

114 SOUTH MAIN STREET

HUNTERSVILLE, MECKLENBURG COUNTY, NORTH CAROLINA 28078

PO# GAE AFM AFM000528

APPRAISAL REPORT

DATE OF VALUE
AS IS, AS OF MARCH 1, 2016

PREPARED FOR

Stewart Gray

Preservation Planner
Charlotte Mecklenburg Historic Landmarks Commission
2100 Randolph Road
Charlotte, NC 28207

PREPARED BY

Michelle R Theyken
Mark T. Lambert, MAI

FORTENBERRY LAMBERT, INC.

6923 SHANNON WILLOW ROAD, SUITE 400 CHARLOTTE, NC 28226 PHONE: (704) 375-1032 FAX: (704) 375-6545

March 11, 2016

Stewart Gray
Preservation Planner
Charlotte Mecklenburg Historic Landmarks Commission
2100 Randolph Road
Charlotte, North Carolina 28207
PO# GAE AFM AFM000528

**RE: Valuation of 114 South Main Street
Tax Parcel 019-04-106, Huntersville, North Carolina 28078**

Dear Mr. Gray:

As requested, we have inspected the above-referenced property, which includes a 1,940 SF building on a 0.268 acre parcel of land identified as Tax Parcel 019-04-106. Based on the inspection and our analysis, it is our opinion that the market value of the subject is as follows:

**Estimated Market Value As Is, as of March 1, 2016
1,940 SF on 0.268 Acre, Fee Simple
\$145,000**

The market value is supported by the data and reasoning set forth in the attached report. The reader is referred to the Assumptions and Limiting Conditions, which are included in the Addenda of the report. We certify that we have no present or contemplated future interest in the property. This appraisal report has been prepared in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) as approved by the Appraisal Standards Board of the Appraisal Foundation and FIRREA Title XI, 12 CFR Part 34 (RTC). The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

Thank you for the opportunity to be of service to you. If any further information or clarification is needed, please do not hesitate to contact us.

Sincerely,



Mark T. Lambert, MAI
North Carolina State Certified General Appraiser #A3572
704-375-1032 x12
mark@fortenberrylambert.com



Michelle R. Theyken
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EXECUTIVE SUMMARY

Property and Location	114 South Main Street Huntersville, Mecklenburg County, North Carolina 28078
Property Owner	Cross Building, LLC
Parcel ID	019-041-06
Appraisal Dates	
Date of Report	March 11, 2016
Date of Inspection	March 1, 2016
Dates of Value, As Is	March 1, 2016
Intended Use	Asset acquisition
Intended User	Mecklenburg County / Charlotte Historic Landmarks Commission
Purpose of Appraisal	Estimate Market Value As Is
Property Rights Appraised	Fee Simple Interest
Hypothetical Conditions	None
Extraordinary Assumptions	None
Zoning	TC, Town Center, Town of Huntersville
Description	
Site	0.268 Acre or 11,674 SF
Improvements	Single story commercial building with 1,940 SF. The building was originally constructed in 1923 and has several items of deferred maintenance. The interior is in poor condition. Only the shell of the building is considered to contribute value. Site improvements are minimal and parking is provided on Main Street.
Highest and Best Use	
As If Vacant	Mixed Use
As Improved	Office
Appraisal Procedures	Cost Approach
Estimated Values	
Reconciled Value	\$145,000

Appraisers

Mark T. Lambert, MAI
North Carolina State Certified General Appraiser #A3572

mark@fortenberrylambert.com



Michelle R. Theyken
North Carolina State Certified General Appraiser #A7066

michelle@fortenberrylambert.com



FORTENBERRY LAMBERT, INC.

CERTIFICATION

I, Mark T. Lambert, MAI, certify that, to the best of my knowledge and belief,

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
4. I performed no previous services as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*.
9. I have made a personal inspection of the property that is the subject of this report.
10. No one provided significant professional assistance to the person signing this report, other than those identified in the report. I have relied on surveys, floor plans, etc., provided by other professional persons who have been identified in the report.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. As of the date of this report, Mark T. Lambert, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.



Mark T. Lambert, MAI

North Carolina State Certified General Appraiser #A3572

March 11, 2016

Date

FORTENBERRY LAMBERT, INC.

6923 SHANNON WILLOW ROAD, SUITE 400 CHARLOTTE, NC 28226 PHONE: (704) 375-1032 FAX: (704) 375-6545

CERTIFICATION

I, Michelle R. Theyken, certify that, to the best of my knowledge and belief,

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
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11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. As of the date of this report, Michelle R. Theyken has completed the Standards and Ethics Education Requirement for Candidates of the Appraisal Institute.



