

Borrower/Client	WAKE COUNTY BOARD OF EDUCATION	File No. 1703004
Property Address	226 W ACADEMY ST	
City	WENDELL	County WAKE State NC Zip Code 27591
Client	WAKE COUNTY BOARD OF EDUCATION	

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

- ☒ **Appraisal Report** (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- ☐ **Restricted Appraisal Report** (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

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

- The statements of fact contained in this report are true and correct.
- The 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.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or 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).

Reasonable Exposure Time (USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)

My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 150 DAYS

Comments on Appraisal and Report Identification

Note any USPAP-related issues requiring disclosure and any state mandated requirements:

- The purpose of this appraisal is to estimate the market value of the defined subject property in order to assist the named client in the course of ordinary business operations. The use of this appraisal by anyone other than the stated intended user, or for any other use than the stated intended use, is prohibited.
- This is a federally-related transaction.
- The photographs of the subject property and comparable sales are authentic digital photographs. Photos have not been altered and the appraiser has complied with USPAP in regards to the photographs contained in this report.
- Signatures on original documents are personally signed or are digital signatures secured via a protected password.
- This appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood and selection of comparable sales within the subject market area. The original source of the comparable is shown in the data source section of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. If conflicting data is provided, the source deemed most reliable has been used. Data believed unreliable was not included in this report or used as a basis for the value conclusion. The extent of the analysis applied to this assignment is stated above. Site values were derived from comparable land sales, allocation or market extraction.
- It is the appraiser's policy that privately obtained information is not shared with third parties except where the appraiser is legally bound to do so or when, in the appraiser's opinion, disclosure of such information is believed necessary to fairly and accurately fulfill the appraisal assignment with respect to the lender/client's expectation and/or instruction. In instances where current comparable photos do not fairly represent a property's appearance at the time of sale or when street views are obstructed, secondary photo sources such as MLS and Public Tax Records may be used.

APPRAISER:

Signature: 
 Name: CHRISTOPHER A. SHAW
 SHAW APPRAISAL SERVICE, INC
 State Certification #: A/3032
 or State License #:
 State: NC Expiration Date of Certification or License: 06/30/2017
 Date of Signature and Report: 03/24/2017
 Effective Date of Appraisal: 03/17/2017
 Inspection of Subject: ☐ None ☐ Interior and Exterior ☒ Exterior-Only
 Date of Inspection (if applicable): 03/17/2017

SUPERVISORY or CO-APPRAISER (if applicable):

Signature: _____
 Name: _____
 State Certification #: _____
 or State License #: _____
 State: _____ Expiration Date of Certification or License: _____
 Date of Signature: _____
 Inspection of Subject: ☐ None ☐ Interior and Exterior ☐ Exterior-Only
 Date of Inspection (if applicable): _____

Market Conditions Addendum to the Appraisal Report

File No. 1703004

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 226 W ACADEMY ST City WENDELL State NC ZIP Code 27591

Borrower WAKE COUNTY BOARD OF EDUCATION

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

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	1	0	2	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	0.17	0.0	0.67	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	4	8	8	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	23.5	0.0	11.9	<input type="checkbox"/> Declining	<input checked="" 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	55,000	0.00	45,000	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Median Comparable Sales Days on Market	560	0	298	<input checked="" type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	69,500	62,500	61,500	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	448	148	148	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	91.67	0.0	78.79	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining

Seller-(developer, builder, etc.)paid financial assistance prevalent? ☒ Yes ☐ No

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.). ALTHOUGH LIMITED DATA TO REVIEW, THE MARKET CONDITIONS FOR VACANT LAND IN THE WENDELL HAS IMPROVED OVER THE PREVIOUS 12 - 18 MONTHS. ADEQUATE LENDING SOURCES HAVE BECOME INCREASINGLY EASIER TO OBTAIN WITH MOST PROPERTIES FINANCED USING CONVENTIONAL LENDING PRODUCTS. THIS IS IMPORTANT TO UNDERSTAND THAT THE MARKET HAS READY AND AVAILABLE CAPITAL TO WORK WITH. THIS DATA MAY ONLY BE MINIMALLY RELIABLE AS MOST LOT LISTINGS ARE TYPICALLY LOTS THAT ARE FAR LESS ATTRACTIVE THAN MOST OTHERS WITHIN THE DEFINED 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).

