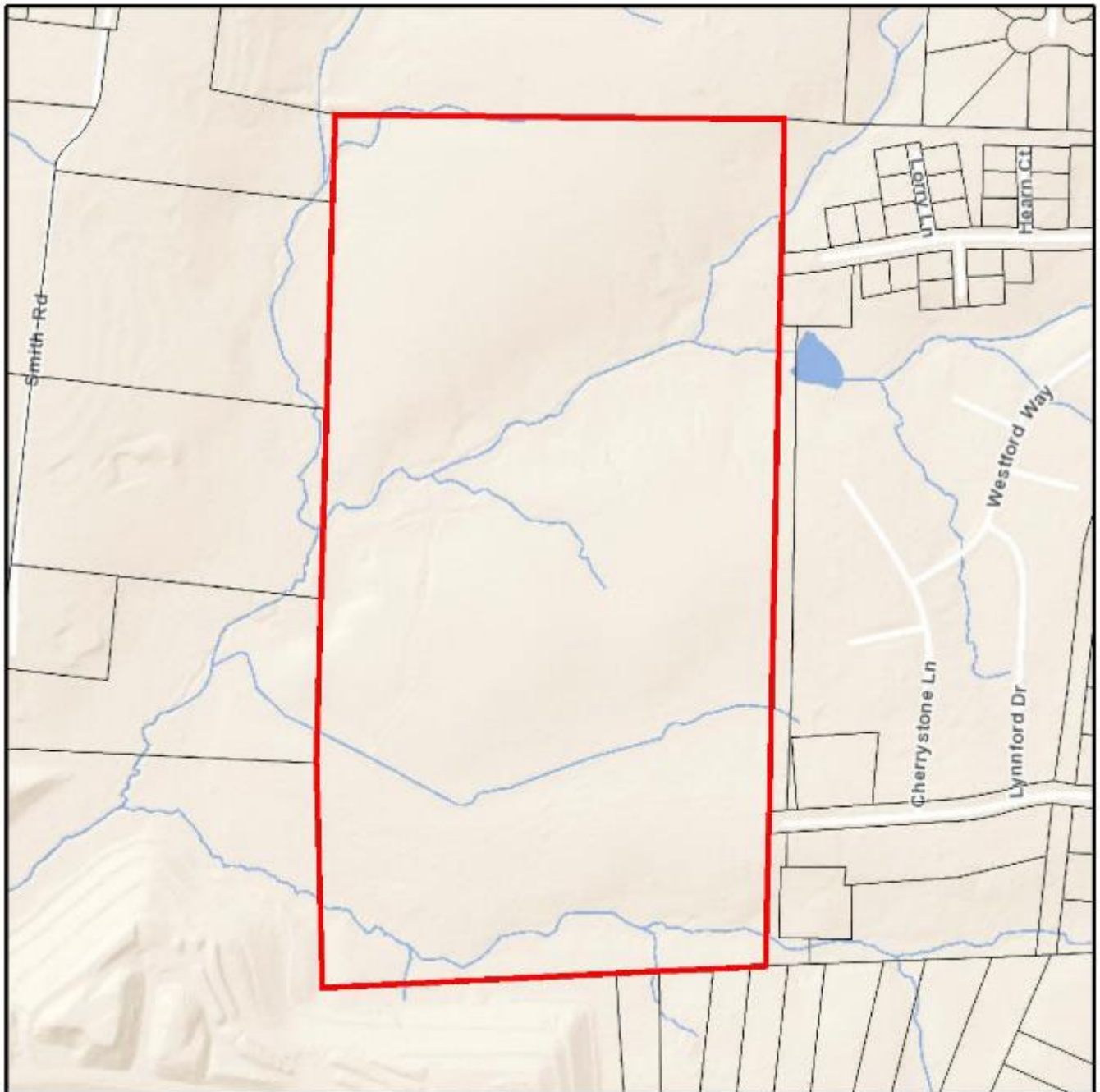
Michael B. Moore, Appraiser

Apex, North Carolina



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Exhibit A: Area Map



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Exhibit B: Wake County GIS Tax Map

BK011544PG01156

WAKE COUNTY, NC 95
LAURA H RIDDICK
REGISTER OF DEEDS
PRESENTED & RECORDED ON
08/25/2005 AT 10:31:29
STATE OF NORTH CAROLINA
REAL ESTATE EXCISE TAX: \$1320
BOOK:011544 PAGE:01156 - 01158

Prepared by: The Law Offices of Akins, Hunt & Fearon, PC, Without the benefit of a Title Examination

After recording, return to: HOLD - BOX 10

Tax ID #: 0018131

Excise Tax: \$1,320.00

THIS GENERAL WARRANTY DEED, made this 19th day of May, 2005, by and between

CAMPBELL UNIVERSITY, INCORPORATED, hereinafter called Grantor(s):
P.O. Box 97
Buies Creek, NC 27506

AND

MERION INVESTMENT PROPERTIES, LLC, hereinafter called Grantee(s):
12620 PORT CHARLOTTE COURT S801 LEASE LN.
RALEIGH, NC 27614 Raleigh, NC 27617
WITNESSETH:

The designation Grantor and Grantee used herein shall include parties, their heirs, successors and assigns and shall include singular, plural masculine, feminine or neuter as required by context.

The Grantor, for a valuable consideration paid by Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the grantee, in fee simple, its one-half (1/2) interest in that certain lot or parcel of land situated in Wake County, North Carolina, and more particularly described as follows:

SEE EXHIBIT A.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee, in fee simple.

And the Grantor covenants with the Grantee that Grantor is seized in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all adverse encumbrances, and that the Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for exceptions hereinafter stated.

IN WITNESS WHEREOF, the Grantor has hereunto set his/her hand and seal, or if corporate, has caused this instrument to be executed by duly authorized officers and its seal affixed by authority of its Board of Directors, this day and year first appearing above.

CAMPBELL UNIVERSITY, INCORPORATED

By: James H. Ellerbe (SEAL)
Name: J. James H. Ellerbe
Title: Vice President for Business and Treasurer

STATE OF NORTH CAROLINA)
COUNTY OF Harnett)

I, Katherine D. Ennis, the undersigned notary public, do hereby certify that Dr. James H. Ellerbe, of Campbell University, Incorporated, a North Carolina corporation, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the company.

