

APPRAISAL OF REAL PROPERTY

LOCATED AT

5501 Tryon Rd
Raleigh, NC 27606
Deed Book 14921, Page 2352 (Tract 2)

FOR

Wake County Board of Education
1429 Rock Quarry Road, Suite 116
Raleigh, NC 27610

OPINION OF VALUE

\$180,000

AS OF

September 13, 2018

BY

B. Carter Kennemur
Certified General Real Estate Appraiser A4776
805 N Wakefield St
Zebulon, NC 27597-2342
(919) 269-6400
kennemur@nc.rr.com

Letter of Transmittal

September 28, 2018

Wake County Board of Education
1429 Rock Quarry Road, Suite 116
Raleigh, NC 27610

Re: Property: 5501 Tryon Rd
Raleigh, NC 27606
Borrower: Wake County Board of Education
File No.: WCPSS-5501Tryon

Opinion of Value: \$ 180,000
Effective Date: September 13, 2018

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

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

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

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

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

Sincerely,



B. Carter Kennemur
Certified General Real Estate Appraiser
License or Certification #: A4776
State: NC Expires: 06/30/2019
kennemur@nc.rr.com

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No. WCPSS-5501Tryon

Property Description		Property Address 5501 Tryon Rd		City Raleigh		State NC		Zip Code 27606				
Legal Description Deed Book 14921, Page 2352 (Tract 2)		County Wake										
Assessor's Parcel No. 0772967543		Tax Year 2018		R.E. Taxes \$ 1,152.32		Special Assessments \$ N/A						
SUBJECT	Borrower Wake County Board of Education		Current Owner Luther D. Warner Revocable Trust		Occupant: <input type="checkbox"/> Owner <input checked="" type="checkbox"/> Tenant <input type="checkbox"/> Vacant							
	Property rights appraised <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold		Project Type <input type="checkbox"/> PUD <input type="checkbox"/> Condominium (HUD/VA only)		HOA \$ N/A /Mo.							
	Neighborhood or Project Name West Raleigh		Map Reference 39580		Census Tract 0530.08							
Sale Price \$ Assemblage		Date of Sale Pending		Description and \$ amount of loan charges/concessions to be paid by seller N/A								
Lender/Client Wake County Board of Education		Address 1429 Rock Quarry Road, Suite 116, Raleigh, NC 27610										
Appraiser B. Carter Kennemur		Address 805 N Wakefield St, Zebulon, NC 27597-2342										
NEIGHBORHOOD	Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural		Predominant occupancy <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant (0-5%) <input type="checkbox"/> Vac.(over 5%)		Single family housing PRICE \$(000) 120 Low 0 High 75+		Present land use % One family 50 2-4 family 5 Multi-family 5 Commercial 15 Vacant 25		Land use change <input checked="" type="checkbox"/> Not likely <input type="checkbox"/> In process <input type="checkbox"/> Likely			
	Built up <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%											
	Growth rate <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow											
	Property values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining											
	Demand/supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In balance <input type="checkbox"/> Over supply											
	Marketing time <input type="checkbox"/> Under 3 mos. <input checked="" type="checkbox"/> 3-6 mos. <input type="checkbox"/> Over 6 mos.											
	Note: Race and the racial composition of the neighborhood are not appraisal factors. Neighborhood boundaries and characteristics: <u>The subject property's market area is known as western Raleigh, primarily property located near the Town of Cary.</u>											
	Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):											
	Subject property is in an average location, with typical access to local amenities. Employment in the area is stable. Appeal to market is average. The subject property's market area is made up of primarily large lot residential sections outside city limits, and higher density residential and commercial development within city limits.											
	Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.):											
Good sources of financing are available. Marketing time is estimated at less than 12 months. Property values are stable. Financing concessions of up to 4% of purchase price are considered typical. Public water and sewer are located in the vicinity of the subject property, but are not available as of the date of this appraisal, as the subject currently lies in the jurisdiction of Wake County, and is not located within city limits.												
PUD	Project Information for PUDs (if applicable) - - Is the developer/builder in control of the Home Owners' Association (HOA)? <input type="checkbox"/> Yes <input type="checkbox"/> No N/A											
	Approximate total number of units in the subject project N/A Approximate total number of units for sale in the subject project N/A											