MINIMAL FORECLOSURE ACTIVITY IS PRESENT IN THE SUBJECT MARKET SEGMENT AND THERE APPEARS TO BE LITTLE TO NO IMPACT ON MARKETABILITY.

Cite data sources for above information. **MLS SEARCH OF A 5 MILE RADIUS OF THE SUBJECT NOTING 6 CLOSED SALES REPORTED VIA THE LOCAL MLS SYSTEM RECORDED IN THE PREVIOUS 12 MONTHS OF THE EFFECTIVE DATE OF THIS REPORT. PRIVATE CONVEYANCES WERE NOT AVAILABLE DURING THE NORMAL COURSE OF BUSINESS AND THEREFORE, MLS DATA MAY NOT BE AS RELIABLE AS TYPICALLY DESIRED.**

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.

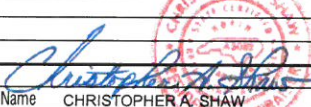
BOTH SALES & LISTING VOLUME HAS INCREASED WHILE THE CORRESPONDING MONTHLY SUPPLY HAS DROPPED FROM 24 TO 12 MONTHS. MEDIAN ANALYSIS INDICATES SLIGHTLY DECREASING SALE PRICES BUT WITHIN A REASONABLE DEVIATION TO STILL CONCLUDE A STABLE MARKET CONDITION. THE GENERAL TREND FOR OTHER MEDIAN ANALYSIS METRICS GENERALLY SUPPORTS A STABLE TO AN INCREASING PRICING TREND CONCLUSION. COMPARABLE SALES DOM DATA IS CONCLUSIVE AND A STABLE TO INCREASING TREND IS ASSUMED BASED ON EXTRAPOLATION OF OTHER MEDIAN METRICS.

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

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.

APPRaiser Signature  Appraiser Name CHRISTOPHER A. SHAW Company Name SHAW APPRAISAL SERVICE, INC. Company Address 7305 Blaney Bluffs Lane, Raleigh, NC 27606 State License/Certification # A/3032 State NC Email Address chris@shawappraisalservice.com

Supervisory Appraiser Signature _____ Supervisory Appraiser Name _____ Company Name _____ Company Address _____ State License/Certification # _____ State _____ Email Address _____

