

***An Appraisal Report of
the fee simple interest in
the land located at
6209 & 6125 Rex Road
In Holly Springs, North Carolina***

Prepared For

***Margaret Sutter
Director of Real Estate Services***



**WAKE COUNTY
PUBLIC SCHOOL SYSTEM**

***Wake County Public School System
1429 Rock Quarry Road
Raleigh, North Carolina 27610***

Date of Inspection: September 2, 2020

Effective Date of Valuation: April 19, 2020

Appraised By:

***Timothy S. Allen, MAI, CCIM
Seagle & Associates, LLC
209 South Fuquay Avenue, Suite 115
Fuquay-Varina, North Carolina 27526***

Office (919) 577-0490 • Fax (919) 577-0489





Timothy S. Allen, MAI/CCIM
Appraiser • Broker • General Contractor

209 South Fuquay Ave., Suite 115
Fuquay Varina, NC 27526

September 3, 2020

Margaret Sutter
Director of Real Estate Services
Wake County Public School System
1429 Rock Quarry Road
Raleigh, North Carolina 27610

Re: Appraisal Report on 31.861 acres and 9.86 acres within the town limits of Holly Springs along the northern right of way for Rex Road near People Road and Ceda Park in Holly Springs, North Carolina

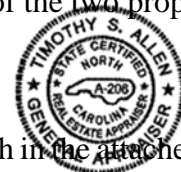
Dear Ms. Sutter,

A narrative appraisal report has been completed as per your request on the above referenced property. The purpose of this analysis is to estimate the “fee simple” interest in the property in an “as is” condition based on the inspection of the property and general market data. The concept of reporting is to value all of the property and/or improvements present as of the date of inspection. The intended use of the enclosed report is to aid the Wake County Public School System (WCPSS) in deciding whether or not to purchase two specific properties to add to an existing portfolio of property that is currently owned by the WCPSS for potential future expansion. It is not intended for any use outside the internal needs of the WCPSS.

The enclosed narrative provides descriptive information of the subject properties, the surrounding neighborhood and the trends influencing that market. The photos of the subject properties along with other supporting data are referenced within this report or they may be found in an attached addendum. A highest and best use analysis as vacant and as improved has been discussed along with the valuation portions of the report. The valuation presentation is based on market extracted information as of September 2, 2020. This reporting date is the same as the date of inspection. The inspection date was September 2, 2020. A previous report had been narrated on one of the two properties in April of 2020. That report is now being revised with additional property.

Predicated upon this date as the point of reference and having completed an investigation into the properties, it is the opinion of the appraiser that the total value of the two properties as of the date of valuation is:

Estimated Value \$2,215,000



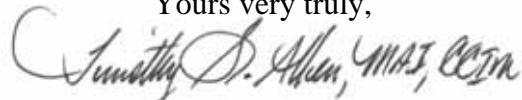
This value estimate is supported by the data and reasoning set forth in the attached appraisal report. Your attention is directed to the Assumptions and Limiting Conditions attached and made a part of this appraisal report. I certify that I have no present or future interest in the property and that the fee for this assignment is in no way contingent upon the value estimate concluded. This appraisal report has been prepared in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice promulgated by the Appraisal Standards Board (ASB) of The



Appraisal Foundation, the O.C.C., the Board of Governors of the Federal Reserve System and the Appraisal Institute's Certification Standard. The appraisal report also adheres to the prevailing guidelines issued under Title XI of the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989(FIRREA) and Interagency Appraisal and Evaluation Guidelines. This was not completed in association with the Uniform Appraisal Standards for Federal Land Acquisitions

Seagle and Associates and Tim Allen would like to thank the Wake County Public School System for the confidence expressed in Seagle & Associates to report on behalf of these properties. If there are any questions regarding these parcels or the report enclosed, please call.

Yours very truly,



Timothy S. Allen, MAI, CCIM
North Carolina- A206
tsallen115@gmail.com
919-577-0490



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Certification of the Appraiser

I, Timothy S. Allen, 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 report assumptions and limiting conditions, and they are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting 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 (USPAP)
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant professional assistance to the person signing this report unless otherwise stated.
- As of the date of this report, I have completed the Standards and Ethics Education Requirement of the Appraisal Institute for its designated members.


Timothy S. Allen, MAI, CCIM
North Carolina Certificate #A206

September 2, 2020 signature date

The Appraisal Institute conducts voluntary programs of continuing education for their designated members. MAI's and SRA's who meet minimum standards of these programs are awarded periodic educational certification. I participate in this voluntary program and I am currently certified under this continuing education program.

Assumptions and Limiting Conditions

The certification of the appraiser appearing in this appraisal report is subject to the following conditions and to such other specific and limiting conditions as set forth by the appraiser in the report.

1. The appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title hereto, nor does the appraiser render any opinions as to the title, which is assumed to be good and marketable. The property is appraised as though under reasonable ownership.
2. Any sketch in the report is based on physical measurements taken by the appraiser on the date of his site inspection and is included to assist the reader in visualizing the property.
3. The appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made therefore.
4. Any distribution of the valuation in the report between land and improvements applies only under the existing program for utilization. The separate valuations for land and building must not be used in conjunction with other appraisals and are invalid if so used.
5. The appraiser assumes that there are no hidden or unapparent conditions of the property, or subsoil, which would render the property more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors.
6. Information, estimates and opinions furnished to the appraiser, and contained in the report, was obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy for such items furnished to the appraiser can be assumed by the appraiser.
7. Disclosure of the contents of the appraisal report is governed by the by-laws and regulations of the professional appraisal organizations with which the appraiser is affiliated.
8. Neither all, nor any part of the contents of the report, or copy thereof (including conclusions as to the property value, the identity of the appraiser, professional designations, reference to any professional appraisal organizations, or the firms with which the appraiser is connected) shall be used for any purpose by anyone but the client specified in the report, the borrower if appraisal fee paid by same, consultants, professional appraisal organizations, any state or federally approved financial institution, any department, agency or instrumentality of the United States or any State or District of Columbia, without the previous written consent of the appraiser, nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the appraiser.

Assumption and Limiting Conditions- Continued

9. In this appraisal assignment, the existence of potentially hazardous material used in the construction or maintenance of the building, such as the presence of urea-formaldehyde foam insulation, asbestos, and/or the existence of toxic waste, which may or may not be present on the property, was not observed by the appraisers; nor do I have any knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The existence of urea-formaldehyde foam insulation or other potentially hazardous waste material may have an effect on the value of the property. The client is urged to retain an expert in this field if desired.
10. The appraiser has assumed the property is in conformity with the Americans with Disabilities Act of 1992. This act specifically requires all public buildings to be in conformity to allow accessibility by all disabled Americans citizens. The requirement of access is assumed by the appraiser to be adequate as he is not expert in such matters, and suggests that the client retain an expert in the field as the cost of conformity, if the building is not in compliance, may directly affect the value conclusions contained in the appraisal.

Extraordinary Assumptions and Hypothetical Conditions

None

Marketing and Exposure Time**Wake County****- 25.4%****- 12.7%****+ 7.9%**Change in
New ListingsChange in
Closed SalesChange in
Median Sales Price

	April			Year to Date		
	2019	2020	+ / -	2019	2020	+ / -
New Listings	2,455	1,832	- 25.4%	8,704	8,281	- 4.9%
Closed Sales	1,892	1,651	- 12.7%	5,984	6,278	+ 4.9%
Median Sales Price*	\$318,952	\$344,135	+ 7.9%	\$310,000	\$330,000	+ 6.5%
Average Sales Price*	\$358,408	\$382,309	+ 6.7%	\$349,700	\$370,155	+ 5.8%
Total Dollar Volume (in millions)*	\$678.1	\$631.2	- 6.9%	\$2,092.3	\$2,323.8	+ 11.1%
Percent of Original List Price Received*	98.6%	99.0%	+ 0.4%	98.3%	98.4%	+ 0.1%
Percent of List Price Received*	99.5%	99.6%	+ 0.1%	99.2%	99.3%	+ 0.1%
Days on Market Until Sale**	27	21	- 22.2%	32	31	- 3.1%
Inventory of Homes for Sale	4,079	3,497	- 14.3%	--	--	--
Months Supply of Inventory	2.4	2.0	- 16.7%	--	--	--

From data extracted from the local MLS, it was noted that the average days on market for listings that have been entered into their system for the county is averaging 21 days for April 2020 and 31 days year to date for 2020. Given the fact that the subject is located in a growing area of the community, a 1 to 2 month period is considered reasonable if priced at market to go under contract. To close may take several months because it is vacant land that is unentitled.

Summary of Salient Facts and Conclusions

Project Name:	Hobby Property and Cody Property
Subject Location:	North side of Rex Road, Holly Spring, NC
Date of Inspection:	September 2, 2020
Date of Valuation:	September 2, 2020
Date of first reporting:	April 22, 2020 with a value of \$1,690,000(Hobby only)
Owner of Record:	Gregory and Julie Hobby.& Karen W. Cody
Existing improvements:	None. Both properties are forested.
Property Rights Appraised:	Fee Simple Interest
Land Area:	31.861 acres & 9.86 acres according to Wake County
Shape and topography:	Irregular with a 50' transition in elevation
Purpose of Appraisal:	Estimate Market Value
Zoning:	R-30 Residential (Holly Springs ETJ)
Parcel Number:	0637-38-8616 & 0637-48-3806
REID:	0047559(Hobby) & 0075142(Cody)
Assessed Value:	\$1,656,756(Hobby) & \$603,828(Cody)-2020 assessment
Utilities available:	Telephone, Electric
Last Recorded Deed:	Hobby: Deed Book 15808, Page 2298 (Wake Co. Registry) Cody: Deed Book 8247, Page 1723 (Wake Co. Registry)
Present Use:	Vacant land.
Estimated Marketing Time:	60 days marketing to contract-60 days to close
Highest and Best Use:	Residential
Appraisal Procedures:	Sales Comparison
Listing or Sale Pending:	The properties are not known to have been for sale

Access: Off Rex Road in southeastern portion of the properties.

Client: Wake County Public School System (WCPSS)

Recorded Plat: Book of Maps 2010, Page 255 (Wake County Registry)

Valuation Conclusions

Appraisal Procedure

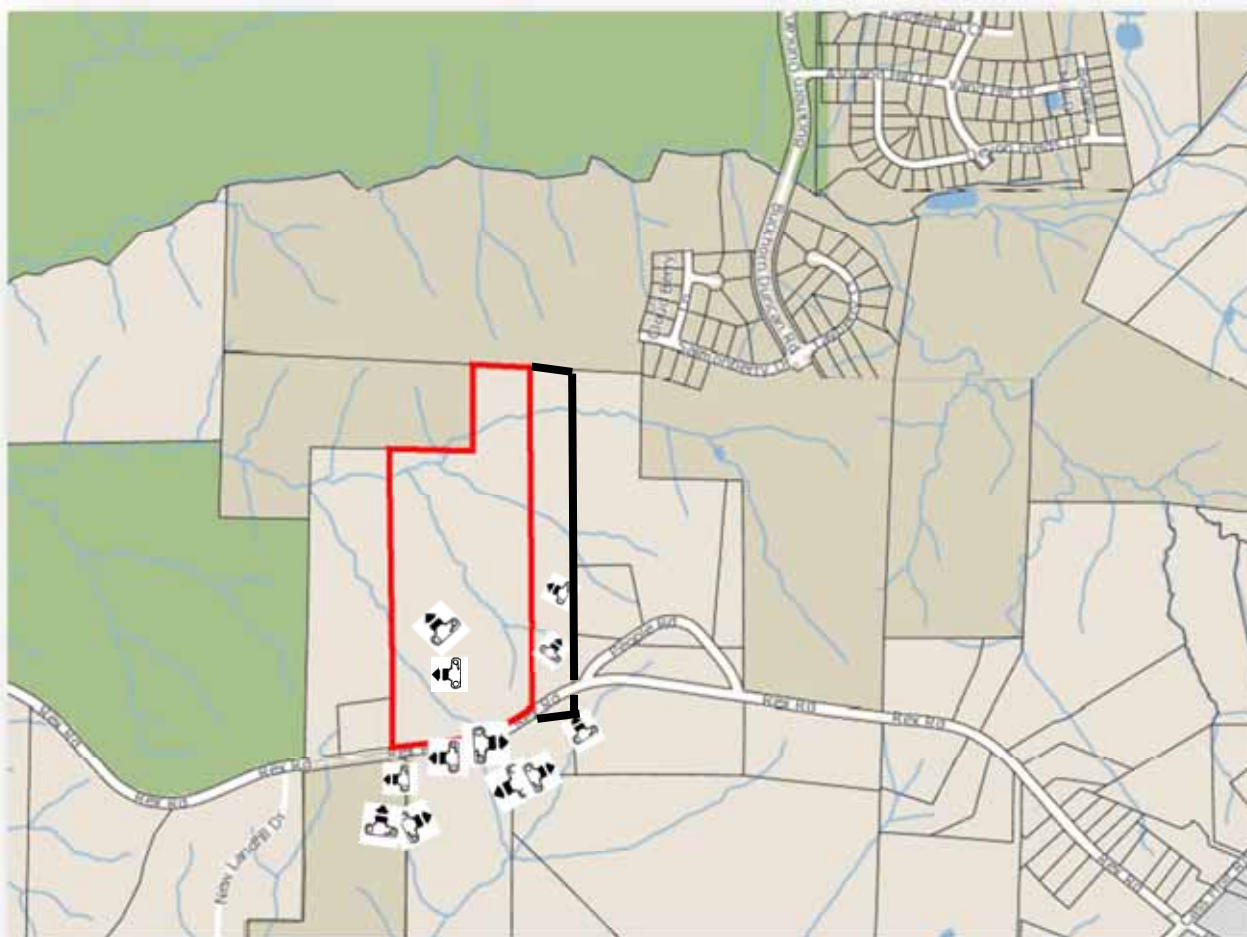
Estimated Value

Sales Comparison Approach Land Valuation:	Estimated Value	\$1,690,000	Hobby
		\$525,000	Cody
	Total	\$2,215,000	

Appraiser of Record: Timothy S. Allen, MAI, CCIM
State Certified General #A206



Taken from the Wake County GIS Web Site





1. Facing north along Rex Road.



2. View facing south on Rex Road.



3. Facing south from CEDA Academy entrance. Subject on the left.



4. Facing north towards subject . View of the NE corner.



5. View facing north from the point of entry along Rex Road.



6. View facing south near the point of entry off Rex Road.



7. Distribution line facing south.



8. Distribution line facing north.. Rex Road is to the left.



9. Interior view. The pink flag is a designated point for a core sampling.



10. Another typical interior view showing the transition in elevation.



11. Front view of the Cody property.



12. Interior view of the Cody Property.



13. Additional view of the Cody property interior.



14. Distribution line in front of Cody property.

THE ASSIGNMENT

The appraiser conducting this valuation was contacted prior to the date of inspection to present a bid for the opportunity to value this property for the Wake County Public School System. After a presentation of a bid along with specific information, the project to appraise the subject was awarded to Seagle & Associates. The assignment is to complete a report on the subject with the consideration of any and all existing improvements that might contribute value.

IDENTIFICATION OF THE SUBJECT PROPERTY

The subject of this report consists of two single parcels of land. They contain 31.861 acres and 9.86 acres of land respectively. The Wake County Assessor's Office recognizes the subject parcels under Parcel Identification Number 0637-38-8616 and 0637-48-3806. An alternative identifier is the Real Estate ID's of 0047559 and 0075142. The physical address is 6125 and 6209 Rex Road according to the Wake County Assessor even though no improvements were present. The 31.861 acres and the 9.86 acres are contiguous parcels of land. The acres are owned by a couple, Gregory and Julia Hobby and an individual Karen W. Cody. These acres are not part of a subdivision. The single entrance to each parcel is along Rex Road near the southeastern corner of each property.

PURPOSE AND INTENDED USE OF THE APPRAISAL

Real property includes all interests, benefits, and rights inherent in the ownership of the physical real estate. Personal property was not considered in the valuation portions of the appraisal; nor does it have any influence on the final value conclusion. There are no other extraordinary assumptions, limiting conditions or hypothetical conditions to address.

This appraisal report is on the entire real property interest(s), not a particular segment, fractional interest, or partial holding within the given identified parcel. There are no intangible interests or otherwise, valued in this appraisal report. The appraisal report involved an investigation and analysis of the area, neighborhood, comparable properties, subject site, and any present improvements, in addition to a review of pertinent issues such as zoning, submarket influences, and marketability.

A highest and best use study was performed on the properties "as if vacant" and "as improved". The purpose of this appraisal is to communicate, in written form, the premises, data, reasoning, opinions, and conclusions pertaining to estimating the market value of the subject properties under the consideration as vacant and improved. The appraiser understands that the intended use of this report is to serve as a guideline for establishing value for the WCPSS and their internal uses. This report is to be presented to the WCPSS to assist with managing the negotiations and possible acquisition of each property in its entirety. This is not any form of condemnation or acquisition under the police powers act. If these properties are to be purchased, they will be transferred under a free exchange between the sellers and any potential buyer. This report and its information will be used by members of the Wake County Public School System. The information transmitted in this report is for their sole use only.