Michelle R. Theyken
North Carolina State Certified Appraiser #A7066

March 11, 2016
Date

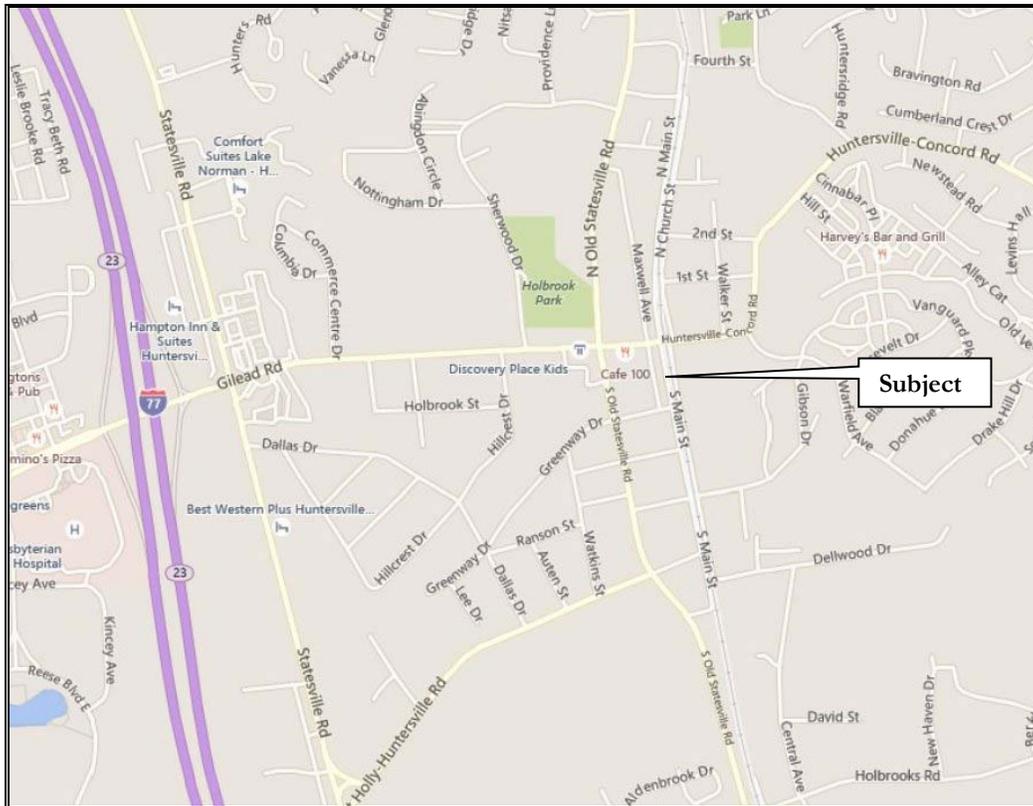
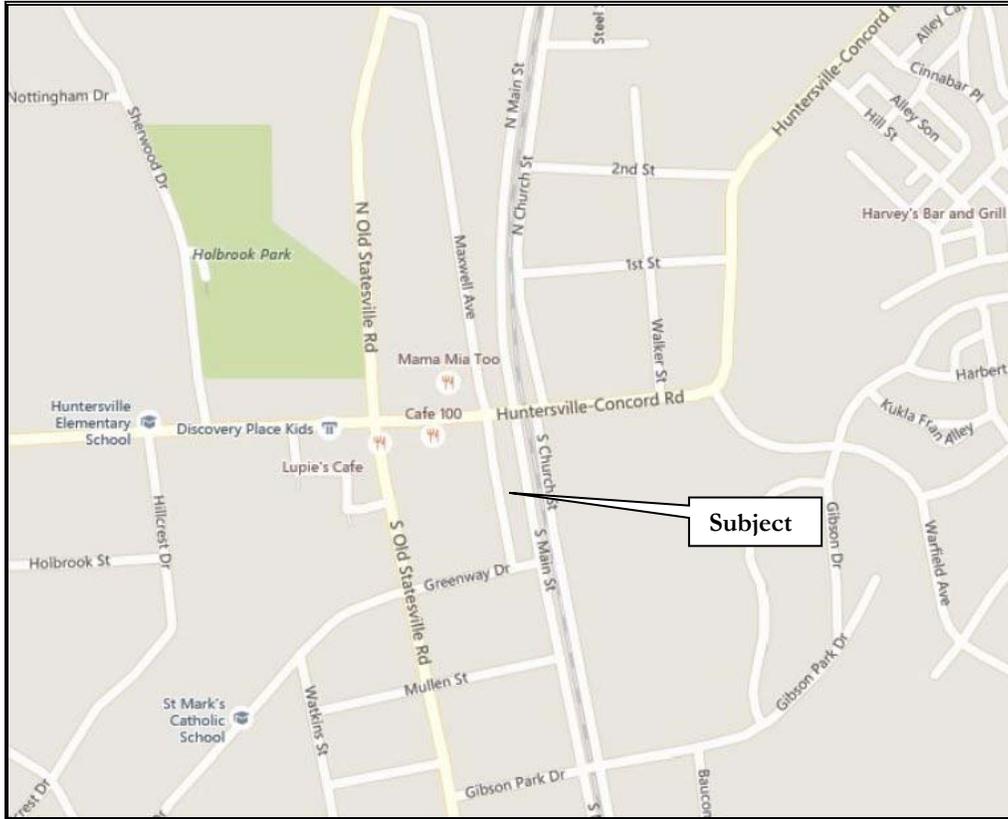
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LOCATION MAPS



PROPERTY IDENTIFICATION

The subject is a single tax parcel with 0.268 acres of land located on the west side of Main Street, south of the intersection at Huntersville Concord Road. The site is improved with a single story commercial building with 1,940 SF. The building is in poor condition and only contributes shell value. The property is identified as tax parcel number 019-041-06 with a physical address of 114 South Main Street. The subject's property owner is the Cross Building, LLC. The tax card for the tax parcel is located in the Addenda of this report.

PURPOSE & INTENDED USE/USER

This report is being completed for the purpose of providing an estimate of the as is market value of the fee simple interest in the real property. The intended use of the report is for internal decision-making purposes. The intended user is Mecklenburg County and the Charlotte Mecklenburg Historic Landmarks Commission. There are no other intended uses or users of this report. The appraisers are not responsible for the unauthorized use of this report.

SCOPE OF THE WORK

The scope, or the extent of the analysis, includes the following:

- *Physical inspection of the site and neighborhood;*
- *Inspection of selected comparable properties;*
- *Site analysis including physical and legal characteristics;*
- *Highest and best use analysis as vacant;*
- *Use of traditional, reliable appraisal methods to arrive at estimates of market value under each approach;*
- *Reconciliation of these values into a final market value conclusion(s), and;*
- *Estimates of reasonable marketing and exposure times associated with the estimated market value(s).*

The subject is a single story commercial building with several items of deferred maintenance that will require correction prior to occupancy. The extent of corrective maintenance is unknown and no cost estimates are available for analysis. It is also very likely that a prospective buyer will completely renovate, or gut, the interior of the building. For these reasons, the appraiser will develop the Cost Approach with the contributing value of the improvements estimated based on a Low Cost Class C Shell Office. The Sales Comparison Approach and Income Approach were considered but not developed due to the lack of Sales or Income data for improvements in this condition.

DEFINITIONS

In this assignment, the following definitions are used:

DEFINITION OF VALUE

Market Value

Market value is defined by the Office of the Comptroller of the Currency 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 and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1. buyer and seller are typically motivated;*
- 2. both parties are well informed or well advised, and acting in what they consider their own best interests;*
- 3. a reasonable time is allowed for exposure in the open market;*
- 4. payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and*
- 5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”*

PROPERTY RIGHTS APPRAISED

Fee Simple

The value of the Fee Simple interest in the property is provided; defined 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

The absolute fee is full interest and total ownership in real property. Examples of limited ownership in real estate include leasehold rights, leased fees, life estates and other such uses. These types of ownership are limited in their rights, as compared to total fee ownership.

HYPOTHETICAL CONDITION

The *Uniform Standards of Appraisal Practice* (USPAP) defines a Hypothetical Condition as:

“that which is contrary to what exists but is supposed for the purpose of analysis.”

Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject or about conditions external to the property, or about the integrity of data used in an analysis.

There are no hypothetical conditions used in this appraisal.

¹The Dictionary of Real Estate Appraisal, 6th Edition. [Appraisal Institute](#), 2015, Page 90.

EXTRAORDINARY ASSUMPTION

USPAP defines an Extraordinary Assumption as:

“an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions.”

Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property.

No Extraordinary Assumptions are used in the appraisal.

DATES OF VALUATION, INSPECTION, AND REPORT

Michelle R. Theyken and Mark T. Lambert, MAI personally inspected the subject on March 1, 2016. The photos of the subject included in this report were taken on this date. The following are the relevant dates of the appraisal:

Date of Inspection	March 1, 2016
As Is Value Date	March 1, 2016
Report Date	March 11, 2016

OWNERSHIP HISTORY

According to the Mecklenburg County Public Registry, the property is currently held in the ownership name as follows:

Cross Building, LLC

The property was transferred to the current owner from Smith C. Bradford on January 13, 2014 as recorded in Deed Book 28945, page 612 and previously from Bradford Properties, LLC on December 13, 2013 as recorded in Deed Book 28922, Page 330. Both transactions were between related parties. The appraisers have no knowledge of any other transfers or listings of the property in the previous three years, based on a search of public records and conversations with the owner, Smith Bradford.