LAND APPRAISAL REPORT

File No. 1703004

SUBJECT	Borrower <u>WAKE COUNTY BOARD OF EDUCATION</u>		Census Tract <u>0544.04</u>		Map Reference <u>1784.19.51-8757</u>	
	Property Address <u>226 W ACADEMY ST</u>					
	City <u>WENDELL</u>		County <u>WAKE</u>		State <u>NC</u> Zip Code <u>27591</u>	
	Legal Description <u>226 W ACADEMY STREET DEED BOOK 15815 PG 1239</u>					
NEIGHBORHOOD	Sale Price \$ <u>TBD</u>		Date of Sale <u>TBD</u>		Loan Term <u>TBD</u> yrs.	
	Actual Real Estate Taxes \$ <u>416.47</u>		(yr) Loan charges to be paid by seller \$ <u>NA</u>		Other sales concessions <u>NA</u>	
	Lender/Client <u>WAKE COUNTY BOARD OF EDUCATION</u>		Address <u>1429 ROCK QUARRY RD. SUITE 116, RALEIGH, NC 27610</u>			
	Occupant <u>VACANT</u>		Appraiser <u>CHRISTOPHER A. SHAW</u>		Instructions to Appraiser <u>DEVELOP AN OPINION OF THE PROPERTY'S CURRE</u>	
	Location <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural		Employment Stability <input checked="" type="checkbox"/> Good <input type="checkbox"/> Avg. <input type="checkbox"/> Fair <input type="checkbox"/> Poor			
	Built Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25% to 75% <input type="checkbox"/> Under 25%		Convenience to Employment <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
	Growth Rate <input type="checkbox"/> Fully Dev. <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Steady <input type="checkbox"/> Slow		Convenience to Shopping <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining		Convenience to Schools <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
	Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Oversupply		Adequacy of Public Transportation <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
	Marketing Time <input type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 4-6 Mos. <input type="checkbox"/> Over 6 Mos.		Recreational Facilities <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
SITE	Present <u>60</u> % One-Unit <u>2</u> % 2-4 Unit <u>2</u> % Apts. <u></u> % Condo <u>25</u> % Commercial		Adequacy of Utilities <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
	Land Use <u>6</u> % Industrial <u></u> % Vacant <u>5</u> % INSTITUTIONAL		Property Compatibility <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
	Change in Present <input checked="" type="checkbox"/> Not Likely <input type="checkbox"/> Likely (*) <input type="checkbox"/> Taking Place (*)		Protection from Detrimental Conditions <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
	Land Use (*) From <u>NA</u> To <u>NA</u>		Police and Fire Protection <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
	Predominant Occupancy <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <u>5</u> % Vacant		General Appearance of Properties <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
	One-Unit Price Range \$ <u>50,000</u> to \$ <u>500,000</u>		Appeal to Market <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
	One-Unit Age Range <u>NEW</u> yrs. to <u>110</u> yrs.					
	Predominant Age <u>80</u> yrs.					
	Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise) <u>See attached addenda.</u>					
MARKET DATA ANALYSIS	Dimensions <u>SUBJECT TO RECORDED SURVEY</u>		= <u>1.08</u> ACRES		<input checked="" type="checkbox"/> Corner Lot	
	Zoning Classification <u>R3 SINGLE FAMILY RESIDENTIAL</u>		Present Improvements <input checked="" type="checkbox"/> Do <input type="checkbox"/> Do Not Conform to Zoning Regulations			
	Highest and Best Use <input type="checkbox"/> Present Use <input checked="" type="checkbox"/> Other (specify) <u>INSTITUTIONAL</u>					
	Public <input type="checkbox"/> Other (Describe) <u>NONE</u>					
	Elec. <input checked="" type="checkbox"/>		Topo <u>MOSTLY LEVEL</u>			
	Gas <input type="checkbox"/>		Size <u>TYPICAL</u>			
	Water <input checked="" type="checkbox"/>		Shape <u>MOSTLY RECTANGULAR</u>			
	San. Sewer <input checked="" type="checkbox"/>		View <u>RESIDENTIAL</u>			
	<input type="checkbox"/> Underground Elect. & Tel.		Drainage <u>ASSUMED ADEQUATE</u>			
	Is the property located in a FEMA Special Flood Hazard Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions) <u>See attached addenda.</u>						
RECONCILIATION	The undersigned has recited the following recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.					
	ITEM		SUBJECT PROPERTY		COMPARABLE NO. 1	
	Address <u>226 W ACADEMY ST</u>		<u>719 ANDERSON ST</u>		<u>167 BLAKEFORD DR</u>	
	<u>WENDELL, NC 27591</u>		<u>WENDELL, NC 27591</u>		<u>WENDELL, NC 27591</u>	
	Proximity to Subject		<u>0.24 MILES N</u>		<u>0.32 MILES N</u>	
	Sales Price		\$ <u>TBD</u>		\$ <u>40,850</u>	
	Price \$/Sq. Ft.		\$ <u></u>		\$ <u></u>	
	Data Source(s)		<u>INSPECT/PUB RCRD</u>		<u>INSPECT/PUB RCRD</u>	
	ITEM		DESCRIPTION		DESCRIPTION	
	Date of Sale/Time Adj.		<u>TBD</u>		<u>01/31/2017</u>	
Location		<u>CENTRAL WENDELL</u>		<u>BRIGHTON OF WEN</u>		
Site/View		<u>1.08 ACRES</u>		<u>.17 AC/RES/INF</u>		
EXTRAS		<u>NONE</u>		<u>NONE</u>		
VIEW		<u>RESIDENTIAL</u>		<u>RESIDENTIAL</u>		
WATER/SEWER		<u>PUBLIC/PUBLIC</u>		<u>PUBLIC/PUBLIC</u>		
DAYS ON MARKET		<u>UNKNOWN</u>		<u>UNKNOWN</u>		
Sales or Financing		<u>NA</u>		<u>CONVENTIONAL</u>		
Concessions		<u>NA</u>		<u>DOM UNKNOWN</u>		
Net Adj. (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ <u>25,000</u>		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ <u>25,000</u>		
Indicated Value of Subject		Net 61.2 %		Net 61.2 %		
		Gross 61.2 %		Gross 61.2 %		
		\$ <u>65,850</u>		\$ <u>65,850</u>		
Comments on Market Data <u>See attached addenda.</u>						
Comments and Conditions of Appraisal <u>AN EXHAUSTIVE SEARCH OF THE SUBJECT'S EXPANDED MARKET AREA (UP TO 5 MILES) ONLY REVEALED 6 CLOSED LOT SALES ON MLS. TYPICALLY LOTS LISTED ON MLS ARE LISTINGS THAT ARE LESS PREFERRED & WERE NOT INITIALLY PURCHASED FOR NEW CONSTRUCTION. EACH COMP IS FROM THE SUBJECT MARKET AREA AND ARE CONSIDERED TO BE RELIABLE INDICATORS OF THE SUBJECT'S ESTIMATED MARKETABILITY.</u>						
Final Reconciliation <u>THE MARKET APPROACH IS BELIEVED TO BE THE BEST APPROACH TO VALUE SINCE NO IMPROVEMENT EXISTS ON THE SITE. WAKE COUNTY TOTAL ASSESSED VALUE IS \$35,100 AND APPEARS TO BE SIGNIFICANTLY BELOW THE CURRENT MARKET VALUE.</u>						
I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE SUBJECT PROPERTY AS OF <u>03/17/2017</u> TO BE \$ <u>68,000</u>						
Appraiser <u>CHRISTOPHER A. SHAW</u>			Supervisory Appraiser (if applicable) <u></u>			
Date of Signature and Report <u>03/24/2017</u>			Date of Signature <u></u>			
Title <u>SHAW APPRAISAL SERVICE, INC</u>			Title <u></u>			
State Certification # <u>A/3032</u> ST <u>NC</u>			State Certification # <u></u> ST <u></u>			
Or State License # <u></u> ST <u></u>			Or State License # <u></u> ST <u></u>			
Expiration Date of State Certification or License <u>06/30/2017</u>			Expiration Date of State Certification or License <u></u>			
Date of Inspection (if applicable) <u>03/17/2017</u>			Date of Inspection <u></u>			
<input type="checkbox"/> Did <input type="checkbox"/> Did Not Inspect Property			<input type="checkbox"/> Did <input type="checkbox"/> Did Not Inspect Property			