SCOPE OF WORK

The scope of work (type and extent of research and analyses) continues to be based on what is required to produce credible assignment results in the context of the intended use. The benefits of the revised USPAP are to have a better understanding, an enhanced public trust in appraisal practice, and an improved USPAP clarity. Credible appraisal assignment results require support, by relevant evidence and logic, to the degree necessary for the intended use.

During the appraisal process, sale information on unimproved properties has been gathered. The scope of this assignment is to consider the value of the land in its entirety along with any of the existing improvements that might contribute value.

This report will be completed using a Sales Comparison Approach for the land. No improvements are present. The Income Approach was will not be reviewed for any contribution towards an understanding of value. There is no lease present.

The sales were confirmed through conversations with grantors and grantees or parties associated and knowledgeable with the sales transacted. Other information used in this report was extracted from items registered in the Wake County Registry of Deeds Office, the Wake County Tax Office, the Wake County GIS, and other printed material relating to the local real estate market. Also during this process, market participants from Wake County were interviewed with regards to the information associated with the market place in general. The reporting format is an Appraisal Report format as per Standards Rule 2-2 of the Uniform Standards of Professional Appraisal Practice (2016-2017 edition).

DEFINITION OF MARKET VALUE

The definition of Market Value used in this report is defined by the 2010 Interagency Appraisal and Evaluation Guidelines as follows:

"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 consummation of a sale as of a specified date and passing of title from seller to buyer under conditions whereby:

- (a) Buyer and seller are typically motivated;
- (b) Both parties are well informed or well advised and each is acting in what he considers his own best interest;
- (c) A reasonable time is allowed for exposure in the open market;
- (d) Payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and

- (e) 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."

INSPECTION AND DATE OF APPRAISAL

The date of inspection was April 22, 2020 for the Hobby property originally. In August, the Cody property was added to the consideration and a new inspection took place as of September 2, 2020, which is also the new date of valuation. Photographs of the subject properties were taken on this date. No one accompanied the appraiser during this inspection. A technician with S&ME was at the property flagging locations for soil borings in April. No one was present the second time. The appraiser relied upon recorded plats or tax maps to assist with the inspection. Notes concerning the properties as well as the immediate neighborhood were gathered. Information regarding the neighborhood and the current market has been retrieved from a variety of sources to include realtors, investors and other real estate professionals familiar with the activities within the greater market. Pertinent zoning and tax information were also gathered during this investigation. A discussion of the land as of the date of inspection and the overall market has been prepared.

PROPERTY RIGHTS APPRAISED

The appraiser will estimate the fee simple interest in the properties as of the date of the appraisal. Fee simple interest is described as follows:

"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat."¹

STATEMENT OF OWNERSHIP

The present owners are listed as Gregory and Julia Hobby for the 31.30 acres and Karen W. Cody for the 9.86 acres. Mr. Hobby was spoken with by phone before the date of inspection in April of 2020. He was not re-contacted for this update. Ms. Cody was not contacted due to the timing and need for the report. She was aware that a report was being conducted. The Hobby's' have been the owners of their portion of this reporting since 2014. Ms. Cody has been the owner of her portion since 1999. Prior to the 2014 date, a church congregation owned the Hobby property. A family member owned the Cody property prior to the 1999 date. The deeds of record are identified as General Warranty Deeds.

HISTORY OF THE SUBJECT PROPERTY

A search into the Triangle Multiple Listing Service noted that the subject has not been listed for sale in the past ten years. Neighboring properties have been reflected within the MLS as closed;

¹The Dictionary of Real Estate Appraisal, Sixth Edition- Appraisal Institute, Chicago: Illinois pg 90

but, not the subject. The details of the last and/or the most recent recordation associated with the subject is highlighted as follows:

BK015808PG02298	
WAKE COUNTY, NC 170 LAURA M RIDDICK REGISTER OF DEEDS PRESENTED & RECORDED ON 10/14/2014 12:45:07 STATE OF NC REAL ESTATE EXCISE TAX: \$810.00 BOOK:015808 PAGE:02298 - 02301	
NORTH CAROLINA GENERAL WARRANTY DEED	
Excise Tax: \$810.00	
Parcel Identifier No. 0047559 verified by _____ County on the _____ day of _____, 20____	
By: _____	
Mail/Box to: Grantee	
This instrument was prepared by: clatty: David R Godfrey, P. O Box 845 Apex, NC 27502	
Brief description for the Index:	
THIS DEED made this 4th day of September, 2014, by and between	
GRANTOR	GRANTEE
CHRIST CHURCH, NORTH CAROLINA an unincorporated association	GREGORY W. HOBBY and wife, JULIE K. HOBBY
Address: 310 Sherwood Forest Place Cary, NC 27519	Address: 5401 Hardison Road Charlotte, NC 28226
Enter in appropriate block for each Grantor and Grantee: name, mailing address, and, if appropriate, character of entity, e.g. corporation or partnership.	
The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.	
WITNESSETH, that the Grantor, for a valuable consideration paid by the 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, all that certain lot or parcel of land situated in Holly Springs Township, Wake County, North Carolina and more particularly described as follows:	
BEING all of 31.861 acres, New Recombined Area, Recombination Survey for Christ Church, North Carolina and Karen W Cody, as recorded in Book of Maps 2010 Page 255 Wake County Registry.	
<small>NC Bar Association Form No. 3 © 1976, Revised © 1/1/2010 Printed by Agreement with the NC Bar Association</small>	

BK015808PG02299

The property hereinabove described was acquired by Grantor by instrument recorded in Deed Book 12303 Page 2119 and Book 13952 Page 920 Wake County Registry.

All or a portion of the property herein conveyed ___ includes or x does not include the primary residence of a Grantor.

A map showing the above described property is recorded in Book of Maps 2010 Page 255.

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 of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever, other than the following exceptions:

Subject to easements and restrictions of record, matters shown on recorded plats of the subject property, and ad valorem taxes for the current year.

IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above written.

CHRIST CHURCH, NORTH CAROLINA
an unincorporated association

Timothy D. McClelland (SEAL)
Timothy McClelland, Elder

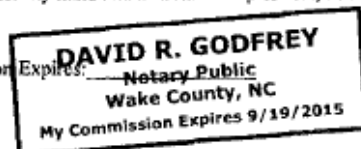
Larry Stephenson (SEAL)
Larry Stephenson, Elder

State of North Carolina County of Wake

I, the undersigned Notary Public of the County and State aforesaid, certify that Timothy McClelland, Elder, Christ Church, North Carolina, an unincorporated association personally came before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and notarial stamp or seal, this the 14 day of October, 2014.

My Commission Expires:
(Affix Seal)



[Signature]
Notary Public

BK015808PG02300

State of WV County of Cabell

I, the undersigned Notary Public of the County and State aforesaid, certify Larry Stephenson, Elder, Christ Church, North Carolina, an unincorporated association personally came before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and notarial stamp or seal, this the 10 day of Oct. 2014.My Commission Expires: 6/3/2020
(Affix Seal)

Notary Public



8247PG1728

000737

PRESENTED
FOR
REGISTRATION

99 FEB 10 PM 3:35

LAURA M. RIGGINS
REGISTER OF DEEDS
WAKE COUNTY

Excise Tax - 0 -

Recording Time, Book and Page

Tax Lot No. Parcel Identifier No. 816-00000-0003
Verified by County on the day of 19

Mail after recording to KAREN W. CODY 921 DERRING RD
RALEIGH NC 27609

This instrument was prepared by E. H. Bridger, Attorney

Brief description for the Index 24 Acres Holly Springs Twp.

NORTH CAROLINA GENERAL WARRANTY DEED

THIS DEED made this 21st day of November, 19 91, by and between

GRANTOR

GRANTEE

Iola H. Weatherspoon

Karen Weatherspoon Cody

Enter in appropriate block for each party: name, address, and, if appropriate, character of entity, e.g. corporation or partnership.

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

WITNESSETH, that the Grantor, for a valuable consideration paid by the 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, all that certain lot or parcel of land situated in the City of Holly Springs Township, Wake County, North Carolina and more particularly described as follows:

BEGINNING at a stake corner 1 of the original corner of the M.A. Tutor tract and runs thence as the Tutor and T. E. Champion line N. 89 deg. E. 598 1/2 ft. to a corner West of the branch; thence S. 3 deg. 35' E. 403 ft. to the corner; thence S. 88 deg. 19' E. 1518 ft. to a corner; thence S. 12' E. 414 ft. to a stake a corner of lot #5; thence W. 723 ft. to another corner of lot #5; thence N. 78 deg. W. 1834 ft. to a corner of lot #1; thence N. 29 deg. 56' E. 1421 ft. to the BEGINNING, containing 24 acres more or less.

EST 125156
BK8247P61724

The property hereinabove described was acquired by Grantor by instrument recorded in Book 935, Page 170,
Wake County Registry.

A map showing the above described property is recorded in Plat Book _____ page _____.

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 of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions hereinafter stated. Title to the property hereinabove described is subject to the following exceptions:

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

 (Corporate Name)

 BY: -----
 ----- President -----
 ATTEST: -----

 ----- Secretary (Corporate Seal) -----

USE BLACK INK ONLY

106 H. Weatherspoon
 106 H. Weatherspoon

SEAL OF WAKE COUNTY, N.C. NORTH CAROLINA, Wake County.

I, a Notary Public of the County and State aforesaid, certify that
Iola H. Weatherspoon Grantor

Personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my
hand and official stamp or seal, this 27th day of November 19 91

My commission expires: 8/13/92 Juana E. Mills Notary Public

Use Black Ink

NORTH CAROLINA, _____ County.

I, a Notary Public of the County and State aforesaid, certify that _____

personally came before me this day and acknowledged that _____ he is _____ Secretary of _____

_____ a North Carolina corporation, and that by authority duly

given and as the act of the corporation, the foregoing instrument was signed in its name by its _____

President, sealed with its corporate seal and attested by _____ as its _____ Secretary.

Witness my hand and official stamp or seal, this _____ day of _____, 19____.

My commission expires: _____ Notary Public

The foregoing Certificate(s) of Juanita E. Mills

is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

first page hereof.

LAURA M. RIDDICK

REGISTER OF DEEDS FOR WATKINS COUNTY

By Laura M. Riddick Deputy/Assistant Register of Deeds

Hobby Property**Deed**

Grantor: Christ Church, North Carolina
Grantee: Gregory W. Hobby & wife, Julie K. Hobby
Date: October 14, 2014
Deed Book/Page No. DB 15808, Page 2298
Deed Type: General Warranty
Revenue Stamps: \$810.00
Indicated Purchase Price: \$405,000

Cody Property**Deed**

Grantor: Iola Weatherspoon
Grantee: Karen Weatherspoon Cody
Date: February 10, 1999
Deed Book/Page No. DB 8247, Page 1723
Deed Type: General Warranty
Revenue Stamps: \$0.00
Indicated Purchase Price: \$000

This appears to have been some form of an inheritance or gift from one family member to another. Under Standards Rule 1-5 a. & b. of the Uniform Standards of Professional Appraisal Practice and Advisory Opinions, the appraiser should “analyze all sales of the subject property that occurred within the three years prior to the effective date of the appraisal”. There have been no other transfers of the subject properties other than those reported within the last three years.

METROPOLITAN DATA FOR WAKE COUNTY**REGIONAL AREA SUMMARY**

Regional Overview - Due to the subject and its submarket's inclusion in the statistics of the TMSA, which is often referred to as the Triangle region, the following narrative is relevant with regard to the subject's position within the dynamics of the region.

The historic, economic, demographic, and political forces which influence real estate values are favorable and should continue to interact in a manner consistent with the economic well-being of the area. As a metropolitan area, the Triangle has achieved a position of regional and national significance. Its influence has spread beyond the boundaries of the Research Triangle Park and has created the Raleigh/Durham/Chapel Hill area as a major center of research and development. A collaborative, supportive climate for business, vibrant clusters of innovation, world-renowned research universities, and a highly skilled workforce are a few of the many reasons businesses choose the Research Triangle Region.

Economy - Anchored by leading technology firms, government and world-class universities and medical centers, the area's economy has performed exceptionally well. Significant increases in employment, earnings, personal income, and retail sales are projected over the next 15 years.

High-Tech/BioScience Environment - The region's growing, vibrant high-technology community includes such companies as IBM, SAS, Cisco, Nortel, Net App and CS First Boston. In addition to high-tech, the region is consistently ranked in the top three in the U.S. with concentration in life science companies. Some of these companies include GlaxoSmithKline, Biogen Idec, BASF, Merck, Novo Nordisk, Novozymes, and Wyeth. The Research Triangle Park and Centennial Campus of North Carolina State University support innovation through R&D and technology transfer among the region's companies and research universities, which also include Duke University and The University of North Carolina at Chapel Hill.

Market Access - The Triangle is centrally located in the Mid-Atlantic region with an excellent transportation system, including, but not limited to, the Raleigh-Durham International Airport, various railroad depots, interstate transfers I-95, I-85 and I-40, in addition to well-maintained state and federal highways. The Research Triangle Region of North Carolina offers unparalleled access to markets and suppliers, which lowers the costs of doing business.

Supportive Business Climate - Reasonable taxes, low business costs, and sound government provide a supportive environment for R&D and manufacturing. The region is known for its culture of collaboration that promotes business success.

Well-Educated Population - Education is highly valued here. More than 40 percent of the population holds at least a bachelor's degree. One in nine people hold graduate, professional or Ph.D. degrees. Three world-class universities and numerous smaller, private, and public colleges produce an abundance of skilled labor candidates, while local community colleges offer free, customized industrial training for select new and existing companies.

Enviably Quality of Life - Climate, culture and recreational opportunities make the Research Triangle Region one of the best places to live in the world. The region is a "community of communities." Its four mid-sized cities, several smaller towns and numerous rural communities offer a small-town feeling with big-city amenities. An easy drive takes you to some of the world's most beautiful beaches and mountains. Four true seasons and a temperate climate make the region a great place to live year round.

Regional Overview - The State of North Carolina is partitioned into seven (7) Economic Development Regions, each represented by a partnership working with the North Carolina Department of Commerce. The subject is located within the Research Triangle Region, a cluster of thirteen (13) counties in central North Carolina: Chatham, Durham, Franklin, Granville, Harnett, Johnston, Lee, Moore, Orange, Person, Vance, Wake and Warren. The subject property is located in The City of Raleigh, within Wake County – the most populous county in the state.

Economic Development Regions



Research Triangle Region –

The focal point of the region is Research Triangle Park (RTP), a 7,000-acre development located in a "triangle" formed by Raleigh (Wake County), Chapel Hill (Orange County), and Durham (Durham County). The Park's site was selected because each of the three surrounding cities hosts a major research university: North Carolina State University, located in Raleigh, The University of North Carolina at Chapel Hill, and Duke University, located in Durham. (For more information about the Park, see the Research Triangle Park section below.)



The Research Triangle Region is home to approximately 21.5 percent of the population in North Carolina, with the greatest population density being in Wake County (2010 population:

927,140) and Durham County (2010 population: 270,938). The Research Triangle Region has a diverse, innovation-based economy that provides resilience during an economic downturn, such as the post-2008 national recession. As noted in the 2011 State of the Research Triangle Region report (May 26, 2011), the Research Triangle Region was "the only one of the state's seven economic development regions to post a net employment gain (32,817 jobs) from 2005 to 2010." The relatively low unemployment rate for the region reflects the strength of its economy: although the unemployment rate for North Carolina from 2000 through 2010 was equal to or higher than the unemployment rate for the nation overall, the unemployment rate for the Research Triangle Region consistently remained below the national average.

A well-educated workforce is one of the many factors that make the Research Triangle Region appealing to industry. As mentioned earlier, the region includes three major research universities of national prominence -The University of North Carolina at Chapel Hill, Duke University, and North Carolina State University - and numerous collaborative partnerships and "incubators" foster innovative start-up companies, particularly in the biotechnology and technology sectors. Other universities and colleges in the Research Triangle Region include North Carolina Central University, Shaw University, Campbell University, Saint Augustine's University, William Peace University, and Meredith College. Community colleges, such as Wake Technical Community College and Durham Technical Community College, serve as valuable resources by providing education and training geared towards employment in key industries in the region.

The Research Triangle Region routinely ranks among the best places to do business, work and live. The rankings help put the region on the map for businesses looking to expand or relocate to a thriving area of the country. National analysts remain very optimistic about the Research Triangle Region. Here is just a sampling of some recent rankings:

- Raleigh ranks 3rd Best in Quality of Life in the World - NUMBEO, March 2019
- Raleigh is 2nd in Most Family-Friendly Cities poll - Homes.com, February 2019
- 4th Fastest City for Internet Speeds in U.S. - WRAL Tech Wire, December 2019
- #2 in The 10 Best Big Cities to Live in Right Now - Money, November 2018
- #2 on latest Forbes List for Businesses and Careers - News and Observer, November 2018
- #1 On a List of the 100 "Best Cities to Drive in" – Wallet Hub, July 2018
- #3 Best in Quality of Life in the World - NUMBEO, March 2018
- #6 in a List of Top 20 State Capitals to Live In – Wallet Hub's study, February 2018
- #5 for Best Metros for Dating 2018 – Apartment List, February 2018
- #13 in Best Places to Live - U.S. News & World Report, February 2018
- #17 in Best Places to Retire - U.S. News & World Report, February 2018

City of Raleigh

Like the Research Triangle, the City of Raleigh has grown with time. Serving as the State's capital and the county seat for Wake County, Raleigh was poised to expand with the advent of the RTP. Statistics have proven this combination to be a sustainable base from which the local economy has expanded. The expansion in population has impacted the levels of density within the municipality in terms of units per acre. From 1990 to the present, the density in population per acre has changed two fold.