The owner indicated that although the property is not for sale in the open market, he indicated that the asking price for the parcel, with respect to his negotiations with the Town of Huntersville or Mecklenburg County, is 10% above the tax value, or \$180,400. This is moderately above the market value estimated here.

REAL ESTATE TAXES AND ASSESSMENTS

The subject is located in the city of Huntersville, in Mecklenburg County. Every year at the end of June, County Commissioners and Municipal Boards set their respective Tax Rates. Additionally, the County establishes the Fair Market Value of all real property within the County, and all North Carolina counties are required to hold a Revaluation at least once every eight years. For Mecklenburg County, the last Revaluation was effective 2011. The table below summarizes the recent history of City, County, and Combined Tax Rates since 2006 Revaluation.

**Town of Huntersville & Mecklenburg County
Historical Tax Rates**

Year	Town of Huntersville		Mecklenburg County		Combined	
	Rate	Annual Change	Rate	Annual Change	Rate	Annual Change
2006	0.2900		0.8189		1.1089	
2007	0.2900	0.0%	0.8387	2.4%	1.1287	1.8%
2008	0.2900	0.0%	0.8387	0.0%	1.1287	0.0%
2009	0.2900	0.0%	0.8387	0.0%	1.1287	0.0%
2010	0.2900	0.0%	0.8387	0.0%	1.1287	0.0%
2011 Revaluation	0.2825	-2.6%	0.8166	-2.6%	1.0991	-2.6%
2012	0.2825	0.0%	0.7922	-3.0%	1.0747	-4.8%
2013	0.2825	0.0%	0.8157	3.0%	1.0982	2.2%
2014	0.3050	8.0%	0.8157	0.0%	1.1207	2.0%
2015	0.3050	0.0%	0.8157	0.0%	1.1207	0.0%
9 -Year Average % Change		1.0%		0.3%		0.2%
Projected 2016	0.3080	1.0%	0.8181	0.3%	1.1262	0.5%
Since 2006, Non-Revaluation Years Only						

Source: Mecklenburg County Property Assessment and Land Records Management

Notes: Revaluation years: 2011.

Properties located in Unincorporated Mecklenburg County are also subject to a Police Services rate of 0.1937/\$100.

Considering historical annual increases, the projected 2016 rate is \$1.1262/\$100.

ASSESSED VALUE & TAX LIABILITY

The table on the following page outlines the estimated assessed value for the subject.

Tax Liability

Owner:

Parcel 019-041-06	Size	Assessment/Unit	Assessed Value
Land	0.268 Acres	\$9.00 /Land SF	\$105,100
Features/Yard Items	NA	NA	
Improvements	1,940 SF	<u>\$30.36</u> /Bldg SF	<u>\$58,900</u>
Subtotal for Parcel		\$84.54 /Bldg SF	\$164,000
Assessment		100%	\$164,000

Projected 2016 Tax Rates (per \$100)

Mecklenburg County	0.8181
Town of Huntersville	0.3080
Police District	0.0000
Fire District	0.0000
Combined	1.1262
<u>Projected 2016 Tax Liability (Assessment/\$100 x Tax Rate)</u>	
Total Property	\$1,847
Per Building SF	\$60.83

Source: Mecklenburg County Property Assessment & Land Records Management

Notes: Sizes shown are actual and may differ from tax records.

The assessed value is reasonable when compared to the assessed value of similar properties in the neighborhood, however, it is slightly above the value estimate in this report. The projected 2016 annual tax liability is \$1,847. The 2015 taxes have been paid.