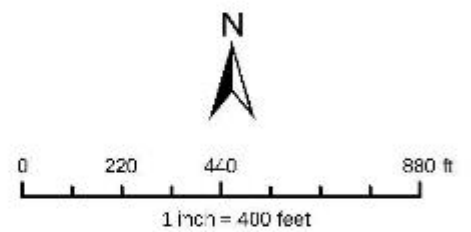
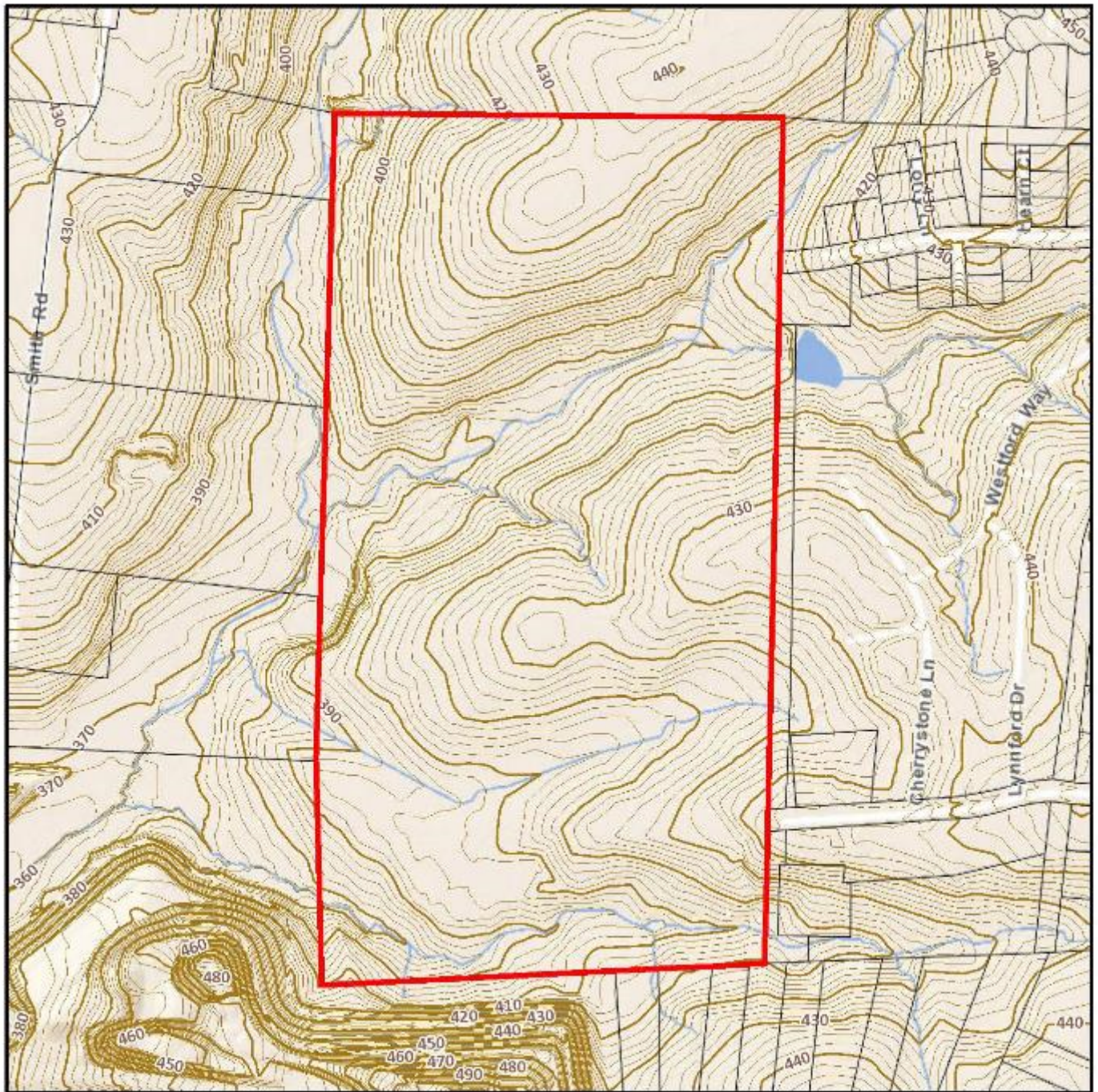
Witness my hand and official seal, this 19th day of May, 2005.

My Commission Expires: June 26, 2008



EXHIBIT A

BEGINNING at an existing iron pipe in the southern line of the 60 foot right-of-way of Derrydown Lane, said point being the northwestern corner of now or formerly Heater Utilities property (PIN: 0756663067); running thence along the western line of the now or formerly Tonya Currin property (Pin: 0750657552), South 04° 11' 13" West 1905.91 feet to an existing iron pipe, said point being in the western line of now or formerly Briarwood property (PIN: 0750642452); running thence along the northern line of now or formerly Johanie Dew property the following four (4) bearings and distances to existing iron pipes: (1) South 89° 45' 24" West 41.10 feet; (2) North 89° 45' 13" West 102.50 feet; (3) North 89° 49' 20" West 149.96 feet; (4) North 89° 44' 59" West 119.16 feet to an existing iron pipe; running thence along the northern line of now or formerly Currin Bros. Inc. property (PIN: 0750534767), North 89° 50' 01" West 812.11 feet to an existing iron pipe; running thence along the eastern property line of now or formerly Currin Bros. Inc. property (Pin: 0750442256), North 01° 20' 28" East 635.48 feet to an existing iron pipe; running thence along the eastern line of now or formerly Randy Garren property (PIN: 0750956175) and the now or formerly William Hales property (PIN: 0750456507), North 04° 41' 43" East 987.40 feet to an existing iron pipe; running thence along the eastern line of now or formerly Ronald D. & Melody Scott property (PIN: 075096610), North 04° 34' 36" East 553.01 feet to an existing iron pipe; running thence more or less North 04° 34' 36" East approximately 231.85 feet to an existing iron pipe; running thence with the southern line of now or formerly Joseph Dean property (PIN: 0750576147), South 85° 37' 49" East 1239.44 feet to an existing iron pipe; running thence along the western line of Heater Utilities property, South 04° 13' 01" West 431.40 feet to the point and place of BEGINNING, containing approximately 66.48 acres and as further described on deed recorded in Book 7714, Page 858, Wake County Registry.