The increase in the population that was born from employment opportunities sustained from the expansion of government and the expansion employers within the RTP has changed the dynamics of the region. As noted within the charts above, multifamily growth is nearing the growth of single family use of land. Permits for the construction of apartment units remain greater than any other permitted form of residential use in the Raleigh market. As the population as increased and density levels changed, the use of land within the market has altered as well. The City of Raleigh adopted a “Unified Development Ordinance” or UDO and has used this as a foundation to regulate new construction as well as the revitalization of the older portions of the community. The code has given rise to several “mixed use” forms of development to accommodate business and the ever increasing demands of the population supporting the business environment.

The Town of Fuquay Varina

Fuquay-Varina is located in the southern portion of Wake County and was incorporated in 1909 as Fuquay Springs based off of a mineral spring considered to have “medicinal” qualities that was discovered in 1858. The Varina portion of the community was north of town and across a separating railroad line. The joining of the two communities came in 1964. Fuquay Springs had been incorporated since the turn of the century and the community of “Varina” had never incorporated. Today, the history of both locations serves the greater community harmoniously. Fuquay-Varina is noted as North Carolina’s fastest growing community. Along with this notoriety Fuquay-Varina referenced in the following manner.



- #9 among the safest towns in North Carolina by: Home Security Advisor (2019); Alarms.org (2019), National Council for Home Safety and Security (2018); and Safewise (2018) and .
- Niche listed Fuquay-Varina on the 2018 Best Places for Millennials in the Raleigh Area.
- Neighborhood.com named Fuquay-Varina as one of the Triangle's Best Suburban Towns for Young Families.
- #3 best place in North Carolina for homeownership; NerdWallet.
- NerdWallet ranks Fuquay-Varina in the top 20 Best Cities for Young Families in North Carolina.
- Fuquay-Varina High School is home to three 2018 4-A North Carolina High School Athletic Association Championship winners including baseball, soccer and gymnastics. The 2018 FVHS Softball team was listed on USA Today's Top 25 High School Softball teams in the United States. FVHS Principal Jonathan Enns was named 2017 Wake County Principal of the Year and 2018 North Carolina Principal of the Year (North Central region). Fuquay-Varina High School has an excellent reputation in both academics and athletics.
- Fuquay-Varina is a North Carolina Main Street Community

The Town of Fuquay-Varina consumes the subject within its municipal jurisdiction. From the 2016 population period to the end of the 2019 projection period, Fuquay-Varina will grow approximately 14% within the expanding corporate limits if all projections are correct. A review of the residential development projects shown on the Towns website highlights 54 new projects that have been approved for single family residential or apartment/townhome construction. There are more than 7,000 single family lots approved by the Town as of the date of this inspection. They have approved over 1,700 apartment units within the community to date. With such approvals having taken place, it is apparent that this area of the county has become a focal point for investment.

The Town of Holly Springs

The Town of Holly Springs was named for access to a variety of springs. The original settlement was near the intersection of Case Holt Road and Avent Ferry Road. Prior to the Civil War, the “town” was aligned to the downtown area that is most familiar with the population of today. It was formed around a landowner who set up businesses in the “now” downtown area of the community.

Today, the municipality boasts of a population of 37,000 with a median age of 35 and a median household income of \$98,041. Homeownership is in excess of 85%. One of the largest employers within the community is Seqirus which is formerly known as Novartis. Seqirus is a producer of a flu vaccine. They employ 550 full time employees and 200 contract workers. Other employers noted within the community are as follows:

Major Holly Springs Employers

Name	Type
Seqirus	Flu Vaccine Manufacturing
GMA Supply	Building Products Supplier
OFM, Inc.	Office Furniture Distributor
Rovisys	Automation / Information Solutions
Pierce Group Benefits	Insurance / Benefits Services
Ideal Landscaping	Landscaping Services
Rex Healthcare	Medical Care

As more industry looks for places to locate, the Town is making efforts to expand its borders. The community seeks growth towards the Wake Chatham border and the Wake-Harnett border. This is the same ambition being undertaken in Apex and Cary.

Governmental Forces

A Town Council governs the Town of Holly Springs with a Mayor and five commissioners. The Town Manager is responsible for the implementation of policies set forth by the mayor and council members. The Town of Holly Springs is fully zoned and subject to the appropriate zoning restrictions. The town constantly reviews their zoning and planning strategy which has resulted in the implementation of new permits overlay map with regulations for controlling growth. Wake County and all of the municipalities are zoned as well.

Utilities

The Town and the County typically provide police and fire protection, as well as ambulatory services. There are two fire stations in Holly Springs with a third location off of Friendship Road. This third location is a house with a detached garage housing one fire truck. The house is considered a “station”. As well, there are twenty-one volunteer fire stations under the county jurisdiction. Because of the development that has taken place between Fuquay-Varina and Holly Springs, the two communities are looking for another site to accommodate the growing population between the municipalities. The Town of Holy Springs has one main police station. County has twelve countywide police stations.

Duke Energy Progress provides electricity for the majority of the area. The Town of Holly Springs provides water and sewer within the city limits. Public Service Company of North Carolina provides natural gas to this region.

Medical Services

Six hospitals, one Mental Health Treatment Center, two Drug/Alcohol Treatment Centers, and one State Psychiatric Hospital with a total of 2,451 beds serviced the Wake County area during 2010. The area also offered 411 primary care physicians and 306 dentists. The four main hospital centers during this time frame included Wake Medical Center in Raleigh and a sister facility known locally as Western Wake in Cary, NC. As well, Rex Hospital, an affiliate of the UNC Health Care System was in Raleigh along with the Raleigh Community Hospital which is now a part of the Duke Healthcare system.



Holly Springs has local practicing physicians. Due to changes within the healthcare system, independent practices have merged with area hospitals. The closest hospital for the residents of Holly Spring is in Apex at a community Wake Medical Facility. For Fuquay-Varina it's Central Harnett Hospital in Lillington. Next for both locations would be the Western Wake Facility located off Kildaire Farm Road and Tryon Roads in Cary.

Education

There were 104 Elementary schools, 33 Middle Schools, 27 High Schools, and 11 special/optional schools in the Wake County Public School System during this time period. These schools enjoy strong community support through active PTA and booster clubs and a system of local school advisory committees. There are; as then, more than twenty institutions of higher learning in or near the Triangle area. The major institutions are the University of North Carolina at Chapel Hill, Duke University in Durham and North Carolina State University in Raleigh, in addition to North Carolina Central University in Durham, and Shaw University, Meredith College

and Peace College in Raleigh.

Taxes

Real estate taxes are levied by the city, county and fire districts depending on where the property is located. Ad valorem taxes are based on the property's individual assessed value as determined by the tax assessor. The current tax rate for 2019 in Wake County is \$0.7207 per \$100 of assessed value. The subject is located in the Holly Springs extra territorial jurisdiction. The municipal rate of \$0.4825 per \$100 of assessed value does not apply yet. If annexed, the municipal assessment will apply.

TAXING UNIT	2019	2018	2017
WAKE COUNTY ¹	.7207	.6544	.615
ANGIER ²	.53	.53	.53
APEX	.415	.415	.38
CARY	.35	.35	.35
CLAYTON	.58	.58	.55
DURHAM	.5317	.5786	.5786
FUQUAY VARINA	.4325	.4325	.4325
GARNER	.56	.5325	.5325
HOLLY SPRINGS	.4825	.4325	.4325

Environmental Forces

The climate of the Wake County area is described as being mild with practically “snow-less” winters. The rainfall is evenly distributed throughout the year and averages 44.75 inches. Of the 44.75 inches of precipitation only 7.6 inches is from snowfall. The average temperature is 62.0 degrees Fahrenheit. Wake County is located within central North Carolina.

Geographically, the Triangle is located 150 miles west of the Atlantic Ocean, 190 miles east of the Great Smoky Mountains, 370 miles north of Atlanta, Georgia and 250 miles south of Washington, DC. Funding for the local highway system is completed through joint efforts provided by the Federal and State governmental agencies. Major highways include Interstate 85, which provides service southwest to Atlanta and northeast to Richmond, Virginia; and Interstate 40, which connects with Wilmington to the east and Asheville to the west. US Highways 64, 70, 401, 501 and 55, which bisect the area in all directions increasing the Triangle's accessibility and role as an urban center, serve the residents in and out of the region. Public transportation is provided in the Raleigh area by Capital Area Transit. In addition, four railroad companies service the subject area.

The I-540 loop, which is an outer loop around a portion of the county and includes the Triangle Expressway. It is complete from the eastern portion of the county around to the north and ending in the west in Holly Springs. This road has allowed for growth to expand to western areas of Wake County including Apex, Cary and Holly Springs. However, the southern section of this road is still in the planning stages. This next section of the I-540 road will come closer to Garner and Fuquay Varina. It should bring growth to the southern and eastern areas of Wake County.

Raleigh/Durham International Airport enhances the Triangle's linkages on a nationwide basis. The chart depicts a sampling of the airlines that carry flights in and out of RDU on a daily



basis. The Raleigh/Durham International Airport has invested over \$100 million in airport improvements in the last five years. RDU ended 2012 with 9,220,391 passengers for a daily rate of 25,261 passengers per day. In 2013 this went down less than 1% to 9,186,748 or 25,169 passengers per day.



Passengers by Year

Year	2019	2018	2017
Enplaned	7,123,434	6,416,822	5,851,004
Deplaned	7,095,187	6,384,875	5,802,689
Total	14,218,621	12,801,697	11,653,693

In 2017, the number of passengers through the terminals tallied 11,653,693 or 31,928 passengers per day. In 2018, 12,801,697 passengers passed through the terminals for a daily rate of 35,073 passengers per day. This is an increase of approximately 10% from the previous year. In 2019, a record number of 14,218,621 passengers passed through RDU or 38,955 people a day. This is a new record for passenger traffic through the terminals.

Conclusion

The social, economic, governmental, and environmental forces, which influence real estate values, are more favorable today than they were three years ago. All of the effects of the national economic downturn in the past that had an impact and other such aspects of this market have turned 180 degrees in the opposite direction. National home builders have dominated the housing market in many areas of the county; however, the independent builder remains present. The local contracting sources have found locations for acquisition as well. The difficulties of obtaining financing for capital project stymied growth in the past. Today, banks are lending; however, other equity investors have entered the market making banks fight over the existing competition for loans. As time has passed, some area markets have shown more extensive movement for which Fuquay-Varina is one example. The commercial market has started experiencing some rebound. However, national chains associated with retail are leaving the market as a result of markets moving from brick and mortar operations to on-line purchasing.

NEIGHBORHOOD ANALYSIS

Certified Commercial Investment Members (CCIM's) of the National Association of Realtors have access to data from the Environmental Systems Research Institute (Esri) in order to gain insight into locations across the US. It provides the investor with a glimpse of the market. In this case, that glimpse is within a one, three and five mile radius of the subject. Data within a one, three and five mile radius of the subject properties has been highlighted.

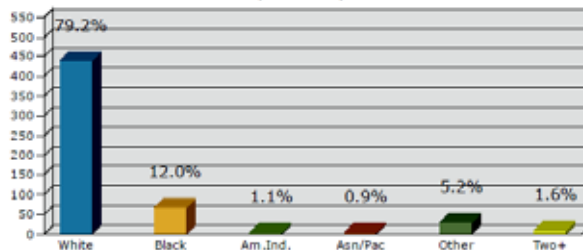


Graphic Profile

6001-6211 Rex Rd
6001-6211 Rex Rd, Holly Springs, North Carolina, 27540
Ring: 1 mile radius

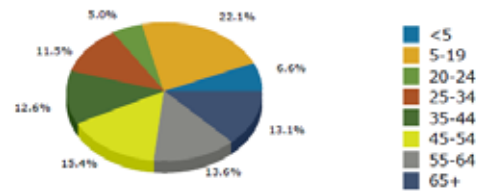
Prepared by Esri
Latitude: 35.61287
Longitude: -78.88678

2019 Population by Race

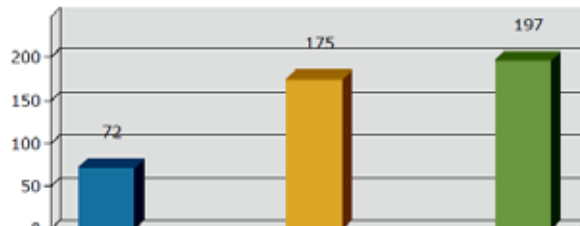


2019 Percent Hispanic Origin: 11.1%

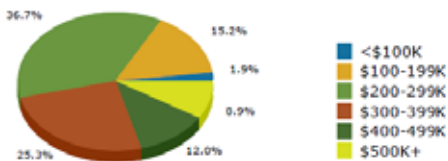
2019 Population by Age



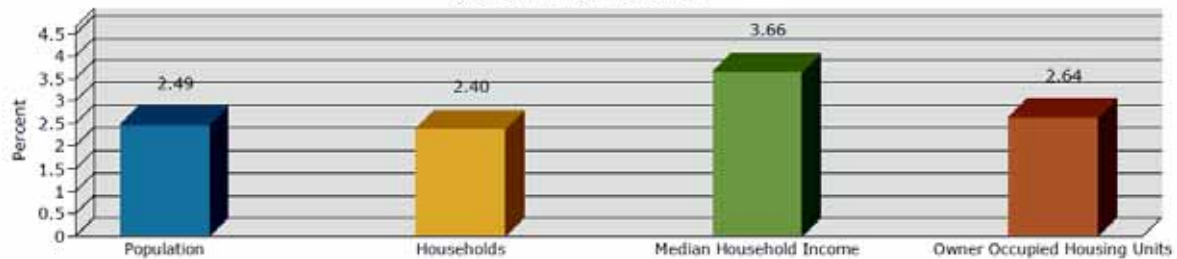
Households



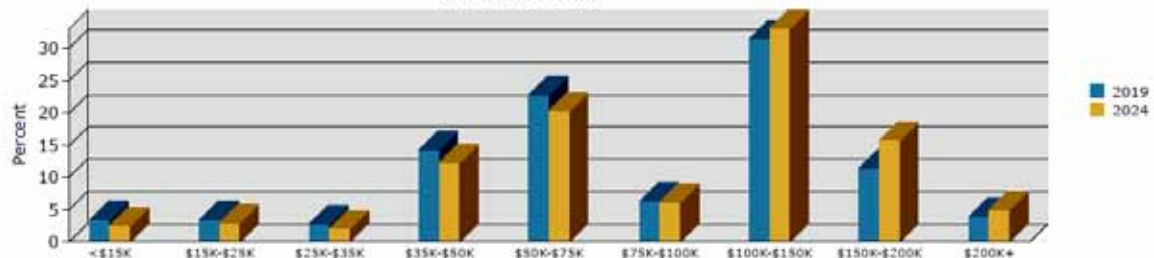
2019 Home Value



2019-2024 Annual Growth Rate



Household Income



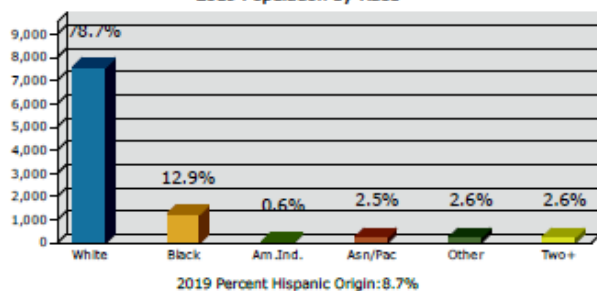


Graphic Profile

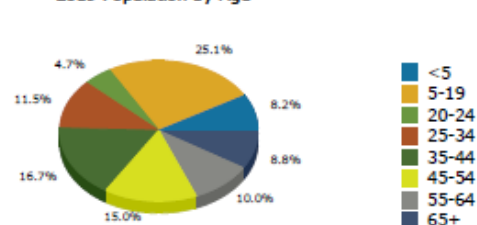
6001-6211 Rex Rd
6001-6211 Rex Rd, Holly Springs, North Carolina, 27540
Ring: 3 mile radius