TAX MAP



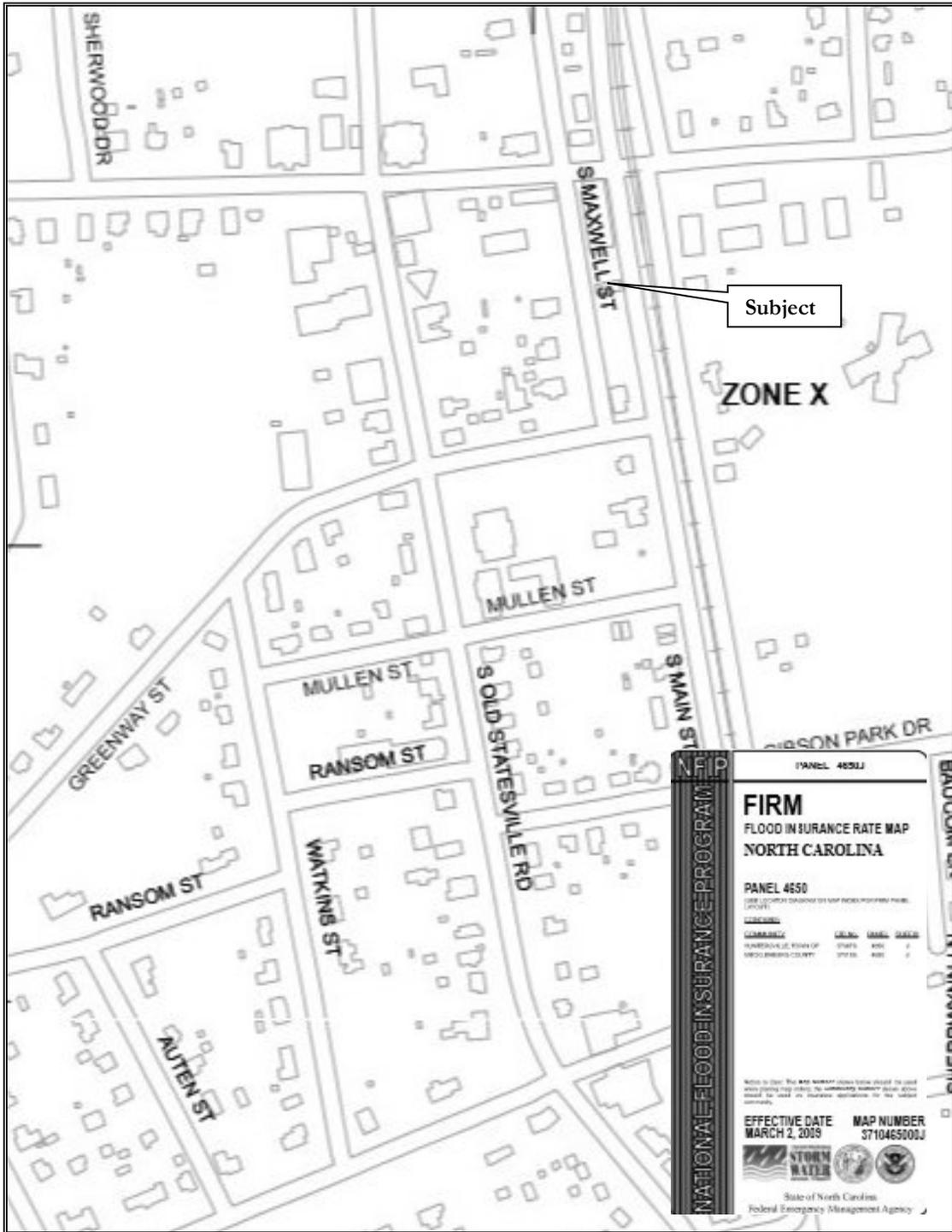
AERIAL PHOTOGRAPH



TOPOGRAPHIC MAP



FEMA MAP PANEL 3710465000J



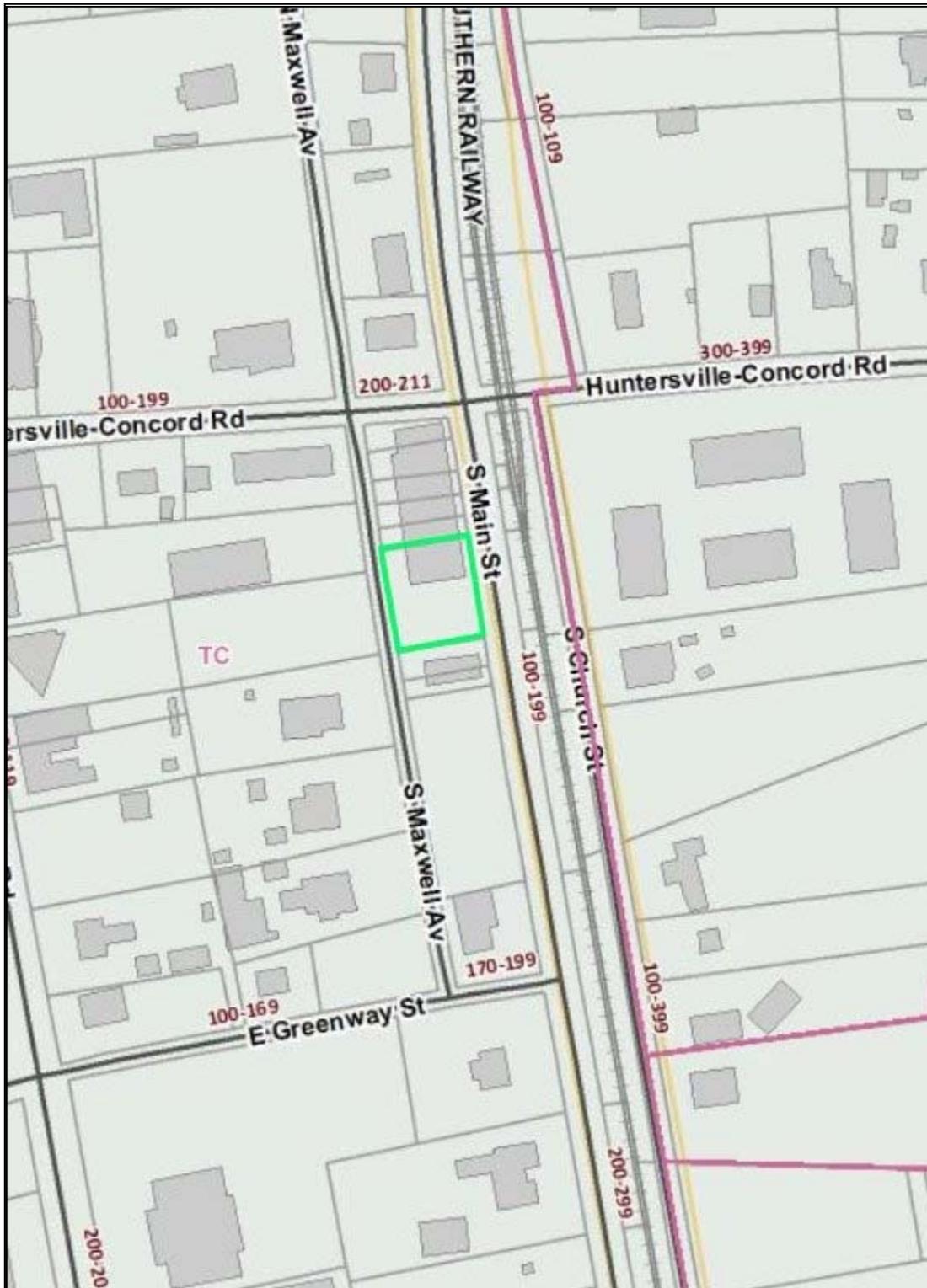
SITE ANALYSIS

General

This description is based on a site inspection, legal description, tax records, and aerial photograph. The appraiser was not provided with a survey. The most recent deed and legal description are located in the addenda.

Location	114 South Main Street Huntersville, Mecklenburg County, North Carolina 28078
Tax Parcel	019-041-06
Current Use	Commercial
Land Area	0.268 Acre or 11,674 SF
Zoning	TC, Town Center District, Town of Huntersville
Shape	Rectangular and Functional
Frontage/Access	110 Feet on South Main Street; 110 Feet on Maxwell Avenue
Topography	Site is level and at grade along both roadways
Floodplain	According to FEMA Map Panel 371046500J dated March 2, 2014, the property is not located within a designated flood hazard area.
Soil & Environmental Conditions	No geotechnical report relative to the soil and subsoil conditions present on the site was provided. Soils are assumed adequate for development based on the site's current use and nearby uses. A Phase 1 environmental assessment was not provided to the appraisers and one is recommended.
Utilities	All municipal utilities are available to the site.
Improvements	1,940 SF single story commercial building. The site has available land for parking, however it relies on street parking.
Easements & Encroachments	There are no easements other than typical utility easements. There are no encroachments either from or on the subject.
Conclusions	The site, as vacant, is adequate to support a number of uses legally permitted within the TC zoning district, including office, retail or residential uses.

ZONING MAP



ZONING

The subject property is within the zoning jurisdiction of the Town of Huntersville. The subject property is zoned TC, Town Center. The purpose of the zoning district is described as follows:

“The Town Center District provides for revitalization, reuse, and infill development in Huntersville’s traditional town center. A broad array of uses is expected in a pattern which integrates shops, restaurants, services, work places, civic, educational, and religious facilities, and higher density housing in a compact, pedestrian-oriented environment. The Town Center anchors the surrounding residential neighborhoods while also serving the broader community. The district is coded to accommodate the higher overall intensity of development required to support a rail transit station. It is to be expected that the Town Center District will be expanded over time through the zoning change process to an approximate ½ mile radius to meet growth in demand for downtown facilities and services.”

Uses permitted by right include a variety of commercial, institutional and residential uses. New buildings along the Main Street corridor between Huntersville Concord Road and Greenway Drive must be a minimum of two stories. Parking requirements for commercial, industrial and office uses are 1 space per 500 square feet. Further, the parking regulations state:

In the Town Center (TC) District, existing buildings which were legally constructed without the provision of on-site parking, and infill housing on existing lots of record may meet requirements with on-street parking and will be construed conforming as to parking. Such buildings are eligible for change of use permits, for building upfits, and for expansion.

The existing improvements conform to the development requirements of the district.