Supplemental Addendum

File No. 1703004

Borrower/Client	WAKE COUNTY BOARD OF EDUCATION			
Property Address	226 W ACADEMY ST			
City	WENDELL	County	WAKE	State NC Zip Code 27591
Client	WAKE COUNTY BOARD OF EDUCATION			

• Land : Neighborhood Market Factors

SUBJECT IS LOCATED IN WENDELL NC AND IS WITHIN CLOSE PROXIMITY OF ALL NECESSARY SUPPORT FACILITIES INCLUDING SCHOOLS, SHOPPING CENTERS AS WELL AS MAJOR THOROUGHFARES SUCH AS US 64/264 AND I-495. IMPROVED PROPERTIES FROM THIS MARKET AREA RANGE WIDELY IN AGE AND DESIRABILITY. MOST HOMES ARE WELL CARED FOR WITH PRIDE OF OWNERSHIP BEING OBVIOUS. NO NEW CONSTRUCTION IS TAKING PLACE IN THE CENTRAL AREA OF WENDELL. THERE ARE NEW HOMES HOWEVER BEING BUILT JUST NORTH AND TO THE EAST OF THE SUBJECT. MOST HOMES ARE +/- 80 YEARS OLD. EXISTING HOMES VALUES ARE ESTIMATED TO RANGE FROM \$50,000 TO +/- \$500,000. THIS MARKET AREA IS COMPRISED OF SINGLE FAMILY HOUSING, SOME LIGHT OFFICE, RETAIL AND INDUSTRIAL LAND USES. VERY FEW OPEN AREAS EXIST IN THE IMMEDIATE AREA.