Prepared by Esri
Latitude: 35.61287
Longitude: -78.88678

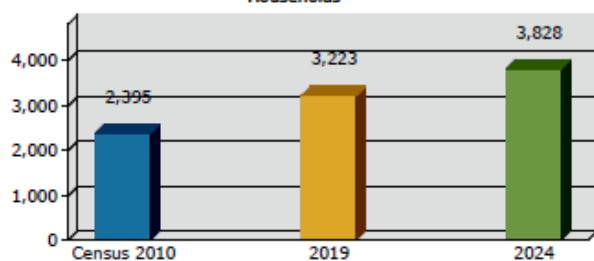
2019 Population by Race



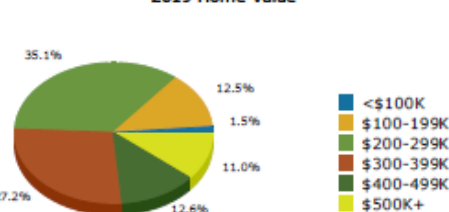
2019 Population by Age



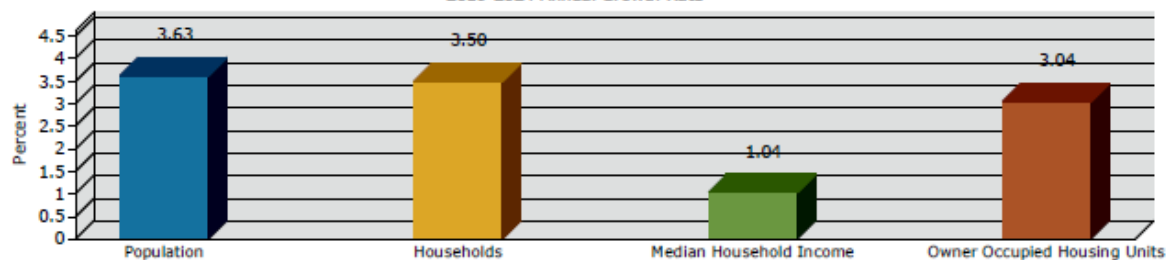
Households



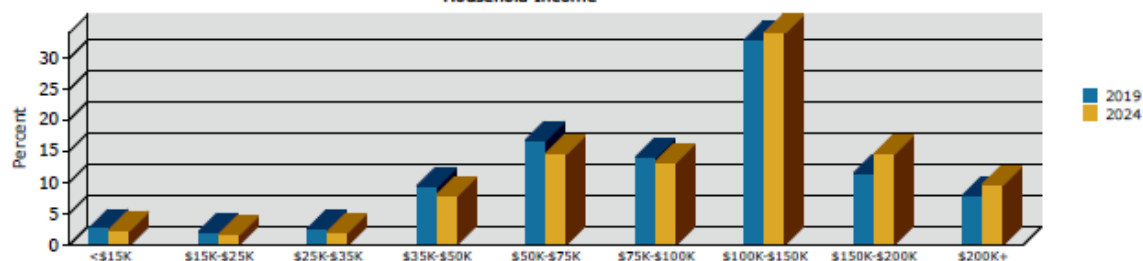
2019 Home Value



2019-2024 Annual Growth Rate



Household Income



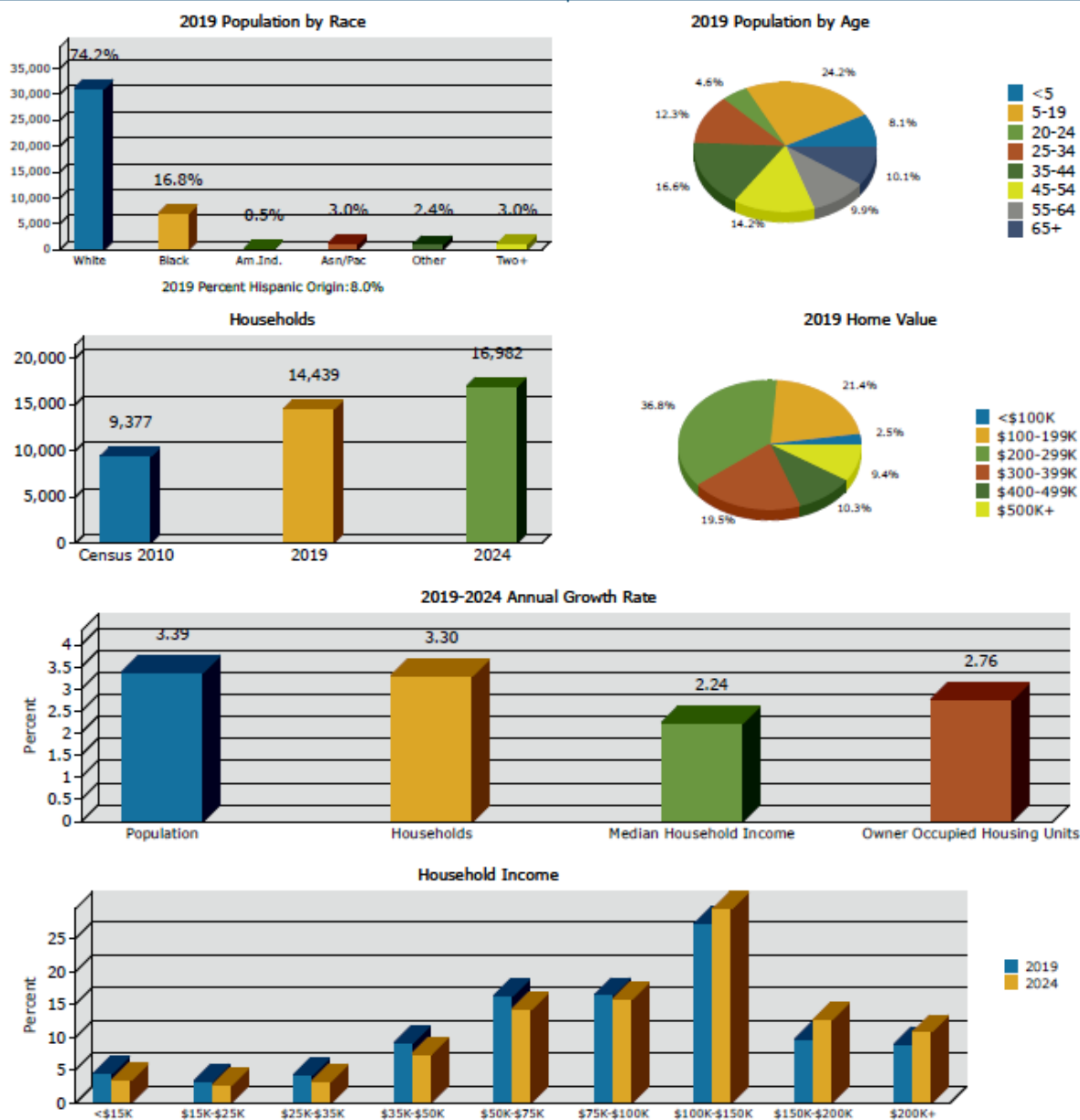
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2019 and 2024.



Graphic Profile

6001-6211 Rex Rd
6001-6211 Rex Rd, Holly Springs, North Carolina, 27540
Ring: 5 mile radius

Prepared by Esri
Latitude: 35.61287
Longitude: -78.88678



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2019 and 2024.

The neighborhood analysis links the analysis of the general influences on all property values to the analysis of a specific subject property. A “neighborhood” is defined as a group of complimentary land uses. The neighborhood analysis determines how the social, economic, governmental, and environmental forces impact property values in a specific area in which the

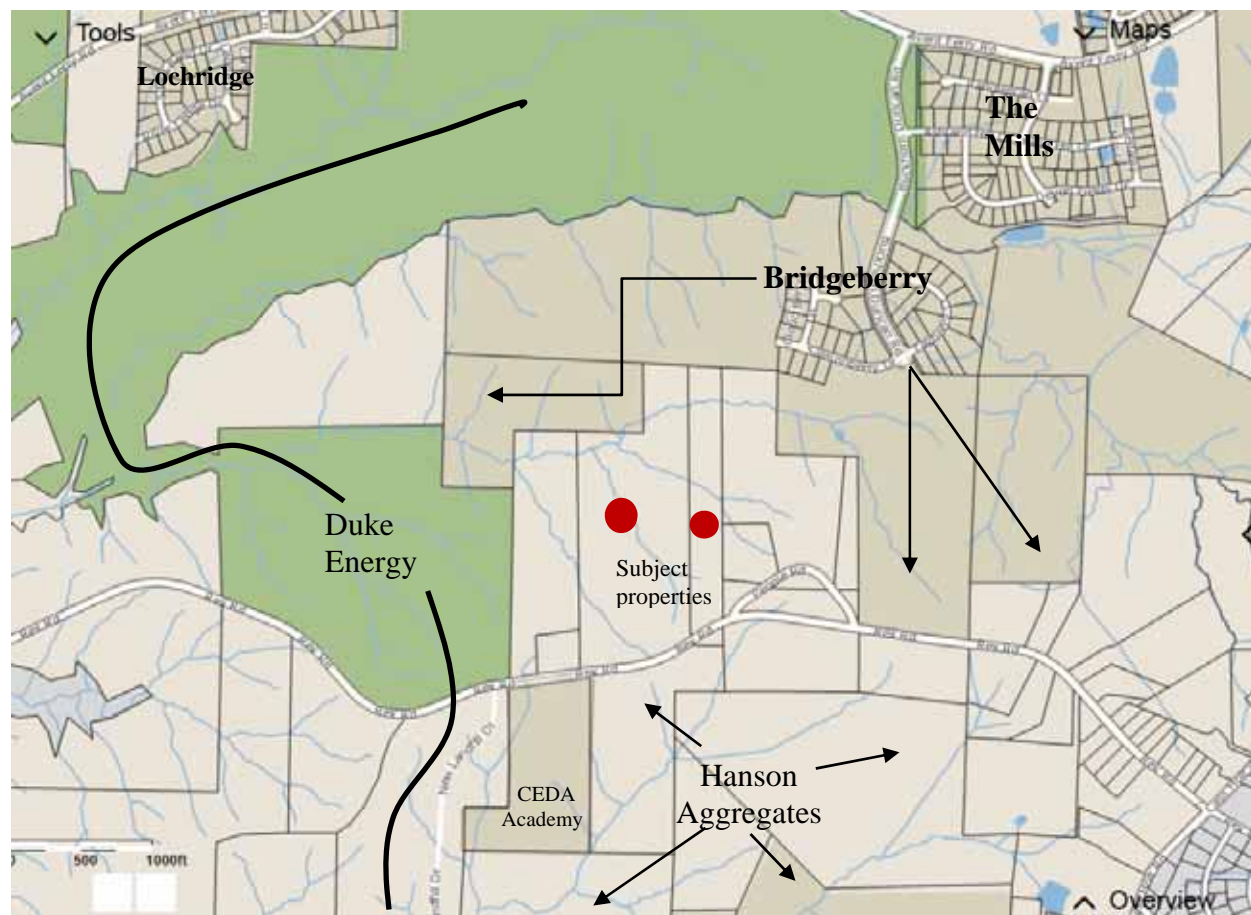
subject properties are located. A neighborhood is a portion of the larger community and usually lies within a district. The area of influence to be defined is the area within which the forces affect all surrounding properties in the same way they affect the property being appraised. For many types of properties, the best way to define neighborhood boundaries is based on a change in property types. Thus, for areas with specific property types, i.e. industrial properties in industrial parks, the neighborhood boundaries are very distinctive. At other times, the neighborhood boundaries can be extremely difficult to define.

Neighborhood Boundaries

Rex Road is a connector across the western portion of Wake County. Originally, it terminated at the intersection of Case Holt to the south and became New Hill Holleman Road after crossing Avent Ferry Road to the north. This is the practical boundary of the neighborhood, i.e. the original length of Rex Road. As more population moved into the area and more development started to take place, the Case Holt/Rex Road intersection became the entrance to Avocet Subdivision. Rex Road was extended into the subdivision and terminates in the far southern ends of the development.

To the north, Rex Road meanders over to Avent Ferry Road. Avent Ferry is a primary route of travel leaving the Holly Springs market as an east west route of travel. At Rex Road, Avent Ferry ceases its western route and becomes Bartley Holleman Road the moment it crosses Rex Road heading west. Bartley Holleman Road crosses into Chatham County and terminates at the end of a peninsula that is out in the White Oak Creek area of Chatham County. White Oak Creek is a physical body of water. It meets with Harris Lake. Like white Oak Creek, Harris Lake is a part of Chatham and Wake Counties. The area was never a place of great notice for many years. Martin Marietta and Hanson Aggregates have sand and gravel pits that are located off of Rex Road. There was also a landfill in the vicinity at the end of New Landfill Drive. The 51 acres at the end of New Landfill Drive were originally owned by Holly Springs Landfill, LLC. In 2000, they changed their name to Red Rock Disposal, LLC. They are a construction and demolition landfill operation. Duke Energy is another vast land holder in this region of the county and along Rex Road. As mentioned, Rex Road becomes New Hill Holleman Road once it crosses Avent Ferry road heading north. Along New Hill Holleman Road is the Shearon Harris Nuclear Plant that is run by Duke Energy.

Time and population pressures have expanded Holly Springs town limits into this western area of the county. The region had been dominated by industrial users in the past. That is all changing. Today there is a new public soccer park across from the subject that is owned by Ceda Academy which is a youth soccer academy. Along Avent Ferry, new home construction projects are underway. The Mills at Avent Ferry were a Ryan Home project and this opens into a Taylor Morrison project known today as Bridgeberry. Bridgeberry is developing now as of the date of this inspection. Taylor Morrison has constructed a right of way from Avent Ferry to Rex Road as part of the Bridgeberry subdivision plan. Lochridge is another subdivision that is in its third phase of progress along Avent Ferry Road.



The map above identifies the many participants within the immediate vicinity and the changes taking place.

SITE ANALYSIS

Size/Shape Dimensions

The subject properties consists of two single parcels. The county reports the Hobby property to have 31.30 acres. The Cody property has 9.86 acres. A recorded plat in Book of Maps 2010, Page 255 shows both properties. The Hobby property was recombined with another parcel to form a total area of 31.861 acres. The difference between the county and the recorded plat may have to do with a portion of the property being within the existing right of way. The same can be said for the Cody property. There is a difference that can be attributed to the right of way. For the purposes of this reporting, the recorded plat will be used as a reference and the county assessor used for valuation.

Irregular in shape, the properties have a northern border that is staggered. They have an approximate length of 1,002 linear feet. The Hobby property has an approximate length of 779 linear feet with the Cody property adding 233 feet. On the Hobby property the lower portion of this length has 465 linear feet and the upper portion has 314 linear feet. Like the northern border, the western property line is staggered as well. The full length of the property line contains

approximately 2,131 linear feet. The northern portion of this staggered boundary contains 485 linear feet. The lower portion of this staggered boundary has 1,646 linear feet.

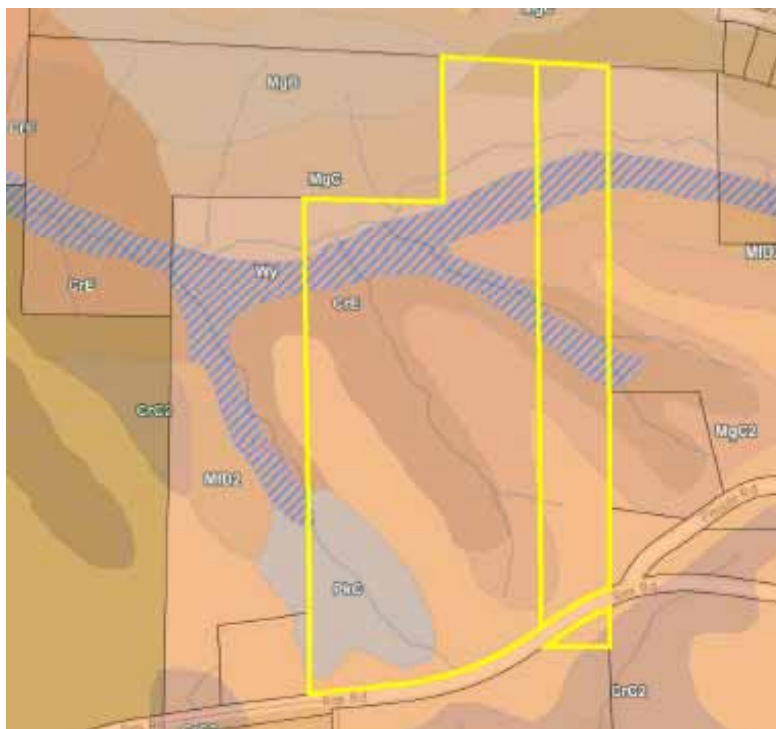
The eastern property line of the Hobby property separating the Hobbies from the Cody property has 1,879 linear feet. The eastern line of the Cody property contains approximately 1,733 linear feet before hitting the Rex Road right of way. A small portion of the Cody property crosses Rex Road. This property line is fairly one dimensional. It abuts the neighbor to the east along its full length. The southern property line follows the contours of the right of way for Rex Road. The plat identifies eleven calls across the right of way for Rex Road.