SITE	Dimensions <u>See attached tax map.</u>		Site area 0.45 acres		Corner Lot <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Topography Level/Gently Sloping					
	Specific zoning classification and description R-40W Residential Watershed		Zoning compliance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal nonconforming (Grandfathered use) <input type="checkbox"/> Illegal <input type="checkbox"/> No zoning				Size Average					
	Highest & best use as improved: <input checked="" type="checkbox"/> Present use <input type="checkbox"/> Other use (explain)						Shape Mostly rectangular					
	Utilities Public <input checked="" type="checkbox"/> Other <input type="checkbox"/>		Off-site improvements Type Public Private				Drainage Appears adequate					
	Electricity <input checked="" type="checkbox"/>		Street Asphalt		<input checked="" type="checkbox"/>		View Average					
	Gas <input type="checkbox"/> N/A		Curb/gutter Concrete		<input checked="" type="checkbox"/>		Landscaping Average					
	Water <input type="checkbox"/> Private Well		Sidewalk Concrete		<input checked="" type="checkbox"/>		Driveway Surface Gravel					
	Sanitary sewer <input type="checkbox"/> Private Septic		Street lights Electric		<input checked="" type="checkbox"/>		Apparent easements None noted					
	Storm sewer <input type="checkbox"/> None		Alley None		<input type="checkbox"/>		FEMA Special Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
							FEMA Zone X Map Date 5/2/2006					
						FEMA Map No. 37183C0772J						
Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.): No apparent adverse easements noted. Per instructions from the client, the appraiser viewed the structure from the exterior, only, and information regarding square footage was taken from tax records. Interior condition is assumed to be average, for valuation purposes.												
DESCRIPTION OF IMPROVEMENTS	GENERAL DESCRIPTION		EXTERIOR DESCRIPTION		FOUNDATION		BASEMENT		INSULATION			
	No. of Units 1		Foundation Block/Brick		Slab N/A		Area Sq. Ft. N/A		Roof <input type="checkbox"/>			
	No. of Stories 1		Exterior Walls BV		Crawl Space Yes		% Finished N/A		Ceiling <input type="checkbox"/>			
	Type (Det./Att.) Detached		Roof Surface Shingle		Basement N/A		Ceiling N/A		Walls <input type="checkbox"/>			
	Design (Style) Traditional		Gutters & Dwnspnts. Yes		Sump Pump None Noted		Walls N/A		Floor <input type="checkbox"/>			
	Existing/Proposed Existing		Window Type Double Hung		Dampness Unknown		Floor N/A		None <input type="checkbox"/>			
	Age (Yrs.) 64		Storm/Screens Screens		Settlement Unknown		Outside Entry N/A		Unknown <input checked="" type="checkbox"/>			
	Effective Age (Yrs.) 30		Manufactured House N/A		Infestation Unknown							
	ROOMS		Foyer		Living		Dining		Kitchen		Den	
	Basement											
Level 1												
Level 2												
Finished area above grade contains: 7 Rooms; 3 Bedroom(s); 1 Bath(s); 1,416 Square Feet of Gross Living Area												
INTERIOR		Materials/Condition		HEATING		KITCHEN EQUIP.		ATTIC		AMENITIES		
Floors Typical/Average		Type FWA		Refrigerator <input type="checkbox"/> None <input type="checkbox"/>		Range/Oven <input checked="" type="checkbox"/>		Stairs <input type="checkbox"/>		Fireplace(s) # 1 <input checked="" type="checkbox"/>		
Walls Typical/Average		Fuel LP Gas		Condition Average		Disposal <input type="checkbox"/>		Drop Stair <input type="checkbox"/>		Patio N/A <input type="checkbox"/>		
Trim/Finish Typical/Average		COOLING		Dishwasher <input type="checkbox"/>		Scuttle <input checked="" type="checkbox"/>		Porch Stoop <input checked="" type="checkbox"/>		Deck N/A <input type="checkbox"/>		
Bath Floor Typical/Average		Central Yes		Fan/Hood <input checked="" type="checkbox"/>		Floor <input type="checkbox"/>		Fence N/A <input type="checkbox"/>		Attached <input type="checkbox"/>		
Bath Wainscot Typical/Average		Other N/A		Microwave <input type="checkbox"/>		Heated <input type="checkbox"/>		Pool N/A <input type="checkbox"/>		Detached <input type="checkbox"/>		
Doors Typical/Average		Condition Average		Washer/Dryer <input type="checkbox"/>		Finished <input type="checkbox"/>		Outbuildings <input type="checkbox"/>		Built-In <input type="checkbox"/>		
										Carport 2 car		
										Driveway 2 car		
COMMENTS	Additional features (special energy efficient items, etc.): Attached double carport.											
	Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.: As the appraiser was unable to inspect the interior of the house, at the request of the client, values are based on the extraordinary assumption that the home is habitable, and similar in room count, quality, and updates to the comparable sales utilized herein. Partial information, including square footage, has been taken from tax records, and is assumed to be correct.											
	Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property.: None noted.											