• Land : Site Comments

SUBJECT SITE IS SLIGHTLY LARGER THAN OTHER SURROUNDING HOMESITES. THE SITE'S UTILITY, HOWEVER, IS NO GREATER THAN SMALLER ADJOINING SITES DUE TO IT'S SHAPE. SEE TAX MAP FOR MORE INFO. THE SITE IS ALSO BOUND BY A PROPERTY CURRENTLY OWNED BY THE WAKE COUNTY SCHOOL SYSTEM. THIS SITE IS UTILIZED FOR SPORTING EVENTS AND PRACTICES. IT IS ASSUMED THAT THE SUBJECT IS NOT LOCATED WITHIN ANY FLOOD HAZARD AREAS & THE TITLE IS FREE & CLEAR OF ANY CLAIMS & IS IN CONVEYABLE CONDITION. SEE LOCATION MAP FOR MORE INFO. FEMA:37183C1784J "X" DATE: 05/02/2006.

RECORDED PLAT:

A MINIMAL TITLE SEARCH WAS PERFORMED AND NO IMMEDIATE REFERENCE TO A RECORDED PLAT WAS DISCOVERED. THE RECORDED DEEDS DO HOWEVER INDICATE THE ACREAGE TO BE 1.08 ACRES AND NOT THE 1.12 ACRES REFLECTED ON THE WAKE COUNTY TAX ASSESSOR'S WEBSITE. REFERENCING DEED BOOK 15815 PG 1239 ALL THE WAY BACK TO DEED BOOK 457 PG 102.