Utilities

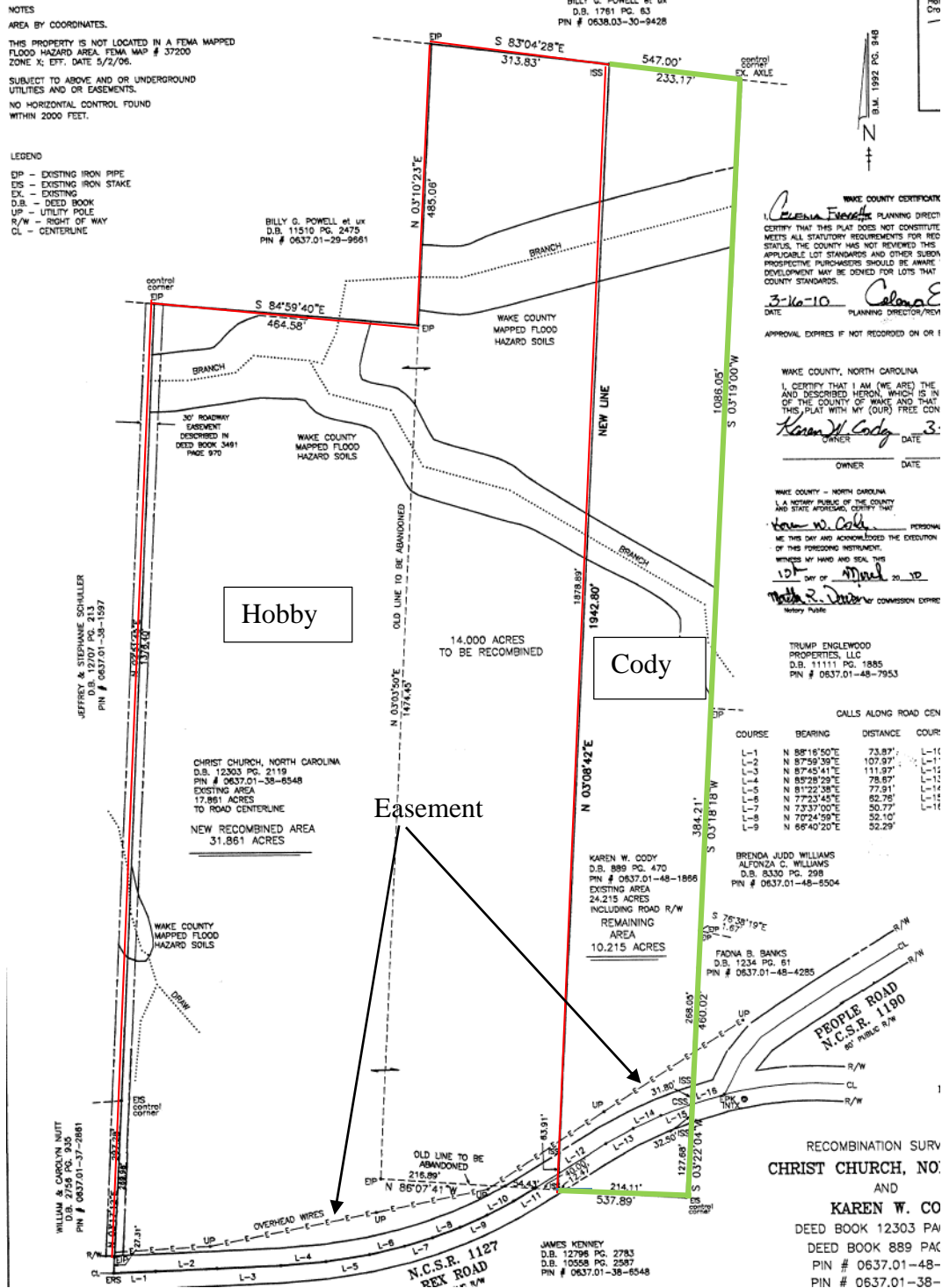
A review of maps extracted from the Town of Holly Springs noted that municipal water and sewer are not present to the subject at this time. They are making their way through the Bridgeberry development that is under construction at this time. This the property is reliant upon well and septic operations.

Soil/Subsoil Analyses

A review of the Wake County soil maps was completed on the Wake County GIS and the US Department of Agriculture-Soil and Conservation Service. The subject is described as having a four types of soils and one of the four complexes has four sub-classifications with Mayodan-(MgB, MgC, MgC2 & MfD2)- are rated soil bases with a moderate percolation rate. These represent the better class of soil base for the subject. Creedmoor-(CrE) & (CrC2), Pinkston-(PkC) and Worsham-(Wy) are noted as having severe issues relative to percolation or absorption. Pinkston is noted as having a 2-5 foot depth before potentially striking rock. Worsham is noted to typically flood.



This appraisal assumes there to be no hidden, unapparent, or apparent conditions of toxic materials which would render the property less valuable. The appraiser is not an expert in such matters, and an appropriate engineering study may be necessary in order to determine the presence or absence of such substances. None were observed during the inspection.



This map identifies the Cody property as having 10.215 acres; however, approximately 0.35 acres are within the right of way. The county references 9.86 acres. The Hobby property is cited as having 31.861 acres. They have a portion noted within the right of way to which the county recognizes only 31.30 acres.

Environmental Hazards

Unless otherwise stated in this report, the existence of hazardous substances, including but not limited to asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions on the site and their existence was not seen or brought to his attention.

If the presence of such substance, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimate is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions nor is any assumed for any expertise or engineering knowledge required to discover them.

Easements/Right-of-Way/Deed Restrictions

A review of the deed doesn't highlight any reference to an existing easement. However, the recorded plat references a distribution easement across the front of the property along Rex Road. There is no reference to a specific recordation of this specific easement. During the inspection, the physical presence of the distribution line was noted. Other than these references, there were no other easements or set of restrictions noted to be associated with the subject property.

Floodplain Map

Through a search of the flood plain maps provided by the Federal Emergency Management Agency (FEMA) under the National Flood Insurance Program, the subject is located within FIRM Map #3720062600J dated May 2, 2007. The area where the subject is located is chartered in Zone X. Zone X is outside the 100 year flood prone area.

It is an area of 0.2% annual chance of flood and an area with a 1% chance of flood within an average depth of less than one foot or a drainage area of less than one square mile. While the national map shows the area as Zone X and a non-flood zone; it doesn't correspond with what was seen as of the date of inspection. The county has a better reflection of the area based on the existing development.

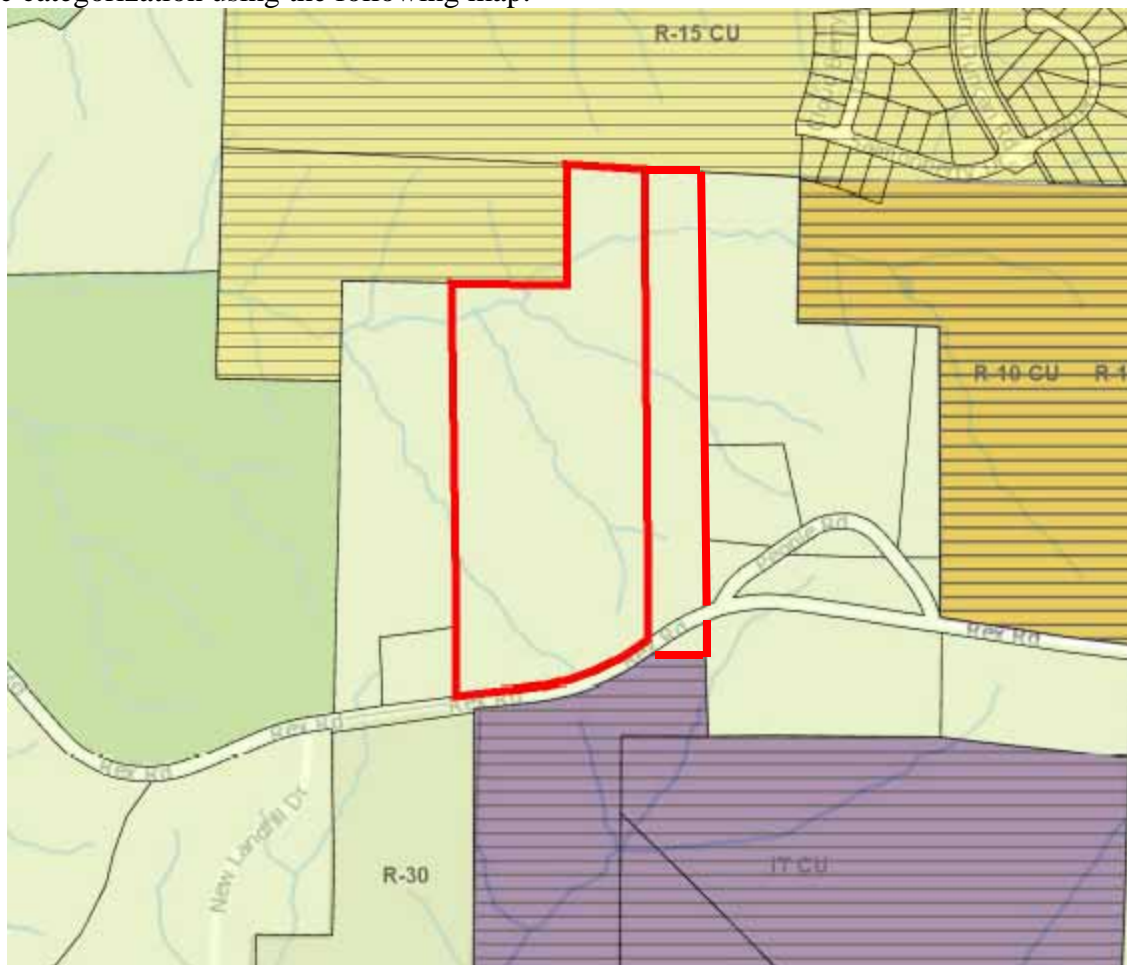


DESCRIPTION OF THE IMPROVEMENTS

There are no improvements to reference for depreciation in association with this property.

ZONING

The subject is highlighted as being within the R-30- Residential. The Town identifies the basic categorization using the following map.



Under Section 2.01, the municipality describes the zoning classifications under the Uniform Development Ordinance (UDO) as follows:

Section 2.01 R-30 Residential District.

Intent – The R-30 *Districts* are established to: allow *agricultural uses*; rural residential uses; conserve the desirable characteristics of the land; preserve prime agriculture land; and, protect open areas and other rural areas from the encroachment of scattered urban-type uses that may inhibit the overall development of the community in accordance with the *Comprehensive Plan*. The R-30 *District* should be located near the periphery of the jurisdictional boundary in areas not expected to be developed for intensive urban or suburban uses.

Within the RA district, there are 24 permitted uses cited to the public and 21 specialty uses cited. Other cited requirements associated with the RA zoning are as follows:

A. Permitted Uses.

1. *Primary Uses.*

- a. Residential: One (1) *single family dwelling per lot*; or One (1) *manufactured dwelling unit per lot* – See Section 2.08, I. – Appearance and Dimensional Criteria for Manufactured Homes; or One (1) *family care home* – See Section 8.02 – Special Regulations for Family Care Homes. [Amended Ordinance #13-09]
- b. Agricultural Uses: Agricultural Crop Production; Commercial Plant Nurseries & Greenhouses; Storage and Primary Processing of Agricultural Products Produced on the Premises; Storage of farm vehicles, farm equipment, and farm materials by the operator of such farm; Tree Farm.

2. *Special Exception Uses.*

- a. Agricultural Uses: Agricultural Livestock Production; Commercial Breeding of Non-Farm Fowl and Animals; Commercial Chicken House, Yards or Hatcheries; Confinement Feeding Yards; Dairy; Liquid Fertilizer Storage and Distribution (Commercial); Plant Nursery (Wholesale); Roadside Food Sales Stand; Sales Barn for Livestock Sale; Slaughterhouse. [Amended Ordinance #11-07]
- b. Communication/Utilities: *Telecommunications Tower*; Electricity Relay Station; Non-municipal Utility Substation; Public Wells; Non-municipal Pumping Station; Non-municipal Sewage Treatment Plant; Telephone Exchange; Water Tower; Non-municipal Water Treatment Plant. [Amended Ordinance #11-07, Ordinance #15-10]*
- c. Educational Use: Kindergarten; *Child Care Ministry*; *Family Child Care Home*; *School* – Public or Private. [Amended Ordinance #11-07]
- d. Governmental Use: Fire Station; Municipal / State Road Maintenance Facility; Penal or Correctional Institution; Police Station. [Amended Ordinance #11-07]
- e. Miscellaneous: Agricultural Seed Sales; *Artificial Lake*; *Bed & Breakfast*; Cemetery or Crematory; Farm Equipment Sales and Service; *Kenel*; Mineral Extraction, Borrow Pit, Topsoil Removal and Storage Areas; Radio / Television Station; Radio / Television Station, including transmission towers; *Tourist Home*; Veterinary Hospital; Veterinary Hospital, including boarding. [Amended Ordinance #11-07]*
- f. Public Facilities: Airport, Public or Private; Community Center; Landing field, private; *Neighborhood Recycling Collection Point*; Public Park; *Religious Use*; *Recycling Facility*; Transit Stop. [Amended Ordinance #11-07]*

- g. Recreation: Amusement Park; Bait Sales; Ball or Soccer Fields; Campground; Country Club; Fairgrounds; Golf Course; Golf Driving Range; Lodge, Fraternal Organization or Private Club; Outdoor Commercial Recreation Enterprise; Private Camp; Private Recreation Development; Riding Stables Or Trails; Swimming Pool, public or private. [Amended Ordinance #11-07]*
- h. Residential: *Accessory Dwelling*; *Group Home*. [Amended Ordinance #11-07]*
- 3. *Accessory Uses* – See Section 2.08, A. – Accessory Uses, Buildings and Structures.
- 4. *Temporary Uses* – See Section 2.08, B. – Temporary Uses, Buildings and Structures.
- 5. *Home Occupations* – See Section 2.08, C. – Home Occupations.

B. *Development Standards.*

The *development standards* contained in this sub-section shall be applicable to all *lots* in the R-30 *district*. The additional regulations contained in Section 2.08, F. – Additional Development Standards may also be applicable. The additional regulations contained in Section 2.08, H. – Maintenance of Buffer Areas may also be applicable to a *lot* located adjacent to a *perimeter street* or a boundary of a *major subdivision* as established by the *preliminary plan* for the *major subdivision*.

- 1. Gross Density and Lot Area:
 - a. Maximum *gross density* – 1.25 *dwelling units* per acre.
 - b. Minimum *lot area* – 30,000 square feet.
- 2. Minimum *Lot Width* – 120 feet.
- 3. Minimum *Lot Depth* – 200 feet.
- 4. Minimum *Lot Frontage* – 100 feet on a *public street* and gain direct *access* from said *public street*.
- 5. Minimum Yards and Minimum Building Setbacks.

The following *minimum yard* and *minimum building setback* requirements shall apply to all *buildings* and *structures*, unless specifically provided otherwise:

- a. Front - a *minimum front yard* and *minimum building setback* measured from the greater of the *proposed right-of-way* or existing *right-of-way* shall be provided as follows:

<i>Freeway – NC-540 / US 1: [Amended Ordinance #14-07]*</i>	100'
<i>Freeway – NC 55 Bypass:</i>	100'
<i>Thoroughfare: [Amended Ordinance #13-09]</i>	50'
<i>Collector Street:</i>	20'
<i>Local Street / Cul-de-Sac Street:</i>	20'

The *driveway* length shall be in compliance with the Town of Holly Springs' Engineering Design and Construction Standards. [Added Ordinance #10-11]

- b. Side - a minimum *side yard* and minimum *building setback* shall be provided along all *side lot lines* as follows:

- (1) *Primary Building* – 10 feet.
- (2) *Accessory Building or Structure* – 10 feet.

[Amended Ordinance #10-11]

- c. Rear - a minimum *rear yard* and minimum *building setback* shall be provided along all *rear lot lines* as follows:

- (1) *Primary Building* – 50 feet.
- (2) *Accessory Building or Structure* – 25 feet.

6. Use of Minimum Yards.

All *minimum yards* shall be landscaped with grass, trees, shrubbery or other suitable vegetative ground cover and be maintained as open space free from *buildings or structures* except where expressly permitted by Section 2.08 – General Regulations for Residential Districts. [Amended Ordinance #15-10]*

7. *Maximum Building Height*.

- a. *Primary Building* – 35'
- b. *Accessory Building or Structure* – the lesser of twenty-five (25) feet or the height of the *primary building*

8. Minimum *Off-Street Parking* – two (2) *off-street parking spaces* per *dwelling unit*.

9. Minimum *Off-Street Loading* (applicable to non-residential *uses*) – See Section 7.05 – Off-Street Loading Regulations.

10. *Signs* – See Section 7.03 – Sign Regulations.

11. Exception to *Development Standards for Agricultural Uses* – Notwithstanding anything in this UDO to the contrary, *buildings or structures* which are essential to a permitted *agricultural use* shall not be subject to the regulations of Section 2.01, B., 7. – Maximum Building Height or Section 2.08, A., 3., a. – Accessory Buildings of this UDO.

C. *Development Options.* [Amended Ordinance #10-11]

Any proposed *single family dwelling subdivision* located in the R-30 *district* shall be eligible to utilize the *development options* set forth in Section 2.09 – Development Options of this UDO. [Amended Ordinance #10-11]

Given how large the subject parcel is and that no improvements are present, the ability to accommodate the existing zoning would be somewhat effortless. The issue with the zoning relative to development would be the capacity of the soils to handle development.

ASSESSMENT AND TAXES

Wake County property taxes are levied against the property every year. The same applies to property within the Town of Holly Springs jurisdiction. The published tax rates for 2019 are as follows:

Wake County-	\$0.7207 per every \$100 of assessed value
Holly Springs-	\$0.4825 per every \$100 of assessed value
Combined assessment rates-	\$1.203 per every \$100 of assessed value

Only the county rate applies to the subject at this time. While it is within Holly Springs' ETJ, the subject has not been annexed into Holly Springs limits. Thus, only county rates apply.