SUBJECT PHOTOS



FRONT VIEW



REAR VIEW



SITE VIEW



REAR VIEW



MAIN STREET

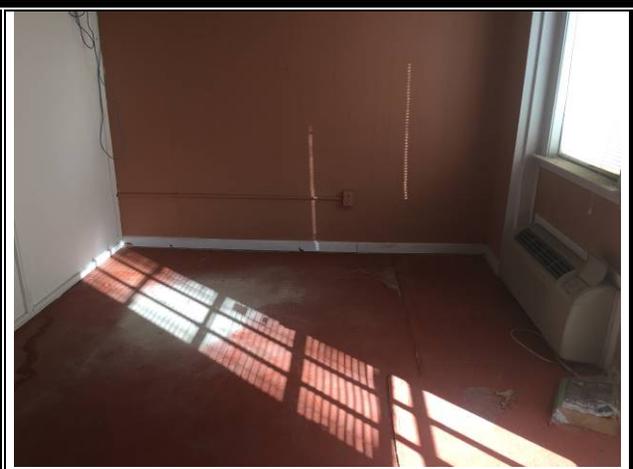


MAIN STREET

SUBJECT PHOTOS



INTERIOR



INTERIOR



INTERIOR



INTERIOR



INTERIOR



LOCATION OF WATER LEAK

DESCRIPTION AND ANALYSIS OF THE IMPROVEMENTS

The description of the improvements is derived from tax records, information provided by the client as well as a personal inspection of the property. The square footage of the improvements was derived by direct measurement as well as supporting documentation from tax records. All sources are similar. The building was measured at 61 feet by 31.8 feet for a total area of 1,940 SF.

Building Area	1,940 SF Gross Building Area
Occupancy	Vacant
Foundation	Continuous reinforced concrete footings.
Floor System	Slab on grade.
Structural Frame	Masonry / Block
Exterior Walls	Masonry / Stucco
Roof Structure	Wood joists with membrane covering. The membrane covering is beginning to fail and roof leaks are evident.
Doors/Windows	Aluminum windows.
Interior Partitions	Gypsum board walls and paneling. The space is divided into two tenant spaces. Each space contains two rooms with one or two bathrooms. The condition of the space is poor and will need renovations.
Floor Covering	Carpet and tile.
Ceiling Type/Height	Suspended drop-in type tile with 8-9' ceiling height.
Lighting	Primarily fluorescent and drop down lighting.
HVAC	The building is serviced by wall units, the condition of the units is unknown.
Plumbing/Fire System/Safety	Typical restrooms with standard grade fixtures. The building is ADA compliant.
Year Built and Condition	The building was constructed in 1923. The date of the last remodel is estimated in the early 1990's, according to the owner. The layout of the space is functional for a commercial or office user, but the space is in poor condition. It is reasonable to assume that the space will require new drywall, flooring and ceiling replacement as well as a new roof covering. Reconfiguring the space for one user is also very likely, given its size.
Site Improvements	Minimal site improvements. The entrance to the building from Maxwell Avenue has a concrete pad with wood overhang. The overhang is in poor condition and will require repair and or removal.

DEFERRED MAINTENANCE

This is curable, physical deterioration that needs immediate correction, but does not suggest inadequate maintenance in the past. The property has significant deferred maintenance that will require immediate correction in order to ready the building for occupancy including removing and replacement of the roof covering. The functionality of the mechanical and plumbing systems are unknown and assumed to be in working order.

FUNCTIONAL UTILITY

According to the *Dictionary of Real Estate Appraisal*, 6th Edition, 2015, page 97, functional utility is "*The ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards; the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms.*" The design and layout of the building is functional for an office or commercial user, although a single user is most likely.

ACTUAL AND EFFECTIVE AGE

The building was originally constructed in 1923 and the date of the last remodel is unknown and estimated in the early 1990's. The building has an actual age of 93 years. The shell of the building, which is a concrete foundation with a masonry frame and wooden roof structure has an estimated effective age of 10 years. This is based on the assumption that the foundation and frame are structurally sound, but may require some painting and cleaning.

ECONOMIC LIFE & REMAINING ECONOMIC LIFE

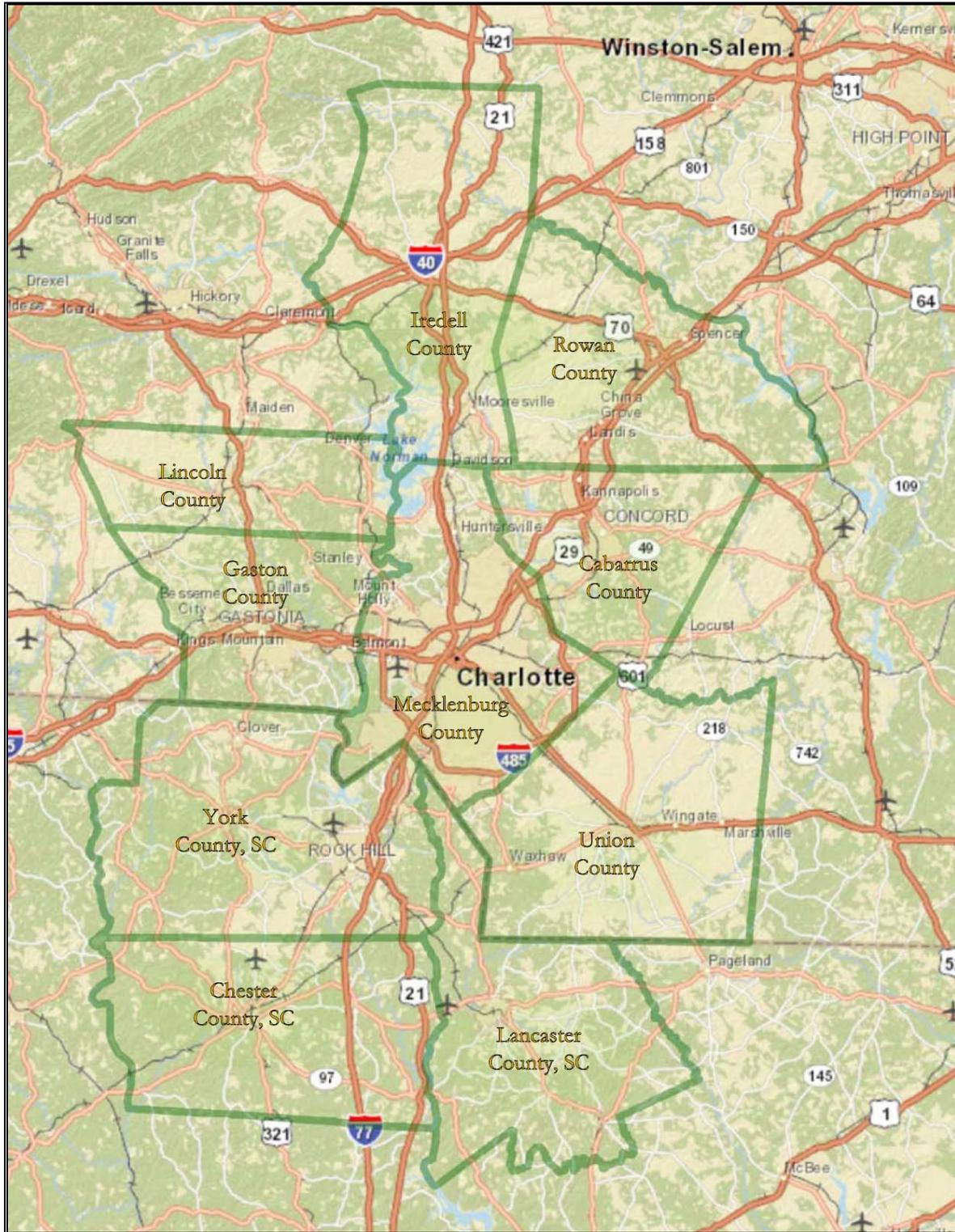
Economic life refers to the period of time over which improvements to real property contribute to value. Subsequently, remaining economic life is the estimated time the improvements will continue to contribute to property value. In order to estimate an economic life for the subject property, the *Marshall Valuation Service* cost manual was reviewed and local developers were contacted.