COST APPROACH	ESTIMATED SITE VALUE ----- = \$		Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property): Due to the age of the subject structure, the Cost Approach to Value is not supportable, and was therefore not developed.
	ESTIMATED REPRODUCTION COST-NEW-OF IMPROVEMENTS:		
	Dwelling	1,416 Sq. Ft. @ \$ ----- = \$	
		Sq. Ft. @ \$ ----- = \$	
		----- = \$	
	Garage/Carport	Sq. Ft. @ \$ ----- = \$	
		----- = \$	
	Total Estimated Cost New	----- = \$	
	Less	Physical Functional External	
	Depreciation	----- = \$	
Depreciated Value of Improvements	----- = \$		
"As-is" Value of Site Improvements	----- = \$		
INDICATED VALUE BY COST APPROACH ----- = \$			

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	5501 Tryon Rd Raleigh	609 S Lakeside Dr Raleigh, NC 27606	2806 Fairway Dr Raleigh, NC 27603	1327 Doylin Dr Cary, NC 27511
Proximity to Subject		1.88 miles N	3.66 miles E	2.23 miles NW
Sales Price	\$ Assemblage	\$ 184,000	\$ 183,500	\$ 180,563
Price/Gross Living Area	\$ 143.75	\$ 122.58	\$ 132.57	
Data and/or Verification Source	Exterior Inspect./ Public Records	TMLS/ Public Records	TMLS/ Public Records	TMLS/ Public Records
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION
Sales or Financing		\$1,700 Seller Paid Closing	N/A	N/A
Concessions				
Date of Sale/Time		June 2017	March 2017	May 2018
Location	Average	Average	Average	Average
Leasehold/Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Site	0.45 acres	0.48 acres	0.51 acres	0.39 acres
View	Average	Average	Average	Average
Design and Appeal	Ranch/Average	Ranch/Average	Ranch/Average	Ranch/Average
Quality of Construction	BV/Average	BV/Average	BV/Siding/Avg	Siding/Avg
Age	64	57	62	42
Condition	Average	Average	Average	Average
Above Grade	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths
Room Count	7 3 1	7 3 1.5	6 3 2	7 3 2
Gross Living Area	1,416 Sq. Ft.	1,280 Sq. Ft.	1,497 Sq. Ft.	1,362 Sq. Ft.
Basement & Finished	N/A	N/A	N/A	N/A
Rooms Below Grade	N/A	N/A	N/A	N/A
Functional Utility	Average	Average	Average	Average
Heating/Cooling	FWA/CAC	FWA/CAC	FWA/CAC	FWA/CAC
Energy Efficient Items	Average	Average	Average	Average
Garage/Carport	2 Carport	1 Carport	1 Carport	1 Garage
Porch, Patio, Deck, Fireplace(s), etc.	Stoop 1 Fireplace	Stoop/Patio 1 Fireplace	Stoop/Deck 1 Fireplace	Porch/Deck 1 Fireplace
Fence, Pool, etc.	N/A	None	Sheds	Shed
Driveway	Gravel	Concrete	Concrete	Concrete
Net Adj. (total)		⊗ + ⊖ \$ 3,080	⊖ + ⊗ \$ -5,930	⊖ + ⊗ \$ -4,380
Adjusted Sales Price of Comparable		\$ 187,080	\$ 177,570	\$ 176,183