The assessment for the subject property is as follows:

Parcel NUMBER	LAND SIZE (AC)	Improvement Value	OTHER OB/XF VALUE	LAND VALUE	TOTAL ASSESSMENT
0637-38-8616	31.861	\$0	-0-	\$1,653,157	\$1,653,157
0637-48-3806	9.86	\$0	-0-	\$603,828	\$603,828

Combined Totals \$2,256,985

The assessment for the subject is \$2,256,985. This is a new assessment for the subject that began January 1st 2020.. Applied to the assessment rate or \$0.7207 per every \$100 of assessed value, the following tax is calculated.

$$\$2,256,985 \div 100 = \$22,569.85 \times \$0.7207 \text{ assessment rate} = \$16,266.11$$

The assessment for these properties are based off of a mass appraisal study. As part of a state program, the owners-Hobby, have placed their portion of the subject in a forestry management program. This allows the owners to classify their property as being in a type of agricultural use. This classification allows the owners to have their taxes reduced or “deferred” until such time the owners seek to sell and close on the land to another party. At that time, the owners will be

responsible for three plus one years in back taxes at the assessed rate. This could amount to as much as \$47,657.20. For now, the owners are held to an assessment of \$3,599 by the county. This amounts to \$25.93 in taxes.

HIGHEST AND BEST USE

The highest and best use for real property can be defined as follows:

*"the reasonably probable and legal use of vacant land or an improved property, that is physically possible, appropriately supported, financially feasible, and that results in the highest value."*²

The first type of highest and best use, the highest and best use of the land or a site as though vacant, assumes that a parcel of land is vacant or that it can be made vacant through the demolition of any improvements. The question to be answered in this type of analysis is "what use should be made of the property?" That is, what type of building or other improvement (if any) should be constructed on the land?

The second type of highest and best use, highest and best use of a property as improved, pertains to the use that should be made of the property, as it exists. Should the existing improvements be maintained, renovated, expanded, partially demolished, or replaced with a different type of use.

The purpose of the highest and best use analysis is different for each type of highest and best use examined. For each type of highest and best use, the criterion in a highest and best use study are the highest and best use must consider whether something is 1) physically possible, 2) legally permissible, 3) financially feasible and 4) maximally productive. "Market analysis begins the process of narrowing the focus of the analysis from a broader macro-economic view to data that is especially pertinent to the subject property."³

As If Vacant

Physically Possible

The subject is physically two parcels with more than 41 acres for consideration. The properties are not physically supported by municipal services. While development is taking place in phases behind the two properties and to the east, the municipal lines for water and sewer have not expanded to the either at this time.

Another quality within the two properties is the soil base. They are comprised of four different soils. Only one has the quality of a moderate percolation rate. The rest of the soils are classified as being, wet, having severe or poor quality for percolation or the soil is characteristic of having rock formations within shallow depths. All of these are issues that will require geotechnical examinations and engineering to maximize use.

The properties have access to a public right-of-way and they have more than 1,073 linear feet of frontage for exposure. The topo graphics begin at the road frontage with an elevation of approximately 366±' and slopes to the rear to an elevation of approximately 304'. In the northern

² The Dictionary of Real Estate Appraisal, Sixth Edition (Appraisal Institute, Chicago, Ill) © 2015, page 109

³ The Appraisal of Real Estate, 14th Edition, (Appraisal Institute, Chicago, Ill.) © 2013, page 331

portions of the property there are three tributaries that are feeders contributing to the White Oak Creek system.

Legally Permissible

Legally, the properties are zoned R30 residential. As part of the Holly Springs ETJ, Holly Springs assigns this to periphery boundary property “not expected to be developed for intensive urban or suburban uses” (Holly Springs UDO-Section 2.01 R-30 Residential District). The minimum requirement allows 30,000 square feet of land space per occupied lot. Any designated lot will have to have a minimum of 120Lft if located off a designated right of way and 100Lft if fronting along a designated right of way. With proper engineering, these minimums could be met; however, the extent of the number of lots is not known without a study of the property and a layout or site plan for approval.

All plans for use within the Holly Springs ETJ will have to be approved before their Town board. This is a common legal hurdle for all developments in the Wake County area. The presiding municipality has the say over site plan approvals. This approval process would include a soil study to support the desired plan and it would consider the three tributary formations that are a part of the White Oak Creek System. These tributaries are most likely delineations that fall under the jurisdiction of the US Army Corps of Engineers for approval. The Corps and the North Carolina Department of Environmental Quality (NCDEQ) work closely with one another to regulate development and to set minimum standards for development near water features throughout the state. Legally, all of these issues will present themselves and have to be addressed before any level of development can take place on the subject.

Financially Feasible

Land can either lease or sell. Most prevalent in the greater market has been the selling of land. A lease is driven by excess demand and the desire to want to be in a specific location that will yield a return indicative of the desired investment. This type of pressure is not present when considering the subject as though vacant. The subject's neighborhood has attracted individual homeowners to the region in the past. Of recent, national builders have made acquisition of acres that expand between Avent Ferry Road and Rex Road. This has moved use from a managed forestry use in some cases to a more intense use for residential purposes. It is not common market activity for vacant residential land of this nature to lease. Leasing property for development purposes occurs where intense populations and traffic corridors converge. This is not the environment surrounding the subject.

The financial probability for success as a vacant parcel is within the selling of the property as oppose to leasing. Vacant parcels are not leasing for anything other than agri-production and in those cases, the location, zoning, and total acreage is what drives the want to lease. The subjects are not in “agri-use” as in crop production. The present value of money will yield the greatest return to the investor. Noting past sales of similar type properties indicates the recognition of its financial feasibility.

Maximum Productivity

Physically, the subject properties have accessibility from Rex Road. Municipal water and sewer are not present. A distribution power line is noted across the front of the properties along the right-of-way. Any form of construction will have to rely on the content of the soils to promote a serviceable environment, i.e. septic operations. The soils will need to be tested to identify where development or the placement of improvement can go regardless of the desired improvement.

The legal structure of the location is twofold. The first is the present zoning. There are minimums that seem easily met given the number of acres that are present. Second, there is the issue of the tributaries feeding into the White Oak Creek system. If development were to extend to the northern portions of both properties, this issue would become paramount to address. If only modest use of the greater whole were proposed, the impact from the state and the US Army Corps of Engineers would be moot.

Trending to the north of both properties is growth in the form of residential development. This growth in the form of subdivisions is expanding from Avent Ferry Road to Rex Road to the east of the subject. Industrial use is across from the parcels on land owned by Hanson Aggregates. The base of those operations are away from public view. A soccer park is diagonal from the Hobby property across Rex Road and single family use is in the southwest corner of the Hobby property. All other boundaries have vacant lands owned by private individuals that are forested, cleared or have a single family dwelling present. The impact of the subdivision growth is not fully in focus.

The country is trying to come out of a pandemic situation in association with the coronavirus. This has altered progress in many areas and it has forced businesses to close since February of 2020. Had this not occurred, the prospects for the subject to potentially be consumed by the residential growth could have been viewed as sooner as oppose to later. However, the real estate community is having to adjust to the issues at hand. And the present issue is that people are not at work because they have been forced to stay at home.

Based on this and all of the physical qualities associated with the subject and the legal zoning as of the date of inspection, the highest and best use for this property is modest residential use with the need to sustain the remainder into the forestry management program to defer taxes.

As If Improved

The subject is not physically improved with any man-made structures at this time. As noted, there is trending to the north and east of the subject towards residential subdivision occupation. As the subdivision expands across the landscape, the developers bring with it a full complement of municipal services. As well, they are reengineering the landscape to support the infrastructure and the planned number of houses. The subject abuts the activity to the north. Because of the impact of the coronavirus, the likelihood of an immediate change in association with the subject is stalled. Unemployment within the workforce has jumped to 14.7% in three months due to the stay at home order by the government. The impact of all of this and just how fast the government restrictions will be released is not fully known at this time. Although committed to immediate projects to the north, developers may not be seeking to expand further until the effects of the stay at home restrictions can be fully weighed towards their future impact. As a result, the impact of the subject as improved isn't or its future improved use is not in focus. And it will not be until the issues surrounding the restrictions of the corona virus have been put to rest. Thus, the highest and best use remains as vacant which is modest residential use with any excess acres sustained within the existing forestry management program.

PREFACE TO VALUE

The estimated value of a property is contingent on particular sales at a particular time and upon all factors affecting real estate within that particular area. The valuation techniques generally employed include the cost, income and sales comparison approaches to value.

In the cost approach, the value of the land is estimated separately by analysis and comparison with recent sales of similar type properties. The estimated value of the improvements is based on a replacement cost new less depreciation from all causes, i.e., physical deterioration, functional and economic obsolescence. The summation of the estimates of value for land and improvements produce an indication of total property value by the cost approach technique.

The technique for the sales comparison approach is the overall comparison of a property including land and improvements with recent sales of other similar type lands or improved properties. Valuation adjustments are made to the known price of the sale property for all noted dissimilarities. In the sales comparison approach, many times there are sales that have favorable financing toward the buyer; thus, adjustments are also made for cash equivalency.

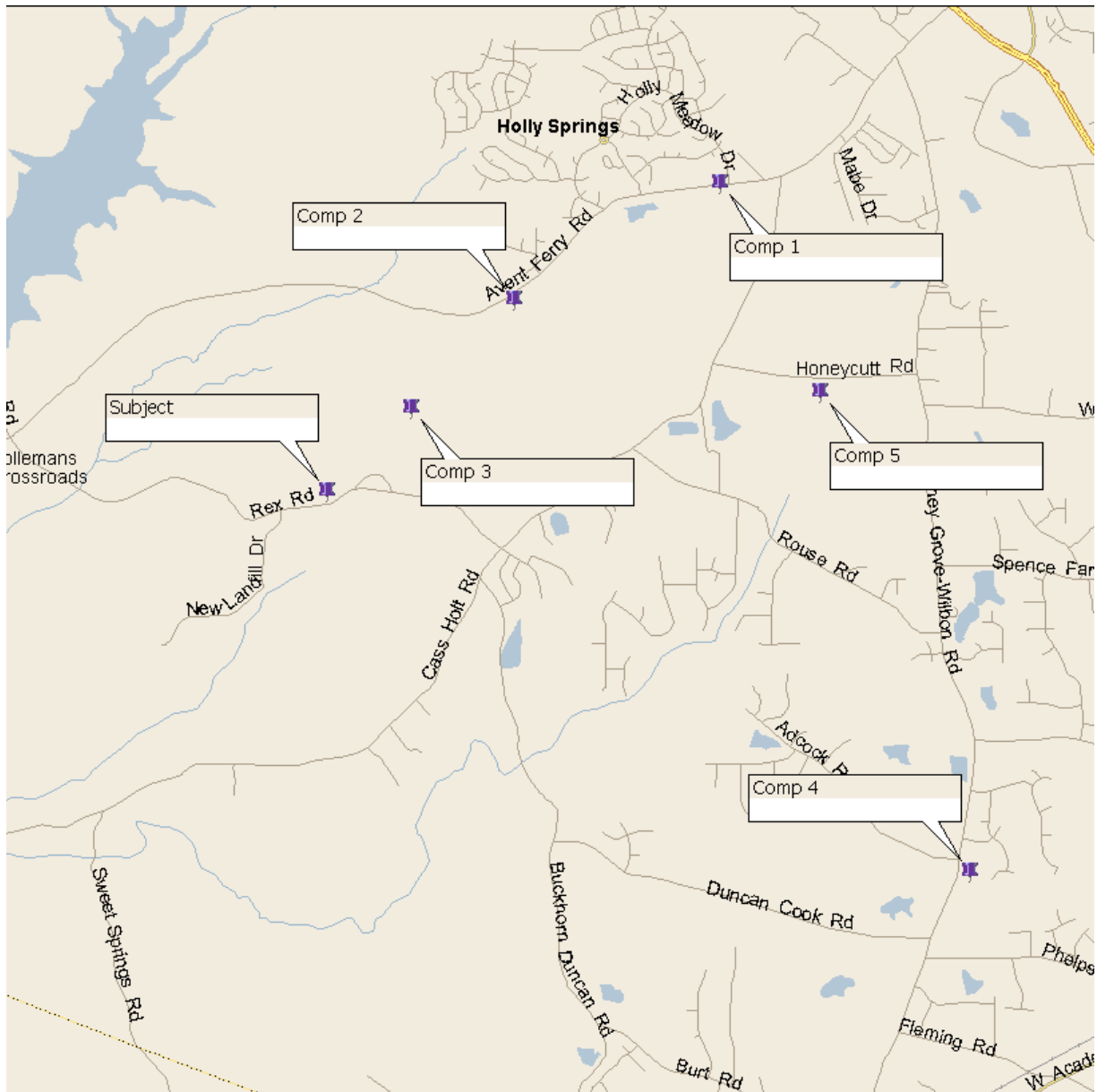
The income approach is based on the capitalization of the income stream and is used primarily in income producing properties. Vacancy and collection losses are two items subtracted from the gross income in order to arrive at an effective gross income. From the effective gross income, other expenses are subtracted in order that a clear picture of the net income can be analyzed. The net income is capitalized using rates extracted from market data. This computation indicates an estimate of value for the subject property by the income approach.

OMISSIONS TO THIS REPORT

In this report, a vacant land Sales Comparison Approach will be presented. With no improvements to consider, a depreciated cost is not employable. The income approach will not be explored. There is nothing being leased of value. The Sales Comparison will be the central focus for trying to establish value.

SALES COMPARISON APPROACH

Under the Sales Comparison Approach, unimproved sales were reviewed within the given market. The qualities of the sales are highlighted and compared to the qualities found within the subject. A transfer of property from one individual or entity to another is usually a “meeting of the minds”. It assumes that an informed buyer would pay no more for a property than the cost of acquiring an existing or substitute property with equal utility. The sales that are being presented were adjusted based on a comparison with the subject.



Comparable Land Sale One

Property Identification

Record ID:	1121201901
Property Type:	Residential
Address:	1633 Avent Ferry Road, Holly Springs, NC
PIN:	0648-24-4386
REID:	0439335

Sales Data

Grantor:	Timothy Congleton, unmarried
Grantee:	Sind Holdings, LLC
Sale Date:	July 13, 2017
Deed Book/Page:	Deed Book 16844, Page 864, Wake Co.
Property Rights:	Fee Simple
Verification:	T. Congleton, grantor

Sales Price:	\$265,000
Cash Equivalent:	\$265,000 Cash to seller
Revenue Stamps:	\$530.00

Land Data

Land Size:	4.50 acres
Zoning:	R-30 Holly Springs
Topography:	Sloped
Utilities:	No water or sewer present. In vicinity
Shape:	Irregular
Drainage:	Adequate
Frontage:	222' along Avent Ferry

Indicators

Sales Price per Acre:	\$58,889/acre
Sale Price Per Sq. Ft.:	\$1.35/sf

Comments: This property has actual frontage along Avent Ferry Road with a dedicated point of ingress.



Comparable Land Sale Two

Property Identification

Record ID:	1121201902
Property Type:	Residential
Address:	2205 Avent Ferry Road, Holly Springs
PIN:	0638-81-0828
REID:	0021750

Sales Data

Grantor:	Best Buddies, LLC
Grantee:	2mm LLC
Sale Date:	April 12, 2018
Deed Book/Page:	Deed Book 17095, Page 1820, Wake Co.
Property Rights:	Fee Simple
Verification:	H. Farthing, grantor

Sales Price:	\$415,000
Cash Equivalent:	\$415,000 Cash to seller
Revenue Stamps:	\$830.00

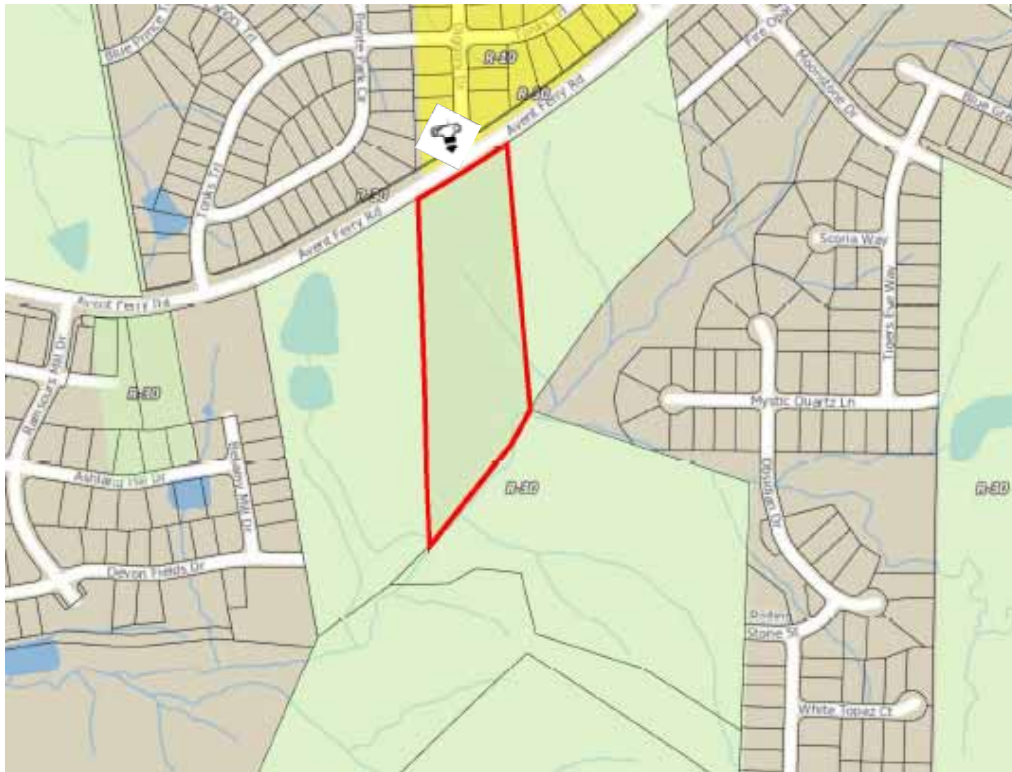
Land Data

Land Size:	8.20 acres
Zoning:	R-30 Holly Springs
Topography:	Slight Grade
Utilities:	All municipal are present
Shape:	Irregular
Drainage:	Adequate
Frontage:	348' along Avent Ferry Road

Indicators

Sales Price per Acre:	\$50,610/acre
Sale Price Per Sq. Ft.:	\$1.16/sf

Comments: This is located across from Holly Pointe Subdivision.