Disclaimer
 IMaps makes every effort to produce and publish the most current and accurate information possible. However, the maps are produced for information purposes, and are NOT surveys. No warranties, expressed or implied, are provided for the data therein, its use, or its interpretation.

Exhibit D: Wake County GIS Topographic Map

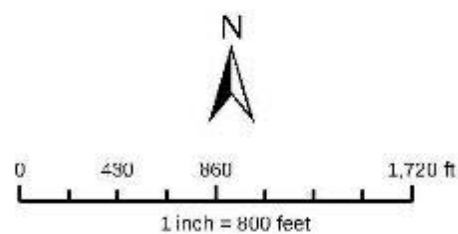


Exhibit E: Wake County GIS Soils Map

**ORDINANCE AMENDING THE OFFICIAL ZONING DISTRICT MAP OF THE TOWN OF APEX TO CHANGE THE
ZONING OF APPROXIMATELY 66.48 ACRES LOCATED AT 8550 STEPHENSON ROAD FROM RURAL
RESIDENTIAL TO MEDIUM DENSITY RESIDENTIAL CONDITIONAL ZONING DISTRICT
#12CZ14**

WHEREAS, the application of Merion Investment Properties, LLC, petitioner, for the rezoning of lands hereinafter described was duly filed with the office of the Planning Director and thereafter public hearings were held hereon on the 14th day of January, 2013 before the Planning Board and the 15th day of January, 2013, before the Town Council, respectively, pursuant to due notice mailed and published pursuant to G.S. § 160A-384. Thereafter, the Planning Board submitted its final report to the Town Council recommending approval of said application for the rezoning of the lands hereinafter described, all in accordance with the requirements of the Town of Apex Unified Development Ordinance and the provisions of Chapter 160A, Article 19, of the North Carolina General Statutes; **NOW, THEREFORE**,

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF APEX

Section 1: The lands that are the subject of the Ordinance are those certain lands described in Attachment "A" – Legal Description which is incorporated herein by reference, and said lands are hereafter referred to as the "Rezoned Lands."

Section 2: The Town of Apex Unified Development Ordinance, including the Town of Apex North Carolina Official Zoning District Map which is a part of said Ordinance, is hereby amended by changing the zoning classification of the "Rezoned Lands" from RR to MD-CZ Zoning District, subject to the conditions stated herein.

Section 3: The Planning Director is hereby authorized and directed to cause the said Official Zoning District Map for the Town of Apex, North Carolina, to be physically revised and amended to reflect the zoning changes ordained by this Ordinance.

Section 4: The "Rezoned Lands" are subject to the following conditions which are imposed as part of this rezoning:

USES:

Single Family
Accessory Apartment
Greenway
Park, active
Park, passive
Recreation Facility – Private

ZONING CONDITIONS:

The applicant has included the following conditions:

1. Vinyl siding is not permitted. Vinyl windows, decorative elements and trim are permitted.
2. A crawl space or raised slab foundation is required with a minimum of two steps and 12 inches from the ground to the front porch/stoop landing (Single Family Only).
3. Garage doors must have windows, decorative details or carriage-style adornments.
4. Garage cannot protrude more than one foot out from the front façade or front porch (Single Family Only).
5. Roof shall be pitched at 5:12 or greater (Single Family Only).
6. Residential driveways will be allowed on both sides of the major collector street along the southern portion of the property (Thrifwood Drive Extension).

Ordinance Amending the Official Zoning District Map #12CZ14
Page Two

Section 5: The "Rezoned Lands" shall be perpetually bound to the conditions imposed including the uses authorized, unless subsequently changed or amended as provided for in the Unified Development Ordinance. Site plans for any development to be made pursuant to this amendment to the Official Zoning District Map shall be submitted for site plan approval as provided for in the Unified Development Ordinance.

Section 6: This ordinance shall be in full force and effect from and after its adoption.

Motion by Council Member JENSEN

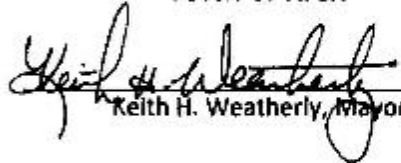
Seconded by Council Member SCHULZE

With 5 Council Member(s) voting "aye."

With 0 Council Member(s) voting "no."

This the 5th day of FEBRUARY, 2013.

TOWN OF APEX


Keith H. Weatherly, Mayor

ATTEST:


Donna B. Hosch, CMC, NCCMC, Town Clerk

APPROVED AS TO FORM:

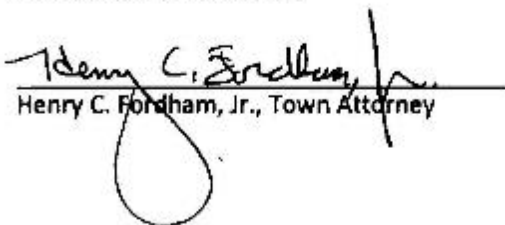

Henry C. Fordham, Jr., Town Attorney

EXHIBIT "A"