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.):

Sales comparisons were considered to be the best available, and all were located in the subject property's market area. Sales concessions of up to 4% of sales price are typical for the market. Full bathrooms were adjusted at \$3,000 each, with half bathrooms adjusted at \$1,500 each. Heated living area was adjusted at \$30.00 per square foot. Additional adjustments were made for differences in car storage, outbuildings, and exterior amenities. Due to a lack of appropriate comparable sales, the appraiser expanded the search to 18 months prior to the appraisal date.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Data Source, for prior sales within year of appraisal	No Prior Transfer Past Three Years Public Records	3/11/2017 Estate Transfer Public Records	10/5/2016 Estate Transfer Public Records	No Prior Transfer Past Three Years Public Records

Analysis of any current agreement of sale, option, or listing of subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal:

The subject property is currently under contract for sale as part of an assemblage with other properties, with a stated purchase price of \$883,000. The appraiser was provided with a copy of the purchase contract.

INDICATED VALUE BY SALES COMPARISON APPROACH ----- = \$ 180,000

INDICATED VALUE BY INCOME APPROACH (if Applicable) Estimated Market Rent \$ N/A /Mo. x Gross Rent Multiplier N/A = \$ N/A

This appraisal is made ☐ "as is" ☒ subject to the repairs, alterations, inspections or conditions listed below ☐ subject to completion per plans & specifications.

Conditions of Appraisal: Appraised value is based on the extraordinary assumption that the home is habitable, and similar in room count, quality, and updates to the comparable sales utilized herein. Information taken from tax records, including square footage, is assumed to be correct.

Final Reconciliation: Equal weight was given to each comparable sale. Cost and Income Approaches to value were not applicable.

RECONCILIATION

The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/FNMA form 1004B (Revised

(WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF

(WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE

\$ 180,000

APPRAISER:

Signature

Name B. Carter Kennemur

Date Report Signed September 28, 2018

State Certification # A4776

Or State License #

State NC

State

SUPERVISORY APPRAISER (ONLY IF REQUIRED):

Signature

Name

Date Report Signed

State Certification #

Or State License #

☐ Did ☐ Did Not
Inspect Property

Subject Photo Page

Borrower	Wake County Board of Education					
Property Address	5501 Tryon Rd					
City	Raleigh	County	Wake	State	NC	Zip Code 27606
Lender/Client	Wake County Board of Education					



Subject Front

5501 Tryon Rd
Sales Price Assemblage
Gross Living Area 1,416
Total Rooms 7
Total Bedrooms 3
Total Bathrooms 1
Location Average
View Average
Site 0.45 acres
Quality BV/Average
Age 64



Subject Rear



Subject Street

Subject Photograph Addendum

Borrower	Wake County Board of Education					
Property Address	5501 Tryon Rd					
City	Raleigh	County	Wake	State	NC	Zip Code 27606
Lender/Client	Wake County Board of Education					



Additional Rear Photo

Comparable Photo Page

Borrower	Wake County Board of Education					
Property Address	5501 Tryon Rd					
City	Raleigh	County	Wake	State	NC	Zip Code 27606
Lender/Client	Wake County Board of Education					



Comparable 1

609 S Lakeside Dr	
Prox. to Subject	1.88 miles N
Sale Price	184,000
Gross Living Area	1,280
Total Rooms	7
Total Bedrooms	3
Total Bathrooms	1.5
Location	Average
View	Average
Site	0.48 acres
Quality	BV/Average
Age	57



Comparable 2

2806 Fairway Dr	
Prox. to Subject	3.66 miles E
Sale Price	183,500
Gross Living Area	1,497
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2
Location	Average
View	Average
Site	0.51 acres
Quality	BV/Siding/Avg
Age	62