Comparable Land Sale Three

Property Identification

Record ID:	1121201903
Property Type:	Residential
Address:	Rex Road, Holly Springs, NC
PIN:	0637-29-9661, 0637-58-7901, 0638-30-9428
REID:	0056645, 0056647, 0047601

Sales Data

Grantor:	Christine Powell, unmarried (50%) and Christine Powell trustee
Grantee:	Taylor Morrison of Carolinas, Inc.
Sale Date:	June 29, 2017
Deed Book/Page:	Deed Book 16830, Page 2668, Wake Co.
Property Rights:	Fee Simple
Verification:	G. Futrell, broker- Grantee

Sales Price:	\$6,778,000
Cash Equivalent:	\$6,778,000 Cash to seller
Revenue Stamps:	\$13,556.00

Land Data

Land Size:	145.02 acres
Zoning:	R-30 Holly Springs at sale
Topography:	Undulating
Utilities:	All municipal adjacent to the property
Shape:	Irregular
Drainage:	Adequate
Frontage:	782' along Rex Road

Indicators

Sales Price per Acre:	\$46,738/acre
Sale Price Per Sq. Ft.:	\$1.07/sf

Comments: This property will be extending the municipal services from the Mills Subdivision to the east of this property.



Comparable Land Sale Four

Property Identification

Record ID:	1121201904
Property Type:	Residential
Address:	Piney Grove Wilbon Road, Holly Springs
PIN:	0646-89-2450
REID:	0139403

Sales Data

Grantor:	Jackie O. Holland & wife, Jane Holland
Grantee:	Christine Powell, unmarried (50%) and Christine Powell trustee
Sale Date:	August 23, 2019
Deed Book/Page:	Deed Book 17550, Page 1321, Wake Co.
Property Rights:	Fee Simple
Verification:	A. Holland, broker, Grantor
Sales Price:	\$225,000
Cash Equivalent:	\$225,000 Cash to seller
Revenue Stamps:	\$450.00

Land Data

Land Size:	3.16 acres
Zoning:	R-30 Wake County
Topography:	level
Utilities:	Municipal water
Shape:	Irregular
Drainage:	Adequate
Frontage:	291' along Piney Grove Wilbon Road

Indicators

Sales Price per Acre:	\$71,202/acre
Sale Price Per Sq. Ft.:	\$1.63/Sqft.

Comments: This is a 3+ acre parcel that can be subdivided.



Comparable Land Sale Five

Property Identification

Record ID:	1121201905
Property Type:	Residential
Address:	2414 Honeycutt Road, Holly Springs
PIN:	0647495739
REID:	0380114

Sales Data

Grantor:	Honeycutt Road 5701, LLC
Grantee:	MI Homes of Raleigh, LLC
Sale Date:	August 12, 2018
Deed Book/Page:	Deed Book 17240, Page 1996, Wake Co.
Property Rights:	Fee Simple
Verification:	G. Young, agent- Grantee
Sales Price:	\$8,061,500
Cash Equivalent:	\$8,061,500 Cash to seller
Revenue Stamps:	\$16,123.00

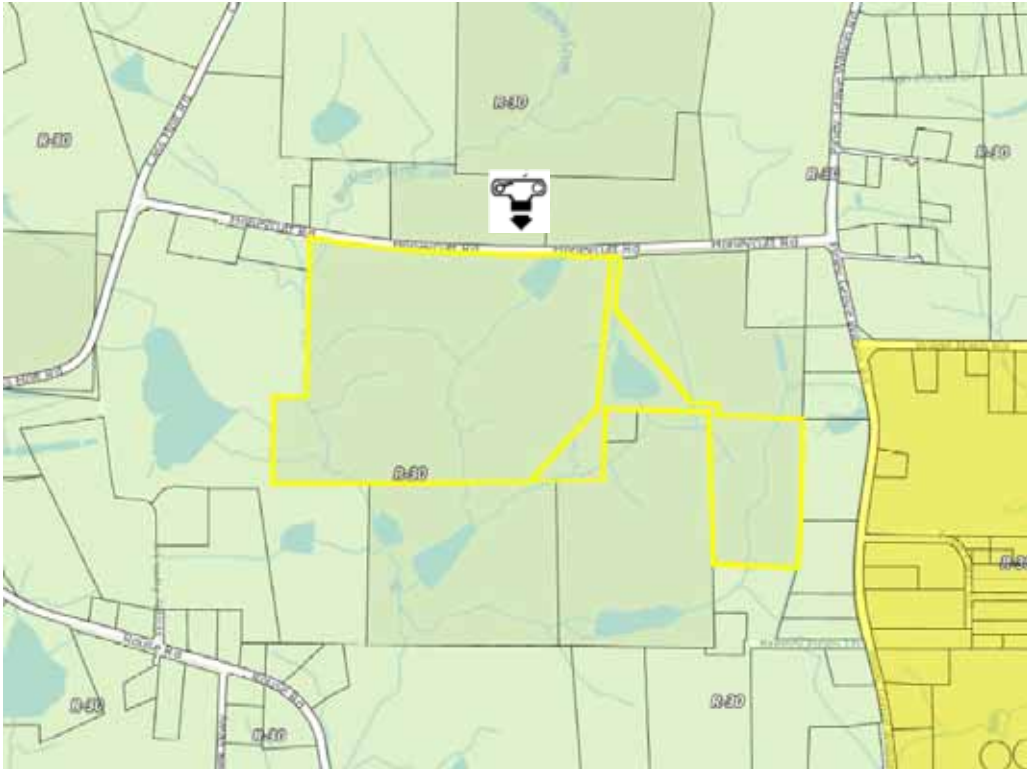
Land Data

Land Size:	90.97 acres
Zoning:	R-30 Holly Springs
Topography:	level
Utilities:	Municipal services present
Shape:	Irregular
Drainage:	Adequate
Frontage:	2,038' along Honeycutt Road

Indicators

Sales Price per Acre:	\$88,617/acre
Sale Price Per Sq. Ft.:	\$2.03/Sqft.

Comments: At the time of sale, the property was a residence with a 2,414 square foot brick dwelling present.



Hobby & Cody Family Report Land Sales Adjusment						
	Subject Property	Comparable Land Sale 1	Comparable Land Sale 2	Comparable Land Sale 3	Comparable Land Sale 4	Comparable Land Sale 5
Location	2209	1633	2205	0	0	2414
	Avent Ferry	Avent Ferry	Avent Ferry	Rex Road	Piney Grove Wilbon	Honeycutt Road
	Holly Springs	Holly Springs	Holly Springs	Holly Springs	Holly Springs	Holly Springs
Inspec/Sale Date	Aug. 19, 2020	Jul. 13, 2017	Apr. 12, 2018	Jun. 29, 2017	Aug. 23, 2019	Aug. 12, 2018
Sale Price	N/A	\$265,000.00	\$415,000	\$6,778,000	\$225,000	\$8,061,500
Size	31.861 acs & 9.86 acs	4.50	8.20	145.02	3.160	90.970
Price per Acre		\$58,889	\$50,610	\$46,738	\$71,203	\$88,617
Sequential Adjustments For Elements of Sale						
Property Rights	N/A	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment	N/A	0%	0%	0%	0%	0%
Adjusted Value	N/A	\$58,889	\$50,610	\$46,738	\$71,203	\$88,617
Financing Terms	N/A	Market	Market	Market	Market	Market
Adjustment	N/A	0%	0%	0%	0%	0%
Adjusted Value	N/A	\$58,889	\$50,610	\$46,738	\$71,203	\$88,617
Conditions of Sale/time	August 19, 2020	July 13, 2017	April 12, 2018	June 29, 2017	Aug. 23, 2019	Aug. 12, 2018
Adjustment	N/A	0%	0%	0%	-20%	-40%
Adjusted Value	N/A	\$58,889	\$50,610	\$46,738	\$56,962	\$53,170
Cumulative Adjustments For Physical Characteristics						
Location	Average	0%	0%	0%	0%	0%
Size/Shape/Topo	31.861 acs & 9.86 acs	0%	0%	0%	0%	0%
Municipal Utilities	None	0%	0%	0%	0%	0%
Net Adjustment	N/A	0%	0%	0%	0%	0%
Adj. Unit Price/Lot	N/A	\$58,889	\$50,610	\$46,738	\$56,962	\$53,170
Avg. Adj. Unit Price	\$53,274					

ANALYSIS OF ADJUSTMENTS

Property Rights

Each of the comparable sales was confirmed to be a transfer of the fee simple estate. Mineral rights were not severed as part of the sales agreements in association with the closings noted. Therefore, no adjustment is warranted.

Financing Terms

Each comparable was confirmed to be a “cash to seller” transaction. No special financing was in place that could be attributed to the network of banks and institutions insured through the Federal Deposit Insurance Company or FDIC.

Conditions of Sale/Time

None of the sales were sold under any plan associated with a financial burden that would have been considered a cause and effect such as foreclosure. However, Sale Five was adjusted for being entitled which was a condition of sale. The effort to entitle a property is a capital cost to the development company in order to achieve subdivision status and the scale of the proposed development. Not shown within this report is a sale to the north and east of the subject from Avent Ferry Developers, LLC to Lennar Carolinas, LLC where Lennar purchased 67.68 acres of entitled land for \$107,299/acre. This occurred February 3, 2020. Again, the cost to entitle property is

significant. Lennar purchased the remainder land and entitlements to the Mill at Avent Ferry that is north of the subject locations.

Sale Four was adjusted for a condition of sale. The grantee wanted to be in this vicinity of Fuquay-Varina. The property could be subdivided in to three lots. This aspect had already been expored by the grantors. While it isn't clear if the grantee would follow through with the construction of the subdivision, the adjustment was made because the option was there. The sales noted are from recent times and the market is fortunate to have sales that have closed in such proximity to one another. No time adjustments have been applied.

Physical Adjustments

Location

The sales found within Holly Spring market. All had frontage along a state maintained right of way. Some of the sales had access to municipal water. Others were near enough to sewer that they would have to incur some proportion of off-site development costs to obtain a municipal sewer connection. Even with the potential for a connection, the need to engineer a gravity flow would fall to the potential development company. This cost adds into the overall concept of the development, the capital expended and the prospect of obtaining a return by spreading the costs over the greater whole of the development. By considering such factors, the buyers were able to settle on a price for purchase. Like the subjects, the sales are in areas of activity. No location adjustments were applied. They are all in the vicinity of the subject properties.

Size/Shape/Topography

The motivation for the issues of size, topography and shape to weigh on a sale price is often difficult to surmise. The parties closing on their desires have usually consumed these factors within their thoughts and these along with other prospects resulted in a meeting of the minds. From my conversations with the parties associated with the closed sales, I was not able to define an adjustment to apply for these specific qualities. Thus, no adjustment for those qualities was applied.

Zoning/Utility

All of the sales have the basic residential format in terms of zoning. Regardless of the density, the zoning did not deter the investors supporting the purchases. The subjects are similar regarding its zoning. On those merits, no adjustments were applied. As well the factors of utilities were not given strength unless the concept was known to be expanding on to the respective property. The only parcel to knowingly have municipal services expanding across its landscape was Sale Five. It was previously adjusted for its entitlements. The expansion of the municipal system was a part of the entitlement package. No adjustments were applied.

In the case of the subjects, they can be held for another year or more as the development of Bridgeberry progresses. The development of the various phases will eventually bring municipal services in proximity to the northern border of the property making them potentially accessible. The lack of access only delays that which might be inevitable. However, the time frame for this

is challenged due to the unknowns associated with our present pandemic restrictions and how well we, as a community, come out of this situation. No adjustment was applied for this issue of utility.

Reconciliation of Sales

All of the sales are within close proximity to the subject properties. The subjects have many features about them that are not conducive towards achieving a maximum value point on a per unit basis. The properties have some difficult soils that will require a certain level of engineering. There are existing tributaries. The physical proximity of utilities is not immediate. However, as other surrounding lands develop, the options for the subjects grow. The subjects have a natural grade from south to north. If a connection from the north is made, this natural grade may prove beneficial to the buyer in achieving a gravity system. Again, that is a future prospect. Today, if developed, the soil base would have to be in contention.

The sales adjusted under some of the same considerations as the subject properties. Achieving entitlements is a huge part of the development prospect and a major consideration when attempting to achieve a meeting of the minds. The buying party usually has to process all of their wants in a forward manner to see what it is they can achieve, weigh the ability to yield a return on the desired development and then they back all of those hypotheticals out to get to a number they feel they can satisfactorily pay for a property to achieve their goal. Many of the sales went through such a forward to backward study before making their decisions.

Before making any adjustments, the sales ranged from a low of \$46,738/acre to a high of \$88,617/acre. This reflected a 89% fluctuation between the low and the high end of the sales. After making adjustments to all of the considered differences, the range from the low to the high was reduced. The net adjustments were \$46,738/acre to \$58,889/acre. This translates into a 26% difference. By removing the high and low extremes, the range tightens to a 13% spread from the high to low value per unit. The adjusted average among all of the sales was \$53,274/acre.

The Cody property is assessed at a level that is not within the majority of the comparables within this area. Additionally, the Cody property has approximately 0.35 acres that are separated from the main body and the property is traversed by two blue line streams that make getting to the rear portion of the property difficult for developers due to regulations governing blue line streams.

Based on data, a rounded value of \$53,000/acre is applied to the subject parcels.

Base Value Estimate:

$\$53,000/\text{acre} \times 31.861\text{acres} = \$1,688,633 \text{ or } \$1,690,000 \text{ rounded}$

And

$9.86 \text{ acres} \times \$53,000/\text{acre} = \$522,580 \text{ or } \$525,000 \text{ rounded}$



Addendum

Tax Cards

	Home	Wake County Real Estate Data		iMaps
		Account Summary		Tax Bills
	Real Estate ID 0047559	PIN # 0637388616	Account Search <input type="text"/>	
	Location Address 6125 REX RD	Property Description RCMB CHRIST CHURCH & KAREN W CODY BM2010-00255	Pin/Parcel History New Search 	
NORTH CAROLINA Account Buildings Land Deeds Notes Sales Photos Tax Bill Map				

Property Owner HOBBY, GREGORY W & JULIE K (Use the Deeds link to view any additional owners)		Owner's Mailing Address 5401 HARDISON RD CHARLOTTE NC 28226-6427		Property Location Address 6125 REX RD HOLLY SPRINGS NC 27540-6438	
Administrative Data Old Map # 816-- Map/Scale 0637 01 VCS 06HS900 City Fire District 23 Township HOLLY SPRING Land Class FOR-FARM ETJ HS Spec Dist(s) Zoning R-30 History ID 1 History ID 2 Acreage 31.30 Permit Date Permit #		Transfer Information Deed Date 10/14/2014 Book & Page 15808 2298 Revenue Stamps 810.00 Pkg Sale Date Pkg Sale Price Land Sale Date 10/14/2014 Land Sale Price \$405,000 Improvement Summary Total Units 0 Recycle Units 0 Apt/SC Sqft Heated Area		Assessed Value Land Value Assessed \$1,656,756 Bldg. Value Assessed Tax Relief Land Use Value \$3,599 Use Value Deferment \$1,653,157 Historic Deferment Total Deferred Value \$1,653,157 Use/Hist/Tax Relief Assessed \$3,599 Total Value Assessed* \$1,656,756	

	Home	Wake County Real Estate Data		iMaps
		Account Summary		Tax Bills
	Real Estate ID 0075142	PIN # 0637483806	Account Search <input type="text"/>	
	Location Address 6209 REX RD	Property Description RCMB CHRIST CHURCH & KAREN W CODY BM2010-00255	Pin/Parcel History New Search 	
NORTH CAROLINA Account Buildings Land Deeds Notes Sales Photos Tax Bill Map				