BEGINNING at an existing iron pipe in the southern line of the 60 foot right-of-way of Derrydown Lane, said point being the northwestern corner of now or formerly Heater Utilities property (PIN: 0756663067); running thence along the western line of the now or formerly Tonya Currin property (Pin: 0750657552), South 04° 11' 13" West 1905.91 feet to an existing iron pipe, said point being in the western line of now or formerly Briarwood property (PIN: 0750642452); running thence along the northern line of now or formerly Johnnie Dew property the following four (4) bearings and distances to existing iron pipes: (1) South 89° 45' 24" West 41.10 feet; (2) North 89° 45' 13" West 102.50 feet; (3) North 89° 49' 20" West 149.96 feet; (4) North 89° 44' 59" West 119.16 feet to an existing iron pipe; running thence along the northern line of now or formerly Currin Bros. Inc. property (PIN: 0750534767), North 89° 50' 01" West 812.11 feet to an existing iron pipe; running thence along the eastern property line of now or formerly Currin Bros. Inc. property (Pin: 0750442256), North 01° 20' 28" East 635.48 feet to an existing iron pipe; running thence along the eastern line of now or formerly Randy Garren property (PIN: 0750956175) and the now or formerly William Hales property (PIN: 0750456507), North 04° 41' 43" East 987.40 feet to an existing iron pipe; running thence along the eastern line of now or formerly Ronald D. & Melody Scott property (PIN: 075096610), North 04° 34' 36" East 553.01 feet to an existing iron pipe; running thence more or less North 04° 34' 36" East approximately 231.85 feet to an existing iron pipe; running thence with the southern line of now or formerly Joseph Dean property (PIN: 0750576147), South 85° 37' 49" East 1239.44 feet to an existing iron pipe; running thence along the western line of Heater Utilities property, South 04° 13' 01" West 431.40 feet to the point and place of BEGINNING, containing approximately 66.48 acres and as further described on deed recorded in Book 7714, Page 858, Wake County Registry.

NORTH CAROLINA

WAKE COUNTY

OFFER TO PURCHASE AND CONTRACT

WHEREAS, The Wake County Board of Education, a body corporate, ("Buyer") hereby agrees to purchase and Merion Investments Properties LLC, a North Carolina Limited Liability Company ("Seller") hereby agrees to convey all or a portion of a parcel of land containing a total of ±66.48 acres, located east of Smith Road, west of Stephenson Road, and north of Sunset Lake Road, White Oak Township, Wake County, North Carolina, together with all right, title and interest which Seller may have in all creeks, streams, rights-of-way, roads, streets and ways bounding said property (the "Property"). The Property is further identified by a legal description shown in Exhibit "A", and upon a Map shown on Exhibit "B". Exhibit "A" and Exhibit "B" are attached hereto and made a part of this Offer to Purchase, with the exact location and acreage of the subject property to be determined by a formal survey to be obtained by Buyer. The Property is more particularly described as all or a portion of the parcel having Wake County PIN #0750545646 and street address of 8550 Stephenson Road, Apex, North Carolina.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings herein contained and the earnest money deposit set forth below and for other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged and confessed, the parties hereto agree to the following terms and conditions:

1. PURCHASE PRICE: The purchase price is Sixty-four Thousand and no/100 (\$64,000.00) Dollars per useable acre based upon the survey referred to in Paragraph 2.C.1., and shall be paid by Buyer to Seller as follows:
 - A. \$10,000.00 in earnest money shall be paid by check to Boxley, Bolton, Garber & Haywood, L.L.P., Attorneys at Law, with the delivery of this contract, to be held in trust until the sale is closed, at which time it will be credited to Buyer, applied to payment of the purchase price and disbursed to Seller at closing, or until this agreement is otherwise terminated and it is disbursed in accordance with the terms of this agreement.
 - B. Buyer and Seller acknowledge that the "Property" to be purchased includes 66.48 acres of land more or less. The exact location and acreage shall be determined by a formal boundary survey to be provided by Buyer. Should the survey described in 2.C.(1) obtained by Buyer determine that the total useable acreage is different than 66.48 acres, Buyer and Seller agree to adjust the purchase price by an amount equal to \$64,000.00 per acre times the amount of acreage.
 - C. For purposes hereof the term "usable acre" and "usable acreage" shall mean the gross acreage of the Property, less any land lying within an existing right-of-way or easement for roads, streets and/or utilities on or abutting said Property.
 - D. The balance of the purchase price, in cash at closing.
2. CONDITIONS: The obligation of Buyer to purchase the Property is subject to the satisfaction at or prior to closing of the following conditions:
 - A. The Wake County Board of Education must approve all terms and conditions of this contract.
 - B. The Wake County Board of Commissioners must, prior to closing disburse to Buyer sufficient funds to pay the full balance of the purchase price for the Property.

August

2

- C. Within one hundred eighty days from February 16, 2016, the date upon which the Wake County Board of Education approved this Offer to Purchase and Contract, ("Due Diligence Period"), Buyer must be able to obtain, at its expense, the following:
- (1) A survey of the Property, acceptable to Buyer by a registered land surveyor and a legal description that conforms to the survey.
 - (2) A determination that there will be no adverse effect to the intended use of the Property due to the existence of rock or other unsuitable soil conditions;
 - (3) An environmental assessment of the Property to determine the existence of conditions that may be governed by Federal, State, or Local Environmental Laws. Failure to determine such conditions by this inspection shall not relieve Seller of its obligation to indemnify Buyer from any claims under Federal, State, or Local Environmental Laws as required by other sections of this Offer to Purchase and Contract. Buyer shall promptly deliver to Seller a copy of such environmental assessment when the same becomes available, at no expense to Seller. The results of the Buyer's tests and investigations shall not be made available or disclosed to any third party until a copy has been provided to Seller.
 - (4) An appraisal by a MAI appraiser, acceptable to Buyer, that reflects the value of the subject property as equal to or exceeding the purchase price. If the subject property does not equal or exceed the purchase price but sufficiently supports the price so as to be acceptable to the Board of Education and the Board of Commissioners for approval of the contract and funding, this condition will be deemed satisfied.
 - (5) Approval of the Wake County Board of Commissioners of funding of Buyer's purchase of the Property under N.C. G.S. Section 115C-426.
 - (6) The Wake County Board of Education must be able to acquire a zoning designation to its satisfaction to construct and operate educational and related facilities.
 - (7) Approval from the Town of Apex, Wake County and/or the North Carolina Department of Transportation to construct a suitable means of ingress and egress from the "Property" to Stephenson Road.
 - (8) Approval from the Town of Apex, Wake County and/or the North Carolina Department of Environmental and Natural Resources or such other governmental agencies as are necessary to construct a suitable sewer system to support a high school upon the subject property, or connect to public sewer service that is otherwise available with sufficient capacity for Buyer's purposes.
- D. Seller agrees that it has an affirmative duty to cooperate with Buyer in Buyer's testing and investigation of the Property for an environmental assessment and shall disclose any and all information about the Property that may be useful in such an assessment provided however, that the cost of investigation shall be paid by the Buyer. Seller shall furnish at least ten (10) days prior to closing an affidavit and indemnification agreement in a form suitable to Buyer stating that:
- (1) Buyer is relieved of any liabilities, claims, penalties, fines, costs, or charges that may occur as a result of any action against the property under Federal, State, or Local Environmental Laws as a result of any environmental conditions arising from circumstances occurring during the period of Seller's ownership and caused by acts or omissions of Seller, its agents or assigns (for these purposes, "Seller's agents or assigns" excludes Buyer, its agents, employees or other representatives);