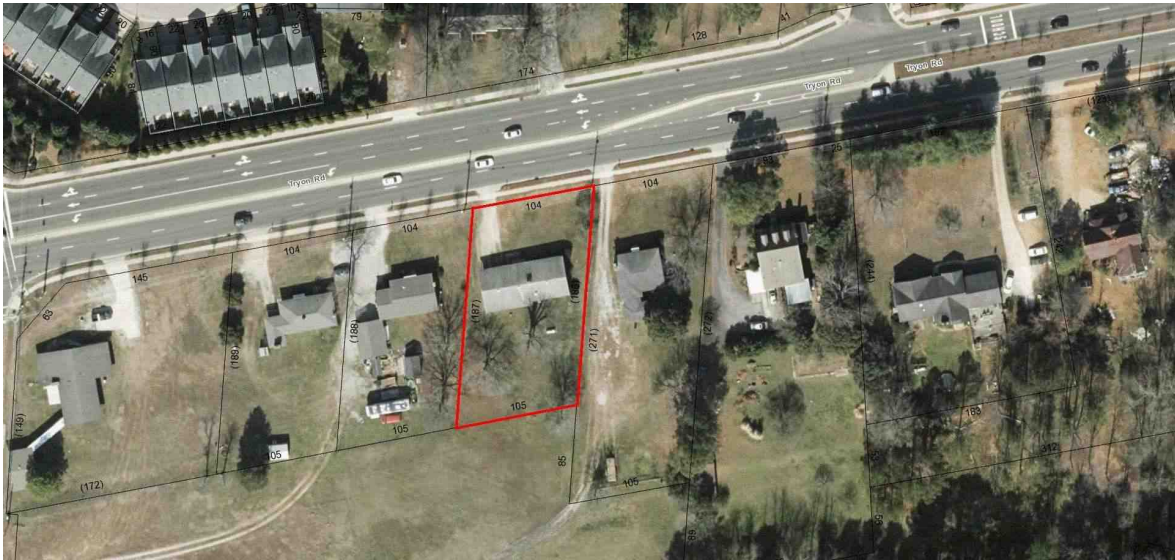


Comparable 3

1327 Doylin Dr	
Prox. to Subject	2.23 miles NW
Sale Price	180,563
Gross Living Area	1,362
Total Rooms	7
Total Bedrooms	3
Total Bathrooms	2
Location	Average
View	Average
Site	0.39 acres
Quality	Siding/Avg
Age	42