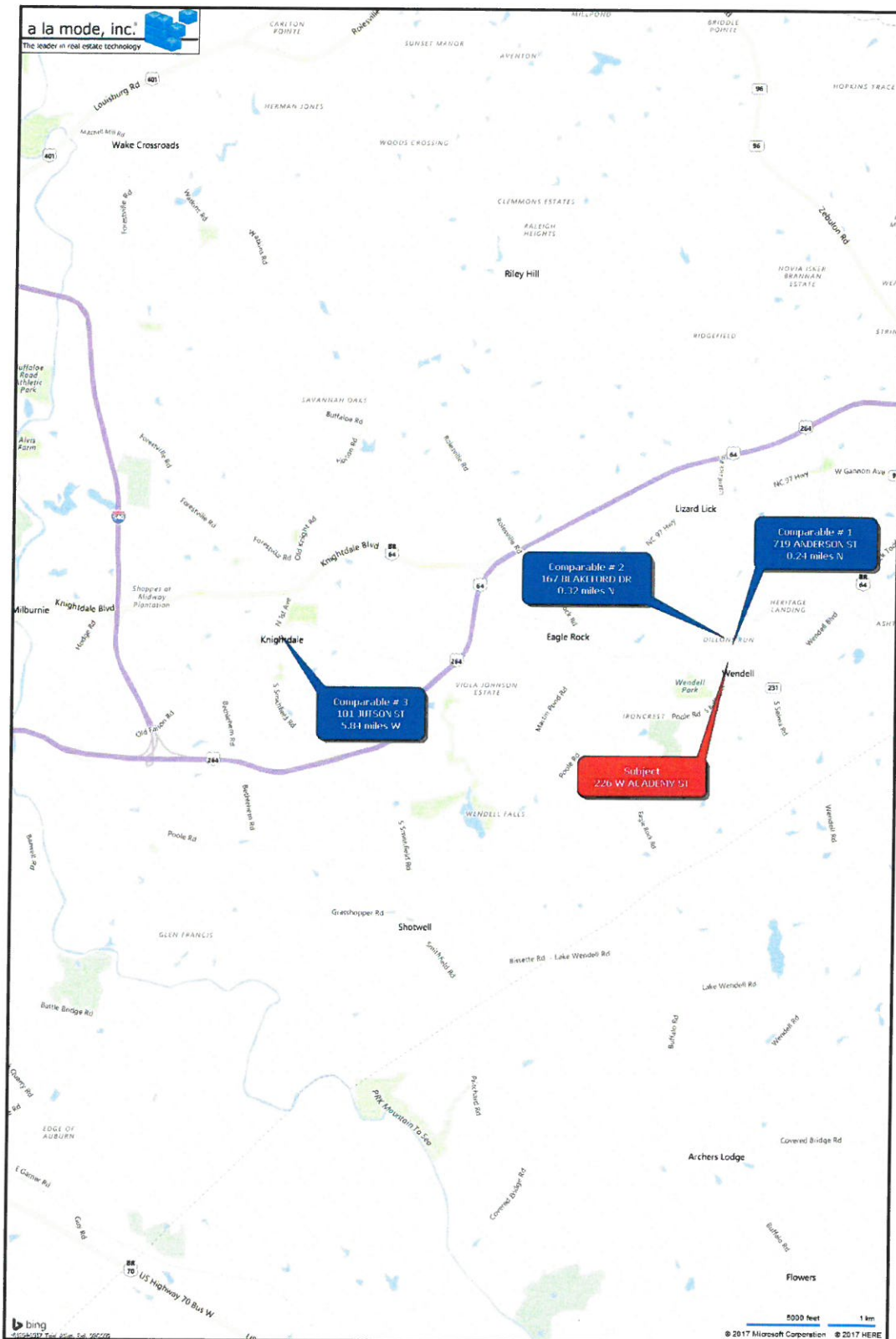
• Land : Market Data Comments

WITHIN THE SCOPE OF THIS ASSIGNMENT, MARKET VALUE CONSIDERS THE MORE TYPICAL BUYER MOTIVATION; THAT IS PURCHASE FOR RE-DEVELOPMENT AS ALLOWED BY CURRENT CITY/COUNTY ZONING REGULATIONS. COMPS 1 & 2 ARE RECENT RESIDENTIAL LOT SALES FROM A NEARBY NEWLY DEVELOPING S/D. THIS S/D IS APPROXIMATELY .25 MILE NORTH OF THE SUBJECT PROPERTY AND IS THE MOST TIMELY AND PROXIMATE OF ALL SALES CONSIDERED. THEY REPRESENT THE CURRENT TREND OF SMALLER LOTS THAT ARE MORE EASILY MAINTAINED AND WILL ALLOW THE DEVELOPER TO MAXIMIZE HIS RETURN ON INVESTMENT BY ALLOWING GREATER DENSITY TO THE S/D. BOTH COMPS 1 & 2 ARE ADJUSTED AS INFERIOR IN TERMS OF SITE SIZE. IT IS IMPORTANT TO REMEMBER THAT THE SUBJECT LOT IS IN EXCESS OF 1 ACRE, BUT ITS SHAPE DOES NOT ALLOW FOR GREATER UTILITY. COMP 3 IS THE LEAST TIMELY AND LEAST PROXIMATE. IT IS, HOWEVER, SIMILAR TO THE SUBJECT IN TERMS OF ITS MORE URBAN OR MORE CENTRAL KNIGHTDALE LOCATION. THIS LOT IS LARGER THAN THE SUBJECT, BUT IS ADJACENT TO THE RAILROAD. THESE TWO LINE ITEMS EFFECTIVELY CANCEL THE OTHER OUT. SEE LOCATION MAP FOR MORE INFORMATION. BECAUSE NONE OF THESE THREE SALES ARE WHAT WOULD BE CONSIDERED AS EXCELLENT COMPS FOR THIS ASSIGNMENT, EQUAL WEIGHT HAS BEEN PLACED ON EACH LOT SALE.