- (2) To the best of Seller's knowledge, the Property is not the subject of any active or pending action by the North Carolina Department of Environment, Health and Natural Resources (DEHNR) or its successor agencies, or any federal, state or local agencies under any federal, state or local environment laws or regulations;
- (3) To the best of Seller's knowledge, the Property is not subject to any casualty damage. Any casualty damage to the property arising out of or resulting from the acts of Buyer, its agents, employees or other representatives is excluded;
- (4) (a) To the best of Seller's knowledge, there is no Hazardous Material (as hereinafter defined) on the Property, whether such Hazardous Material was placed by spill, release, discharge, disposal or storage, (b) nor has any Hazardous Material penetrated any waters, including, but not limited to, streams crossing or abutting the Property or the aquifer underlying the Property. Hazardous Material as used in this Offer to Purchase and Contract means any hazardous or toxic substance, material, waste or similar term which is regulated by local authorities, the State of North Carolina and/or the Federal Government including, but not limited to, any material substance, waste or similar term which is:
 - (a) defined as Hazardous Material under the laws of the State of North Carolina, as amended from time to time;
 - (b) defined as a hazardous substance under Section 311 of the Federal Water Pollution Control Act (33 U.S.C. Section 1317), as amended from time to time;
 - (c) defined as a hazardous waste under Section 1004 of the Federal Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et. seq.), as amended from time to time;
 - (d) defined as a hazardous waste substance under Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et. seq.), as amended from time to time;
 - (e) defined as hazardous waste or toxic substance, waste, material or similar term in any rules and regulations, as amended from time to time, which are adopted by any administrative agency including, but not limited to, the Environmental Protection Agency, the Occupational Safety and Health Administration, and any such similar State or Local agency having jurisdiction over the Property whether or not such rules and regulations have the force of law; or
 - (f) defined as hazardous or toxic waste, substance, material or similar term in any statute, regulation, rule or law enacted or adopted at any time after the date of this Agreement by local authorities, the State of North Carolina, and/or the Federal Government; and
- (5) To the best of Seller's knowledge, Seller has complied and caused the Property to comply with all laws and ordinances, and all rules and regulations of all authorities having jurisdiction over the Seller, the Property, or the use thereof, relative to any Hazardous Material; and
- (6) There is no other property presently owned or used by Seller, the existence of such Hazardous Material upon or discharge of such Hazardous Material from, which might cause any charge or lien upon the Property.

Buyer's obligation to purchase the subject Property is expressly conditioned upon the foregoing representations of Seller being true and accurate on the date hereof and on the date possession of the Property is transferred by Seller to Buyer; and these representations and warranties shall be deemed extended through the date possession is transferred unless Seller advises Buyer in writing of any changes prior to transfer of possession. These representations and warranties shall survive closing and transfer of possession.

- E. Seller shall disclose to Buyer within 30 days of the execution of this contract, any information regarding the use of the Property, or any portion thereof, in a manner that is regulated by Federal, State, or Local Environmental Laws to the degree Seller has knowledge.
- F. There must be no restrictions, easements, or governmental regulations other than zoning regulations that would prevent the reasonable use of the real property for public school and administrative purposes. If such conditions exist, it is the responsibility of the Seller to inform the Buyer of any such conditions and Seller will exert all commercially reasonable efforts to cure same prior to closing. If Seller is unsuccessful in timely curing said conditions, Buyer may cancel this agreement, whereupon all deposit monies shall be returned to Buyer, or, in the alternative, Buyer may waive the objectionable conditions and close pursuant to the terms of this agreement.
- G. There must be no zoning regulations that could prevent the reasonable use of the real property for public school and administrative purposes. If such conditions exist, it is the responsibility of the Buyer to file a petition to rezone the Property to such zoning classification, or classifications, as the Buyer may select. Seller shall assist the Buyer in the Buyer's rezoning effort to whatever extent the Buyer may request, but the Seller shall have no duty to incur any expense in such rezoning effort. Buyer assumes the expense of any rezoning requirements.
- H. All deeds of trust, liens, leases and other monetary charges against the Property which can be satisfied by the payment of money must be paid and canceled by Seller prior to or at closing. Any liens and charges resulting from the actions of Buyer or Buyer's agents, employees or other representatives are the responsibility of Buyer and are excluded herefrom.
- I. Title must be delivered at closing by General Warranty Deed and must be fee simple marketable title, free of all encumbrances and assessments except ad valorem taxes for the current year (prorated as described in Paragraph 5-A), utility easements and unviolated restrictive covenants, neither of which materially affect the value of the Property and such other encumbrances as may be assumed or specifically approved by Buyer. The Property must have legal access to a public right-of-way.
- J. Seller shall provide to Buyer copies of any studies and/or reports in their entirety which Buyer may have received and or commissioned, regarding the property within 10 days of the execution of this contract by all parties. The studies and/or reports shall include, but are not limited to, streams and wetlands delineations, geotechnical reports, surveys (including but not limited to boundary and topographic surveys), transportation studies, Phase 1 Environmental Site Assessment, other environmental reports and any sewer capacity reports regarding Town of Apex sewer systems and pump stations that could likely serve the subject property. Seller shall execute such appropriate releases as Buyer may request to authorize and direct the appropriate consultant to release and transfer consultants' work product to the Buyer for its use and benefit.

Furthermore, Seller has previously contracted with Withers & Ravenel to survey the property and prepare a boundary survey, and will assign all right title and interest it has in

and to the Withers & Ravenel survey work to Buyer at no additional cost. Buyer shall be responsible for the outstanding ±\$5,000.00 invoice due Withers & Ravenel for finalization and delivery of the boundary survey with streams and wetlands delineations shown thereon. Seller will hold Buyer harmless for any other costs associated with the assigned survey work pursuant to the initial scope of work incurred prior to contract execution. Buyer shall be responsible for the costs of any additional work performed after contract execution that is outside the scope of the current agreement between Seller and Withers & Ravenel.