Property Owner CODY, KAREN WEATHERSPOON (Use the Deeds link to view any additional owners)		Owner's Mailing Address 921 DEERFIELD RD RALEIGH NC 27609-5426		Property Location Address 6209 REX RD HOLLY SPRINGS NC 27540-	
Administrative Data Old Map # 816-- Map/Scale 0637 01 VCS 06HS900 City Fire District 23 Township HOLLY SPRING Land Class VACANT ETJ HS Spec Dist(s) Zoning R-30 History ID 1 History ID 2 Acreage 9.86 Permit Date Permit #		Transfer Information Deed Date 2/10/1999 Book & Page 08247 1723 Revenue Stamps Pkg Sale Date Pkg Sale Price Land Sale Date Land Sale Price Improvement Summary Total Units 0 Recycle Units 0 Apt/SC Sqft Heated Area		Assessed Value Land Value Assessed \$603,828 Bldg. Value Assessed Tax Relief Land Use Value Use Value Deferment Historic Deferment Total Deferred Value Use/Hist/Tax Relief Assessed Total Value Assessed* \$603,828	

Demographic Data

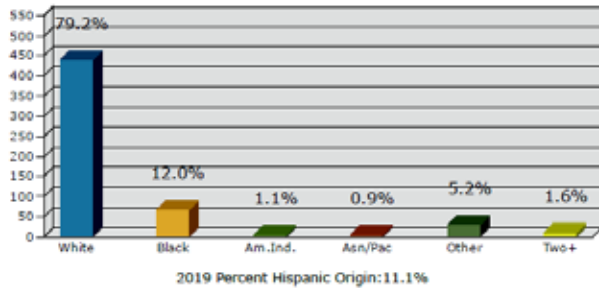


Graphic Profile

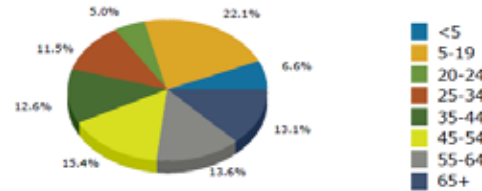
6001-6211 Rex Rd
6001-6211 Rex Rd, Holly Springs, North Carolina, 27540
Ring: 1 mile radius

Prepared by Esri
Latitude: 35.61287
Longitude: -78.88678

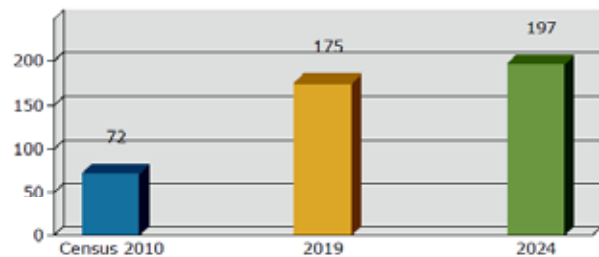
2019 Population by Race



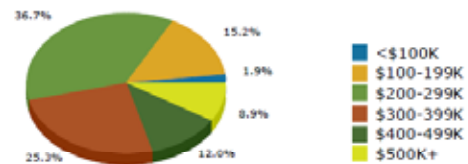
2019 Population by Age



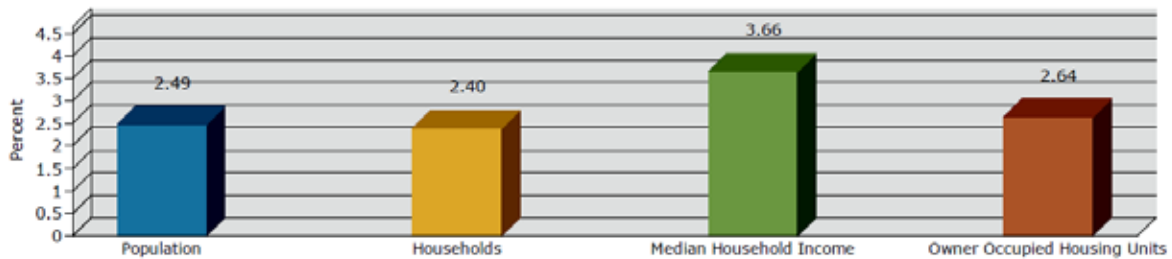
Households



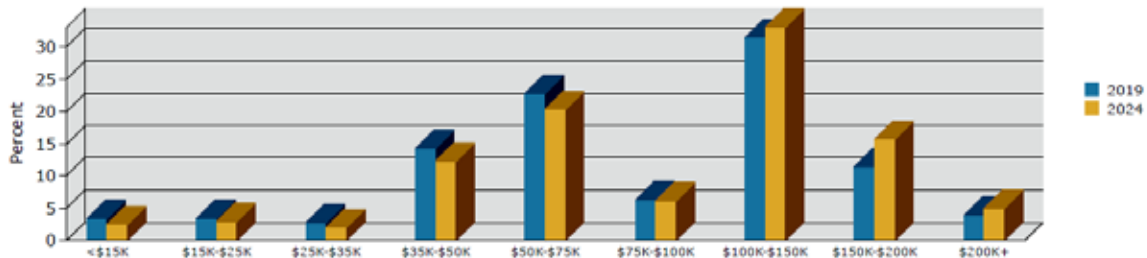
2019 Home Value



2019-2024 Annual Growth Rate



Household Income



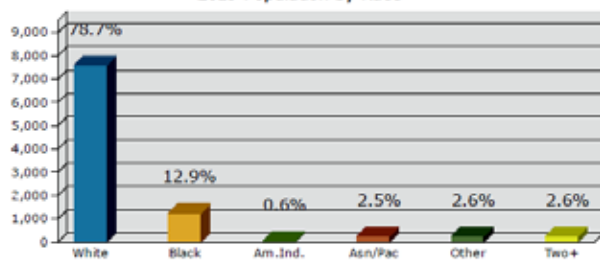


Graphic Profile

6001-6211 Rex Rd
6001-6211 Rex Rd, Holly Springs, North Carolina, 27540
Ring: 3 mile radius

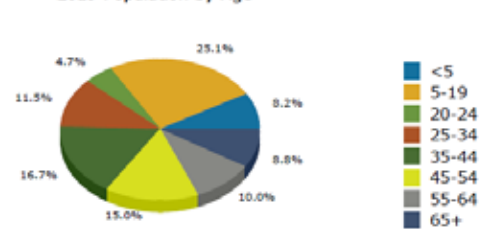
Prepared by Esri
Latitude: 35.61287
Longitude: -78.88678

2019 Population by Race

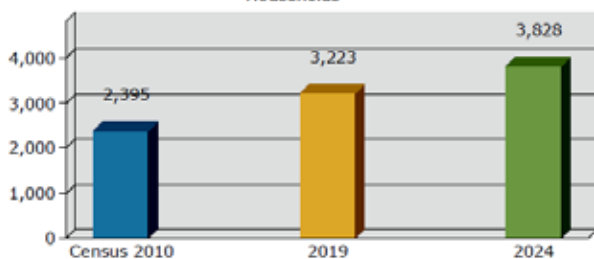


2019 Percent Hispanic Origin: 8.7%

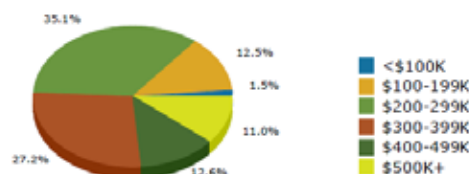
2019 Population by Age



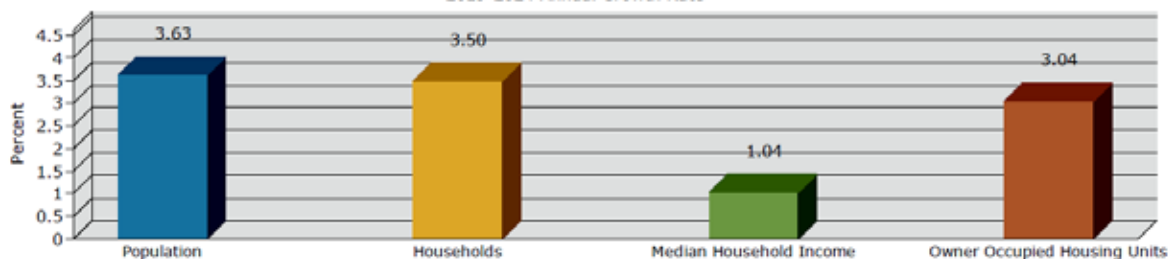
Households



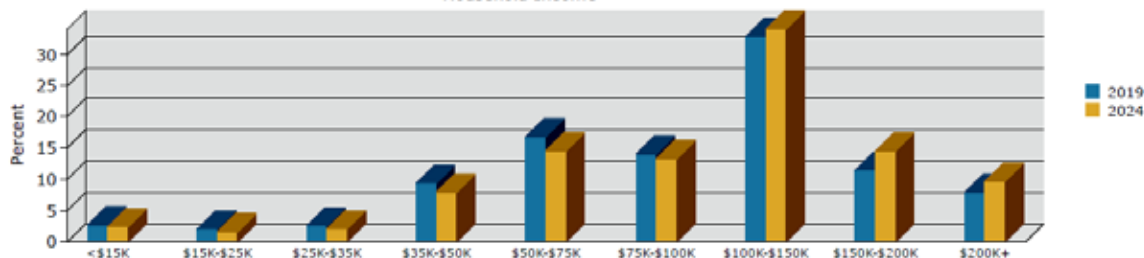
2019 Home Value



2019-2024 Annual Growth Rate



Household Income



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2019 and 2024.

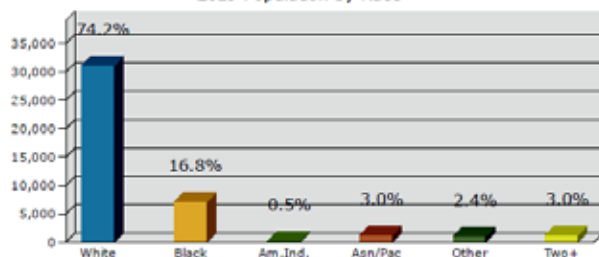


Graphic Profile

6001-6211 Rex Rd
6001-6211 Rex Rd, Holly Springs, North Carolina, 27540
Ring: 5 mile radius

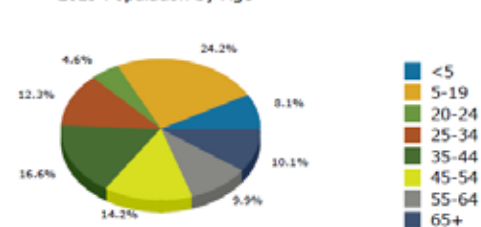
Prepared by Esri
Latitude: 35.61287
Longitude: -78.88678

2019 Population by Race

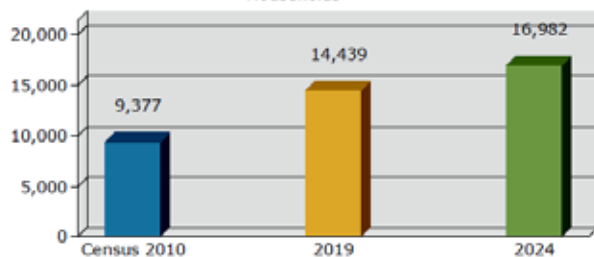


2019 Percent Hispanic Origin: 8.0%

2019 Population by Age



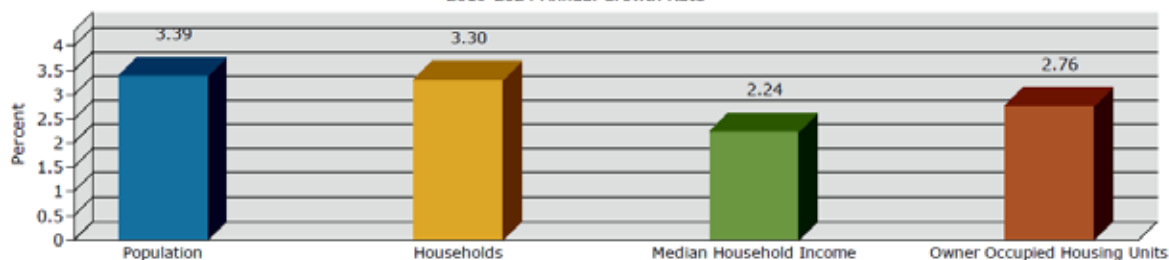
Households



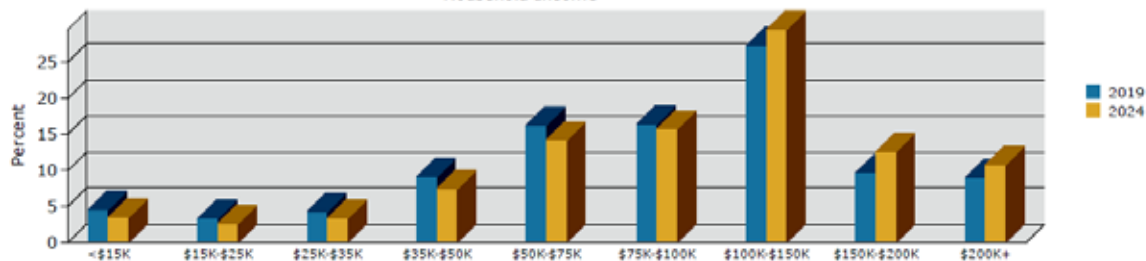
2019 Home Value



2019-2024 Annual Growth Rate



Household Income



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2019 and 2024.

Qualifications

TIMOTHY SEAGLE ALLEN
209 S. Fuquay Ave., Ste. 115
Fuquay-Varina, North Carolina

Employment:

2003--Present	Seagle & Associates- Appraiser, Broker, General Contractor
2000-2003	Carolina Land Acquisitions- Negotiator
1994-2000	Seagle & Associates- Appraiser, Broker, General Contractor
1991-1993	NationsBank - Review Appraiser
1989-1991	Seagle & Associates - Appraisers/Brokers
	Dickinson Appraisal & Realty-Appraiser
1987-1988	McNeill Appraisal Group - Staff Appraiser
1986	Collice C. Moore & Associates - Staff Appraiser
1985	Century 21 Village Realty - Salesman
1977-1984	Military Service- Captain- U.S Marine Corps

Education:

East Carolina University	-Bachelor of Science, Business Administration, 1982
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Coastal Carolina Community College	-Real Estate Sales-1985
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Pitt Community College	-Real Estate Brokerage-1987
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**University of North Carolina	-Capitalization Course A-1987 -Capitalization Course B-1987
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**Arizona State University	-Standards and Professional Practice-1988
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**University of North Carolina	-Valuation and Report Writing-1988 -Case Studies in Real Estate Valuation-1988
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**Ohio State University	-Basic Valuation-1986 -Real Estate Appraisal Principles-1986
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*CI 101	-Financial Analysis for Commercial Real Estate 1996
*CI 102	-Market Analysis for Commercial Investment- 2005
*CI 103	-User Decision Analysis for Commercial Real Estate- 2005
*CI 104	-Investment Analysis for Commercial Real Estate- 2005
*CCR	-Course Concepts Review-2005

* These courses were sponsored by the CCIM Institute. **These courses were sponsored by the Appraisal Institute.

I am currently participating in the certification program with the Appraisal Institute and I am certified by the North Carolina Appraisal Board to practice appraisals in this State for 2019-2020

Most recent classes/seminars completed Advanced Land Valuation: Solutions to perplexing problems
Grandover Resort-Greensboro, NC January 18, 2019
Uniform Appraisal Standards for Federal Land Acquisitions
Oak Branch Conference Ctr-Greensboro, NC April 30, 2019
Uniform Standards of Professional Appraisal Practice
McKimmons Center-Raleigh, NC January 16, 2020

Licenses/Certifications

<i>Number</i>	<i>Type</i>
A206	North Carolina Real Estate Appraiser- State Certified General Classification
41831	North Carolina Licensing Board for General Contractors
109565	Real Estate Broker- State of North Carolina License
42899	Member of the Appraisal Institute-MAI Designation Certificate
12343	Member National Association of Realtors-CCIM Designation Certificate
Member:	North Carolina Association of Realtors, Triangle MLS and Wilson Board of Realtors & Flex MLS

	Summary Client List	
BB&T	NC DOT	Gateway Financial
City Of Raleigh	Town of Clayton	Bank of America
FDIC	Pinna Johnston Attorneys	Various Private Citizens
Waste Management	Smith Moore, LLP	Troutman-Sanders, LLP
Peachtree Financial	Perry-Riemann, LLP	Cranfill-Sumner, LLP
Wal-Mart	Fidelity Bank	Bank One
First Financial	Town of Cornelius	Bailey & Dixon, LLP
Herring McBennett, LLP	Carolina First Bank	SunTrust Bank
Poyner & Spruill	Colliers International	Valley National Bank
State Farm Bank	EG&G	WNC & Associates
Central Carolina Community Hospital		Betsy Johnson Memorial Hospital
Ferrell Gas Company	Raleigh Masonic Lodge	NC Railroad Company
New Century Bank	Town of Fuquay-Varina	Bridgeview Capital Solutions
Fairview Commercial	NC Turnpike Authority	Silver Financial Group
Smith Anderson Law Firm	NC Department of Revenue	Bowens Law, PLLC
Town of Cary	Wake County Bd. of Ed.	Quest Diagnostics/Solstas Labs
Synovus Financial	First Bank	Carolina Land Acquisitions
US Naval Facilities	US Department of Interior	US Fish and Wildlife
Sharonview Fed. CU	Civil War Trust	American Battlefield Trust

Appraisal services include, but are not limited to retail uses, multifamily and general commercial/income producing properties. Special use properties and market studies are accepted on a case by case basis. Right of way analysis and negotiations for right of way are accepted under contractual basis. My experience extends to rendering testimony in court cases as well as public hearings and debate over property issues.