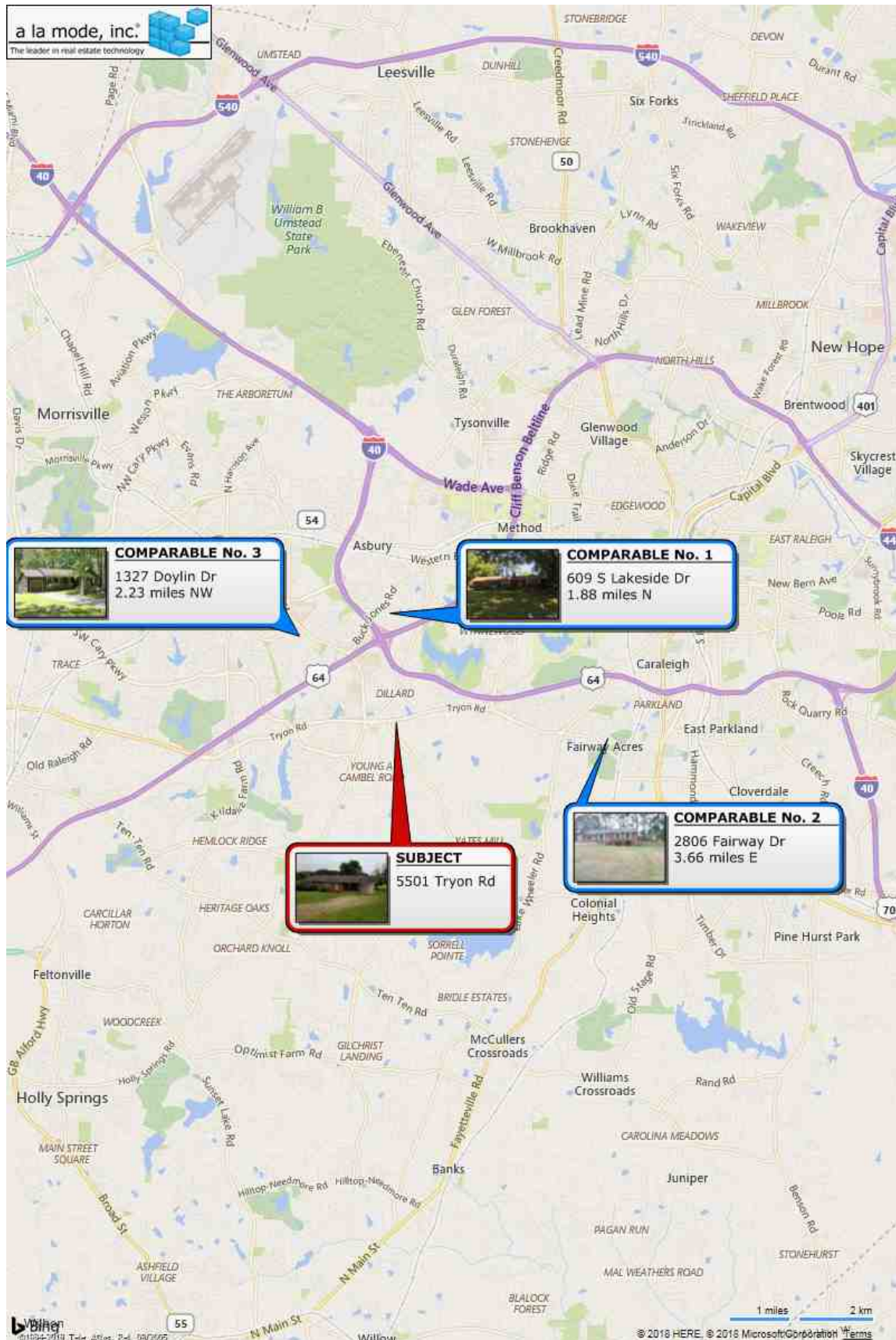
Aerial Map

Borrower	Wake County Board of Education					
Property Address	5501 Tryon Rd					
City	Raleigh	County	Wake	State	NC	Zip Code 27606
Lender/Client	Wake County Board of Education					



Location Map

Borrower	Wake County Board of Education					
Property Address	5501 Tryon Rd					
City	Raleigh	County	Wake	State	NC	Zip Code 27606
Lender/Client	Wake County Board of Education					



Borrower	Wake County Board of Education	File No. WCPSS-5501Tryon
Property Address	5501 Tryon Rd	
City	County	State
Raleigh	Wake	NC
		Zip Code
		27606
Lender/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:

Less than 12 months.

Comments on Appraisal and Report Identification

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

This appraisal was prepared for the use of the Wake County Board of Education, in order to estimate the subject property's value to assist in a decision making process.

APPRAISER:

Signature:

Name: B. Carter Kennemur

Certified General Real Estate Appraiser

State Certification #: A4776

or State License #:

State: NC Expiration Date of Certification or License: 06/30/2019

Date of Signature and Report: September 28, 2018

Effective Date of Appraisal: September 13, 2018

Inspection of Subject: ☐ None ☐ Interior and Exterior ☒ Exterior-Only

Date of Inspection (if applicable): September 13, 2018



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):

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 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: FDIC Interagency Appraisal and Evaluation Guidelines, 2010.)

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

STATEMENT OF 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.

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:

5501 Tryon Rd, Raleigh, NC 27606

APPRAISER:Signature: Name: B. Carter KennemurTitle: Certified General Real Estate AppraiserState Certification #: A4776

or State License #:

State: NC Expiration Date of Certification or License: 06/30/2019Date Signed: September 28, 2018**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