- K. Buyer shall be responsible for preparation and recordation of such surveys or plats as are necessary to effect recombination and/or subdivision of the subject property from the parent tracts described hereinabove. Seller shall assist the Buyer in the Buyer's recombination or subdivision mapping efforts to such extent as the Buyer may reasonably request, but the Seller shall have no duty to incur any expense in such efforts.
- L. Should Buyer elect for any reason not to proceed with the acquisition of the Property prior to the expiration of the Due Diligence Period, Buyer shall notify Seller and the Escrow Agent that it has elected to terminate the Purchase Agreement. If requested by the Escrow Agent, Seller shall confirm in writing that the Purchase Agreement has been terminated, that the Earnest Money shall be returned to Buyer, and that neither Seller nor Buyer has any further rights, duties and obligations one to the other except as specifically provided in this Agreement. Within five days of the notification of Seller of Buyer's election to terminate, Buyer will provide to Seller copies of all due diligence studies procured in the Buyer's investigation of the subject property and will advise its consultants that they are released to discuss their findings with Seller.

- 3. **FAILURE OF CONDITIONS:** If any of the conditions in this document are not met, Buyer has the option to waive the satisfaction of any unsatisfied conditions. If Seller breaches the contract in any other way, Buyer shall recover its earnest money deposit without prejudice to any other remedies it may have for the breach. If Buyer breaches the contract, Seller shall be entitled to the earnest money deposit without prejudice to any of the remedies they may have for the breach.
- 4. **SELLER REPRESENTATIONS AND WARRANTIES:** Seller makes the following representations and warranties to and for the benefit of Buyer which shall be true on the date of closing as though such representations and warranties were made at such time and shall survive the passing of title:
 - A. **ASSESSMENTS:** Seller warrants that there are no encumbrances or special assessments, either pending or confirmed, for sidewalk, paving, sewer, water, or other improvements on or adjoining the Property. Any encumbrances and assessments resulting from the actions of Buyer or Buyer's agents, employees or other representatives are the responsibility of Buyer and are excluded herefrom.
 - B. **CLAIMS AND SUITS:** Seller has not entered into any agreement including leases or rental agreements with reference to the Property and neither Seller nor the Property are subject to any claim, demand, suit, unfilled lien, proceeding or litigation of any kind, pending or outstanding, or to the knowledge of Seller, threatened or likely to be made or instituted which would in any way be binding upon Buyer or its successors or assigns or affect or limit Buyer's full use and enjoyment of the Property or which would limit or restrict in any way Seller's right or ability to enter into this contract and consummate the sale and purchase contemplated hereby.
 - C. **COMPLIANCE WITH APPLICABLE LAWS:** To the best of Seller's knowledge, Seller has complied with all applicable laws, ordinances, regulations, statutes, rules and regulations

affecting the Property and to the best of Seller's knowledge no portion of the Property has been used for the production, storage or disposal of toxic or hazardous waste materials of any kind.

- D. FOREIGN PERSON: Seller is not a "foreign persons" as defined in the Foreign Investor Reporting and Property Tax Act and shall provide an affidavit at least ten (10) days prior to closing in a form satisfactory to Buyer to such effect.
5. PRORATIONS AND ADJUSTMENTS: Unless otherwise provided, the following items shall be prorated and adjusted between the parties or paid at closing:
- A. At closing, ad valorem taxes on real property shall be pro-rated between Buyer and Seller to the date of closing for the year in which closing occurs. All "roll back" taxes, if any, shall be the responsibility of Seller. All ad valorem and "roll back" taxes (if any), shall be calculated and paid at closing from the proceeds due at closing. Property acquired by the Board of Education shall be released by the Property Taxing Authority from further tax liability.
 - B. All late listing penalties, if any, shall be paid by Seller.
 - C. Rents, if any, for the Property shall be retained by Seller, calculated to the date of closing.
 - D. All crop allotments, if any, shall be retained by the Seller.
 - E. Seller shall be responsible for any brokerage commissions due as a result of this sale. Buyer by its execution hereof confirms that i) licensed real estate brokers Wright Dixon and Clyde Douglass, presented the property to Buyer for its consideration in the capacity of Seller's Agent or Sub-Agent, ii) Buyer's dealings with Dixon and Douglass were as a Seller's Agent or Sub-Agent and not as a Buyer's agent, and iii) Buyer has not been represented by a real estate broker in a Buyer's agent capacity in this transaction. Buyer agrees to indemnify and hold Seller harmless against any real estate commission claimed by any other parties allegedly representing Buyer in this transaction. Seller by its execution hereof states that if it has been represented by a real estate broker in this transaction, the identity of said broker has been disclosed, and that Seller is solely responsible for any brokerage commissions due said broker as a result of this sale.
6. LABOR AND MATERIAL: Seller shall furnish at closing an affidavit and indemnification agreement in a form satisfactory to Buyer at least ten (10) days prior to closing showing that all charges for labor or materials, if any, furnished to the Property within 120 days before the date of closing have been paid and agreeing to indemnify Buyer against all loss from any claim arising therefrom.
7. CLOSING EXPENSES: Seller shall pay for the preparation of a deed which shall be prepared by Seller's attorney and for the revenue stamps required by law. Seller shall pay for any affidavits required by this contract. Buyer shall pay for recording the deed. Buyer and Seller shall each pay their respective attorney's fees.
8. EVIDENCE OF TITLE: Seller shall deliver to Buyer within 30 days after the execution of this offer by all parties copies that are reasonably available without cost of all title information available to Seller, including but not limited to title insurance policies, attorneys' opinions on title, surveys, covenants, deeds, notes and deeds of trust and easements relating to the Property.
9. ASSIGNMENT: This contract may not be assigned without the written agreement of all parties, but if the same is assigned by agreement, then the same shall be binding on the assignee and his heirs. Notwithstanding the foregoing, Buyer shall have the right to assign this Offer to Purchase

and Contract to Wake County, or take title to the Property at closing in an entity affiliated with Buyer without necessity of written agreement by Seller.