The interior of the building is in poor condition with little or no economic life remaining. The interior will likely be completely gutted and retrofitted, including the addition of air conditioning and/or heat pump system. The estimated economic life of the shell building is 50 years, with an effective age of 5 years, it has a remaining economic life of 45 years.

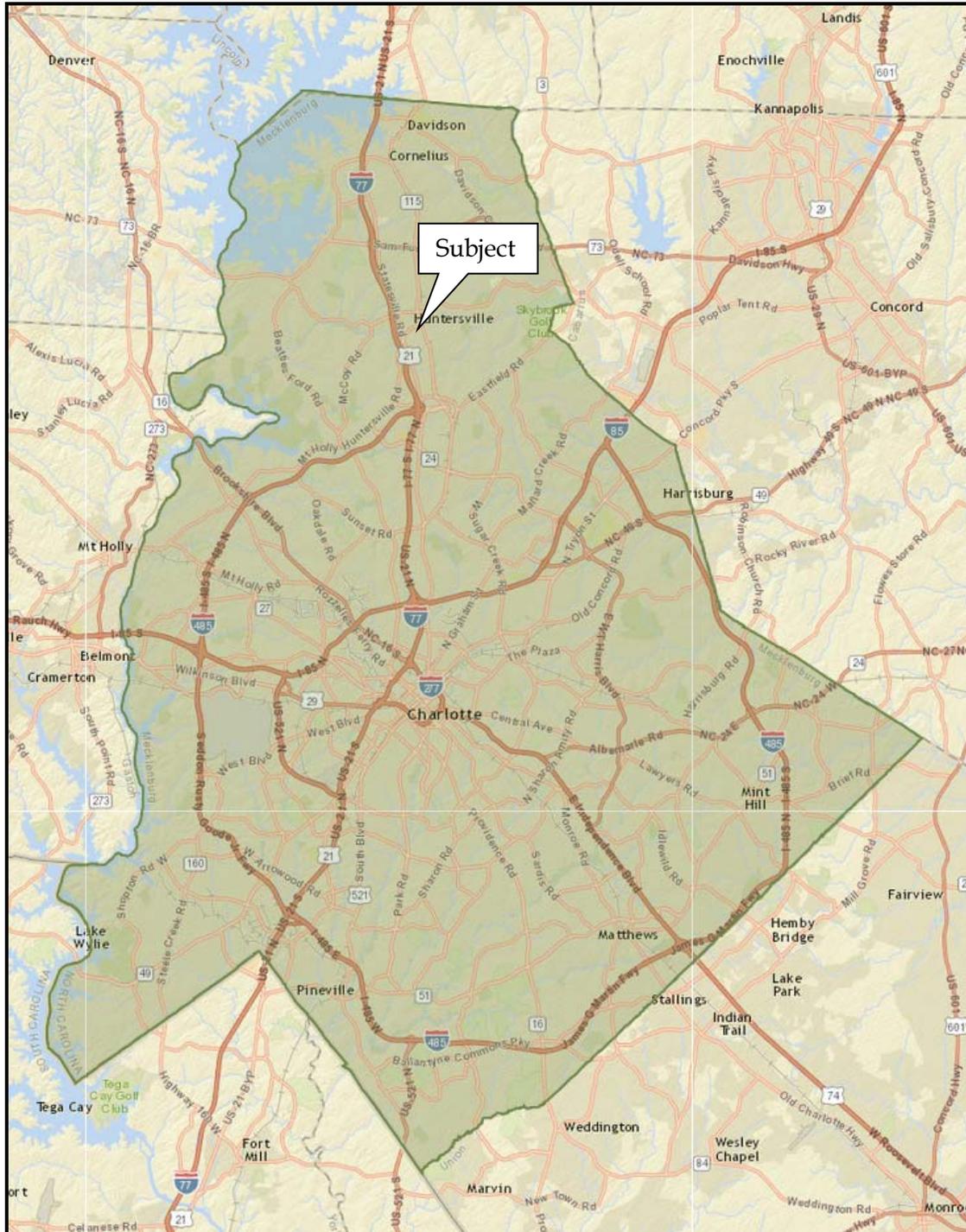
SUMMARY

The improvements are functional for an office or commercial user, but will require repairs and remodeling prior to occupancy.

CHARLOTTE-CONCORD-GASTONIA MSA



MECKLENBURG COUNTY



REGIONAL ANALYSIS

LOCATION AND ACCESS

The subject is located in the Charlotte-Concord-Gastonia Metropolitan Statistical Area (MSA), which is comprised of the following 10 counties: Cabarrus, Gaston, Lincoln, Mecklenburg, Iredell, Rowan and Union in North Carolina and Chester, Lancaster, and York in South Carolina. Centrally-located in Mecklenburg County, Charlotte is the economic hub for the region and is the largest city in the MSA. Major highways in the Charlotte region include Interstate 40, 77, 85, and 485, which is Charlotte's loop. US Highways include 21, 29, 74, 321, 521, and 601.

Interstate 85 connects southwest to Atlanta and northeast through Greensboro, NC to Washington, DC. Interstate 77 runs south to Columbia, SC, where it connects to Interstate 26, which continues southeast to Interstate 95 and to the port city of Charleston, SC. To the north, Interstate 77 connects with Interstate 40 at Statesville, NC, and to Interstate 81 in Virginia. Interstate 40 connects the region to western NC. US Highway 74 runs southeast from Charlotte and connects the region to Interstate 95 and the Port of Wilmington. The last segment of I-485, which loops Charlotte was recently completed, enhancing the region's accessibility.

Charlotte Douglas International Airport is the region's center for air travel. In 2014, on a nationwide basis, the airport was 6th in Operations, 8th in # of Passengers, and 34th in Cargo Tons. With about 675 daily flights, service is provided to 154 nonstop destinations, including 36 international locations. Norfolk-Southern completed a \$104 million intermodal transportation facility in 2014. Expectations are that this facility will enhance Charlotte's distribution capabilities. A well-established network of ground transportation and support facilities complements Charlotte's air service. Norfolk Southern Railway and CSX Transportation link over 40,000 miles of rail between Charlotte and 23 eastern states.

GEOGRAPHY AND CLIMATE

Charlotte is located in the Piedmont region of North Carolina, a rolling plateau situated between the coastal plain and the Appalachian Mountains. The mean elevation of Charlotte is 748 feet. The area's climate is moderate. Average rainfall is 42 inches, with the wettest month being March. Snow is infrequent, with an annual accumulation of less than 5 inches. The area is sometimes subject to occasional ice storms.