THE HIGHEST AND BEST USE OF THIS PROPERTY IS FOR INSTITUTIONAL PURPOSES.

Location Map

Borrower/Client	WAKE COUNTY BOARD OF EDUCATION			
Property Address	226 W ACADEMY ST			
City	WENDELL	County	WAKE	State NC Zip Code 27591
Client	WAKE COUNTY BOARD OF EDUCATION			



Subject Photo Page

Borrower/Client	WAKE COUNTY BOARD OF EDUCATION				
Property Address	226 W ACADEMY ST				
City	WENDELL	County	WAKE	State	NC Zip Code 27591
Client	WAKE COUNTY BOARD OF EDUCATION				

**Subject FRONT**

226 W ACADEMY ST
 Sales Price TBD
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location CENTRAL WENDELL
 View 1.08 ACRES
 Site
 Quality
 Age

**Subject Street**

Comparable Photo Page

Borrower/Client	WAKE COUNTY BOARD OF EDUCATION				
Property Address	226 W ACADEMY ST				
City	WENDELL	County	WAKE	State	NC
Client	WAKE COUNTY BOARD OF EDUCATION				
				Zip Code	27591

**Comparable 1**

719 ANDERSON ST
 Prox. to Subject 0.24 MILES N
 Sales Price 40,850
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location BRIGHTON OF WEN
 View .17 AC/RES/INF
 Site
 Quality
 Age

**Comparable 2**

167 BLAKEFORD DR
 Prox. to Subject 0.32 MILES N
 Sales Price 40,850
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location BRIGHTON OF WEN
 View .15 AC/RES/INF
 Site
 Quality
 Age

**Comparable 3**

101 JUTSON ST
 Prox. to Subject 5.84 MILES W
 Sales Price 70,000
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location CENTRAL KNIGHTDA
 View 2.4 AC/RES/AVG
 Site
 Quality
 Age

File No. 1703004

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 considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale. (Source: FDIC Interagency Appraisal and Evaluation Guidelines, October 27, 1994.)

*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 judgement.

STATEMENT OF LIMITING CONDITIONS AND CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following 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. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is valued on the basis of it being under responsible ownership.
2. Any sketch provided in the appraisal report may show approximate dimensions of the improvements and is included only to assist the reader of the report in visualizing the property. The appraiser has made no survey of the property.
3. 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.
4. Any distribution of valuation between land and improvements in the report applies only under the existing program of utilization. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
5. The appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous waste, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. 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. This appraisal report must not be considered an environmental assessment of the subject property.
6. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
7. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
8. 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 completion of the improvements will be performed in a workmanlike manner.
9. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.
10. The appraiser is not an employee of the company or individual(s) ordering this report and compensation is not contingent upon the reporting of a predetermined value or direction of value or upon an action or event resulting from the analysis, opinions, conclusions, or the use of this report. This assignment is not based on a required minimum, specific valuation, or the approval of a loan.

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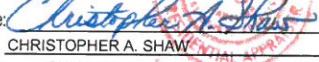
CERTIFICATION: The appraiser certifies and agrees that:

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 my personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. 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.
4. Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. 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.
8. 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.
9. Unless otherwise indicated, I have made a personal inspection of the interior and exterior areas of the property that is the subject of this report, and the exteriors of all properties listed as comparables.
10. 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).

ADDRESS OF PROPERTY ANALYZED:

226 W ACADEMY ST, WENDELL, NC 27591

APPRAISER:

Signature: 
 Name: CHRISTOPHER A. SHAW
 Title: SHAW APPRAISAL SERVICE, INC
 State Certification #: A/3032
 or State License #:
 State: NC Expiration Date of Certification or License: 06/30/2017
 Date Signed: 03/24/2017

SUPERVISORY or CO-APPRAISER (if applicable):

Signature: _____
 Name: _____
 State Certification #: _____
 or State License #: _____
 State: _____ Expiration Date of Certification or License: _____
 Date Signed: _____
☐ Did ☐ Did Not Inspect Property