10. **BINDING EFFECT:** This contract shall be binding and shall inure to the benefit of the parties and their heirs, successors and assigns.
11. **SURVIVAL:** Any provision of this agreement which by its nature and effect is required to be observed, kept or performed after the closing shall survive the closing and remain binding upon and for the benefit of the parties until fully observed, kept or performed.
12. **SELLER'S AUTHORITY:** Seller warrants and represents that it has full and complete power and authority to enter into this contract in accordance with all the provisions contained herein and that there is no person or entity that has any interest in the Property other than the parties to this agreement. Should Seller fail to convey title to Buyer under the terms and conditions of this contract, Seller shall be immediately liable and shall immediately reimburse the Wake County Board of Education for all expenses incurred in its attempt to acquire approximately 66.48 acres. Reimbursement of expenses shall not relieve Seller of its responsibility to convey approximately 66.48 acres and Buyer does not waive any additional remedies it may have as to performance by Seller.
14. **RIGHTS OF BUYER PRIOR TO CLOSING:** Buyer, its agents, employees or other representatives shall have the right during the term of this contract to go upon the Property for the purpose of making such surveys, engineering, topographical, geological and other tests and measurements including, but not limited to, soil tests, percolation tests and subsoil tests as Buyer deems necessary or advisable. Buyer agrees to return the Property to as near its original condition as is possible after completion of tests the Buyer or its agents conduct on the Property. Buyer indemnifies and holds Seller harmless from loss, cost, damage or expense resulting from Buyer's activities on site for purposes contained herein.
15. **RISK OF LOSS:** The risk of loss prior to closing, which shall include personal property, shall be upon the Seller.
16. **POSSESSION:** Exclusive possession of the Property free and clear of occupancy by all persons, firms or corporations, whether or not under claim of right or color of title, shall be delivered to Buyer at closing on the conditions required in this Offer to Purchase and Contract.
17. **CLOSING:** The parties agree to execute any and all documents and papers necessary in connection with the closing and transfer of title within thirty (30) days after all conditions have been met or waived, but not later than seven months from February 16, 2016, the date upon which the Wake County Board of Education approved this Offer to Purchase and Contract, at a time, date and place designated by Buyer. The deed is to be made to Wake County Board of Education, Facilities Building, 1551 Rock Quarry Road, Raleigh, North Carolina, 27610, Attention: Betty L. Parker, Real Estate Services Senior Director.
18. **TIME IS OF THE ESSENCE:** Time is of the essence with regard to the terms and conditions contained in this Offer to Purchase and Contract.
19. **EXTENSION:** Notwithstanding the foregoing, Buyer shall have the right to extend the terms of this Contract by up to thirty (30) days by the provision of written notice prior to expiration of the term to the Seller of its desire to extend if such additional time is necessary for the completion of due diligence studies, to obtain approvals from the Board of Education, Board of Commissioners, or such other agencies necessary to satisfaction of the conditions hereinabove described.
20. **COUNTERPARTS:** This offer shall become a binding contract when signed by both Buyer and Seller in two (2) counterparts with an executed counterpart being retained by each party.

21. **NOTICES:** All notices, requests and other communications hereunder shall be deemed to have been fully given, by either Party to the other, when made in writing and either a) deposited in the United States mail (sent certified, return receipt requested); b) personally delivered; c) transmitted by overnight courier for next business day delivery, d) by facsimile or e) by electronic mail but, in the case of electronic mail, only if followed by transmittal by overnight courier or hand for delivery on the next Business Day, to the addresses of Buyer and Seller set forth below or to such other addresses as the Parties may, from time to time, designate by written notice.

To Seller: Merion Investments Properties LLC
Attn: Michael Whitehead, Member/Manager
114 Birklands Drive
Cary, NC, 27518
Email: mwhitehead@macgregordev.com

w/copy to: Brent D. Barringer, Esq.
Barringer, Sasser LLP
111 Commonwealth Court Suite 101
Cary, NC 27512
Email: Brent@BarringerLaw.com

To Buyer: Wake County Public School System
Attn: Superintendent
5625 Dillard Drive
Cary, North Carolina 27518

w/copy to: Wake County Public School System
Attn: Real Estate Services Senior Director
1429 Rock Quarry Road, Suite 116
Raleigh, North Carolina 27610
Email: bparker@wcpss.net

& w/copy to: Kenneth C. Haywood, Esq.
Boxley, Bolton, Garber & Haywood
Post Office Drawer 1429
Raleigh, North Carolina 27602
Email: khaywood@bbghlaw.com

22. **MEMORANDUM OF CONTRACT:** Each party hereto reserves the right to obtain upon request the execution by the parties of a Memorandum of Contract suitable for recordation in the Office of the Register of Deeds of Wake County. The requesting party shall pay all expenses for preparation and recordation of said Memorandum(s). This contract itself may not be recorded without the prior written permission of Buyer and Seller. If Buyer records a memorandum of contract, Buyer shall furnish a notice of termination that Seller can record, which notice shall be in form and substance reasonably satisfactory to Seller.
24. **ENTIRE UNDERSTANDING:** This contract constitutes the entire understanding between the parties. It may not be modified orally or in any manner except by agreement in writing by the parties hereto.
25. **TAX-DEFERRED EXCHANGE:** In the event Buyer and Seller wish to effect a tax-deferred exchange or bargain sale transaction in connection with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange, providing, however, that the exchanging party shall be responsible for all additional costs associated with such exchange, and providing further that the non-exchanging party shall not assume any additional liability with respect to such

tax-deferred exchange or bargain sale. Seller and Buyer shall execute such additional documents, at no cost to the non-exchanging party, as shall be required to give effect to this provision, including the execution of Form 8283 to be attached to Seller's tax return.

26. **INVOLUNTARY CONVERSION:** The potential threat of involuntary conversion via condemnation by the Seller within its statutory right to exercise eminent domain authority, as so stated in a letter of offering from Buyer to Seller dated January 21, 2016, is a significant inducement for Seller to enter into this Purchase Agreement.