EDUCATION

More than 175,000 students are enrolled in degree or college-transfer programs at 34 colleges, universities, community colleges, and technical institutes located in the Charlotte metro region. Within the region, there are 23 public and private secondary institutions offer a wide range of baccalaureate and graduate degrees.

DEMOGRAPHIC TRENDS

According to US Census Bureau data, Charlotte is currently the 17th-largest city in the US and is the largest city in the Carolinas. The following table outlines general demographic data for Charlotte, Mecklenburg County, and the MSA:

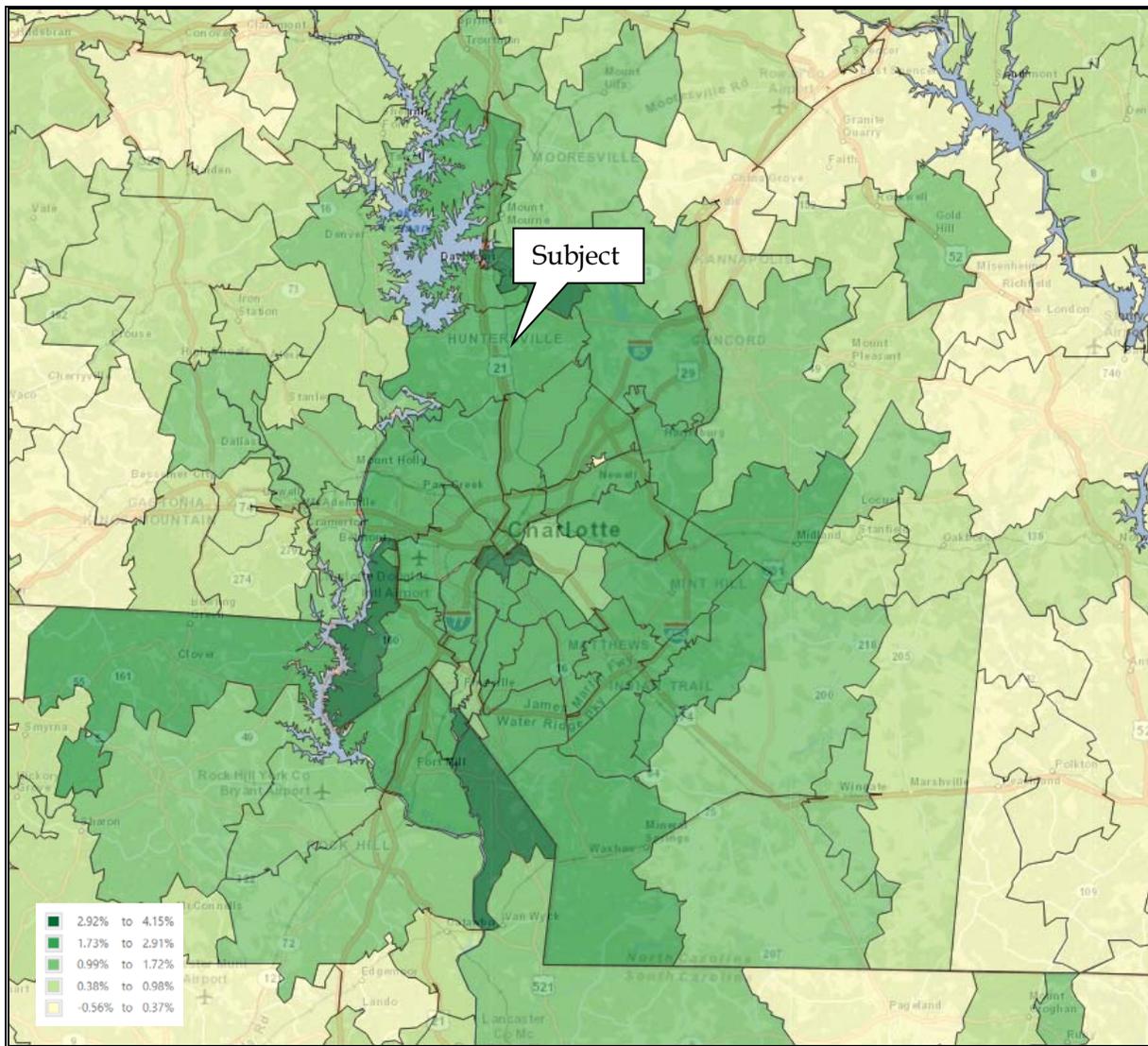
Demographic Comparison

	<u>Charlotte</u>	<u>Mecklenburg County</u>	<u>Charlotte-Gastonia- Rock Hill MSA</u>
<u>Population</u>			
2020 Projection	872,525	1,112,120	2,558,420
2015 Estimate	787,646	999,426	2,366,607
2010 Census	731,424	919,628	2,217,012
Annual % Change 2010-2015	1.5%	1.7%	1.3%
Total % Change 2010-2015	7.7%	8.7%	6.7%
Projected Annual % Change 2015-2020	2.1%	2.2%	1.6%
Projected Total % Change 2015-2020	10.8%	11.3%	8.1%
<u>Households</u>			
2020 Projection	346,448	438,636	980,104
2015 Estimate	312,278	393,731	906,080
2010 Census	289,860	362,213	848,745
Annual % Change 2010-2015	1.5%	1.7%	1.3%
Total % Change 2010-2015	7.7%	8.7%	6.8%
Projected Annual % Change 2015-2020	2.1%	2.2%	1.6%
Projected Total % Change 2015-2020	10.9%	11.4%	8.2%
Number of Persons per Household (2015)	2.52	2.54	2.61
<u>Median Household Income</u>			
2020 Projection	\$58,386	\$61,852	\$59,483
2015 Estimate	\$52,699	\$55,628	\$53,106
Projected Annual % Change 2015-2020	2.1%	2.1%	2.3%
Projected Total % Change 2015-2020	10.8%	11.2%	12.0%
<u>Median Housing Value</u>			
2020 Projection	\$245,056	\$259,051	\$241,633
2015 Estimate	\$225,102	\$237,071	\$207,002
Projected Annual % Change 2015-2020	1.7%	1.8%	3.1%
Projected Total % Change 2015-2020	8.9%	9.3%	16.7%

Source: US Census Bureau, Census 2010. ESRI estimates and forecasts for 2015 and 2020.