**** Balance of page left intentionally blank. Signatures appear on subsequent pages ****

IN WITNESS THEREOF, the parties have hereunto set their hands and seal the day and year indicated below.



BUYER:

THE WAKE COUNTY BOARD OF EDUCATION

By: Thomas C. Benton
THOMAS C. BENTON, Board Chair

Attest: James G. Merrill
JAMES G. MERRILL, Secretary/Superintendent

Date: 3/23/16

SELLER:

Merion Investments Properties LLC,
a North Carolina Limited Liability Company

By: MFW Investments LLC, Member and Manager
of Merion Investment Properties, LLC

By: Michael F. Whitehead
Michael F. Whitehead, Manager

Date: 3/10/2016

Exhibit "A":
Legal Description:

The subject Property is located east of Smith Road, west of Stephenson Road, and north of Sunset Lake Road, White Oak Township, Wake County, North Carolina, and contains a total of ± 66.48 acres having Wake County PIN #0750545646, REID #0018131 and street address of 8550 Stephenson Road, Apex, North Carolina, and more particularly described as follows:

BEING all or a portion of the property of Merion Investment Properties LLC, as described in that general warranty deed recorded in Deed Book 11544, Page 1156, Wake County Registry.

The exact dimensions and description of the Property will be determined in accordance with the Survey/Subdivision/Recombination Plat, but Seller and Buyer agree that the description of the Property set forth above shall be deemed sufficient to describe the Property to be conveyed, and Seller and Buyer each hereby waives any defense to enforcement of this contract based on vagueness of the description of the Property. The legal description of the Property to be conveyed by deed to Buyer shall be drawn from the Survey/Subdivision/Recombination Plat.

Exhibit "B"
Wake County GIS Aerial Photo of Subject Property:
PIN #0750-54-5646





View looking west from Thriftwood Drive



View looking east onto Thriftwood Drive



View looking south



View of interior at stream crossing



Interior view looking north



Another interior view



Interior view looking west



View looking west at Derry Down Lane

**QUALIFICATIONS
OF
NEIL C. GUSTAFSON, MAI**

Professional Affiliations

- MAI Designation, Appraisal Institute (Formerly American Institute of Real Estate Appraisers). Currently Certified under Continuing Educational Program
- State Certified General Real Estate Appraiser (North Carolina) since 1991
- Licensed Real Estate Broker in the State of North Carolina since 1979
- Realtor, Triangle Commercial Association of Realtors
- Member of the Raleigh Commercial Listing Service since 1986
Board of Directors, 1991 to 1993
Treasurer, 1991, 1992

Formal Education

- 1973 Graduate of Needham B. Broughton High School, Raleigh, N.C.
- 1977 Graduate of North Carolina State University, Raleigh, N.C.
B. S. Civil Engineering
- 1985 Graduate of Fuqua School of Business, Duke University, Durham, N.C.
Master in Business Administration

Experience

- Principal, Worthy & Wachtel, Inc., 3803-B Computer Drive, Suite 100-A, Raleigh, N.C. 27609, 1985 to present
- Staff Appraiser, Worthy & Wachtel & Associates, 1978 to 1985

**QUALIFICATIONS
OF
NEIL C. GUSTAFSON, MAI
PAGE 2**

Partial List Of Clients Assisted In Appraisals For:

Raleigh Durham Airport Authority
Branch Bank & Trust
City of Raleigh
Lincoln Properties
Security Building Company
York Family Properties
United Carolina Bank
Southern National Bank
Research Triangle Foundation

North Carolina National Bank
Moore & Van Allen
State of North Carolina
Baker Roofing Company
Phillips Petroleum
Amoco Oil Company
First Union National Bank
Wachovia Bank and Trust Company
North Hills, Inc.

- Types of properties appraised includes office buildings, apartment complexes, shopping centers, tracts of land, commercial and industrial sites, industrial facilities, and commercial buildings.

Civic

- North Carolina Division of the American Cancer Society
 - Assistant Secretary, 1990 to present
 - Board of Directors, 1989 to present
 - Budgets and Audits Committee, 1985 to present
 - Finance Committee, 1986 to present
 - Housing Committee, 1987 to present
- Boy's and Girl's Club of Wake County
 - Lieutenant Campership Campaign (fund raiser), 1988, 1989, 1990
- United Way of Wake County
 - Allocation Committee, 1986 to 1991
- White Memorial Presbyterian Church
 - Men's Visitation Committee, 1988 to 1992

Personal

- Born May 15, 1955 in Raleigh, North Carolina
- Married Sharon Ayres Wilson on August 24, 1985, three children

**QUALIFICATIONS
OF
MICHAEL B. MOORE**

Michael B. Moore is a real estate appraiser engaged in commercial and industrial real estate valuation. He is employed by Worthy & Wachtel, Inc. which maintains offices at 3803-B Computer Drive, Raleigh, North Carolina 27609; (919) 781-6300.

He has appraised various types of properties, including commercial and industrial land, office buildings, apartment complexes, shopping centers, and industrial facilities.

He is a 1970 graduate of the University of North Carolina at Chapel Hill with a B.A. in Political Science. He subsequently served as a Lieutenant in the U.S. Navy and completed his service obligation in 1973. After the Navy, he was employed by Wachovia Bank in 1974 and worked in various positions including real estate account manager in the bank's Trust Department and mortgage loan officer in the bank's Income Property and Commercial Mortgage Departments. Responsibilities in these various positions included management, sale and lease negotiation and administration of trust real estate assets; and mortgage loan origination and placement for commercial and industrial properties as well real estate appraisal for various properties. He left Wachovia Bank in 1987 and performed commercial fee appraisal work for Morgan and Company through September 1991 and then commercial fee appraisal work for Worthy & Wachtel, Inc. through 1995. He has since worked as a real estate asset manager with Wachovia Trust through September 2006. He is presently performing commercial fee appraisal work for Worthy & Wachtel, Inc.

He is licensed as a N.C. Real Estate Broker and a member of the Raleigh Board of Realtors and its Commercial Listing Service. He is a candidate for membership in the Appraisal Institute and has successfully taken its Capitalization Theory and Techniques Parts A & B; Standards of Professional Practice; and Case Studies courses. He achieved North Carolina certification as a General Appraiser in 1991.