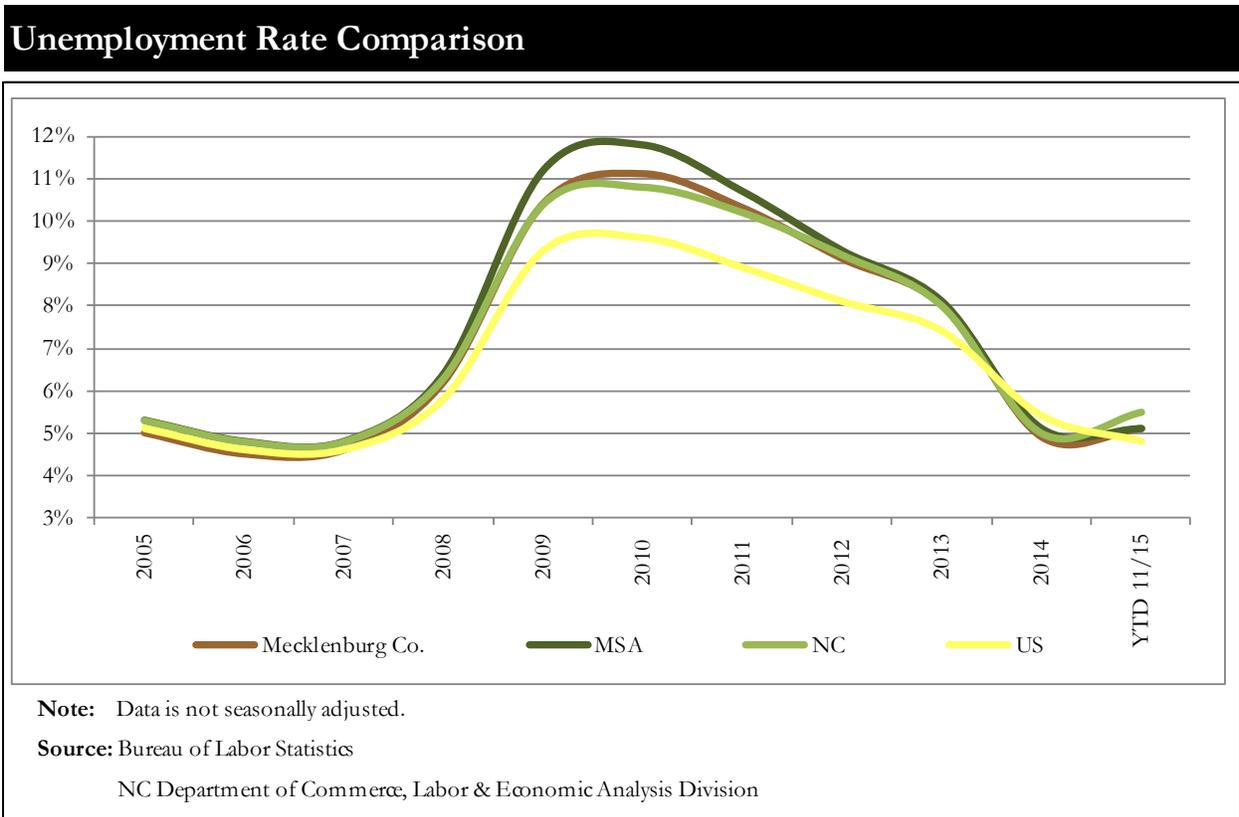
From the 2010 Census to the 2015 Estimate, Charlotte, Mecklenburg County, and the MSA grew at similar annual rates of 1.5%, 1.7% and 1.3%, respectively. Although the entire area is growing, most of the population increases are centered on the core of the region: Charlotte and Mecklenburg County. This is shown on accompanying map of Projected Annual Population Growth from 2015 to 2020 on the ZIP code level (ESRI). The darkest shade, which represents the highest growth rate, is clustered in the central core of Charlotte, north Lancaster County (SC), southwest Mecklenburg County, and the Cornelius/Davidson area in north Mecklenburg County. Population growth in the central portion of Charlotte is primarily driven by multifamily development. Slower-growth areas include western Gaston and Lincoln counties, which are mostly rural areas.

PROJECTED ANNUAL POPULATION GROWTH 2015 – 2020



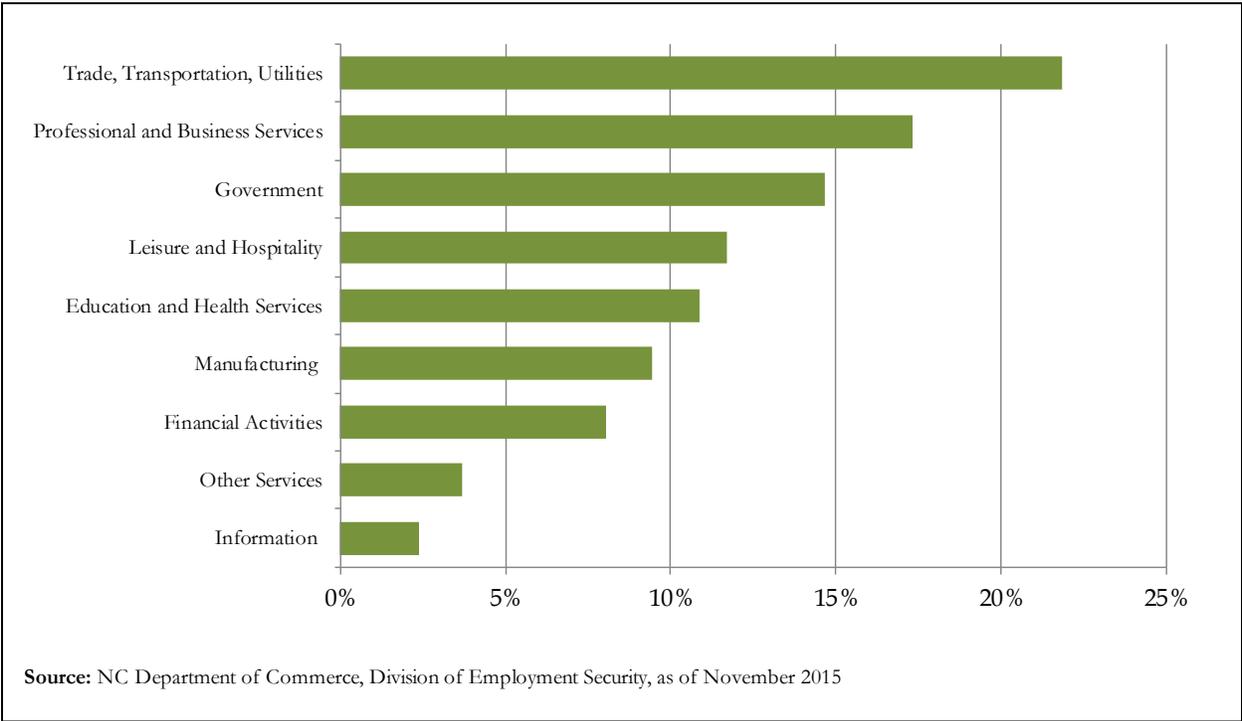
ECONOMY

According to the North Carolina Department of Commerce, Division of Employment Security, MSA employment grew at a very healthy average of 1.9% per year from 2001 to 2007. Employment then contracted significantly, and in 2010 the unemployment rate peaked at 11.9%. Year-to-date November 2015 unemployment for the MSA is 5.1%. Unemployment for the MSA and Mecklenburg County have typically remained below national and statewide averages, which changed in late 2008, with the financial crisis. The most-recent rates (November 2015) show 4.8% for the US, slightly better than NC (5.5%), the MSA (5.1%), and Mecklenburg County (5.1%). The accompanying graph is a comparison of unemployment rates for the last 10 years for the US, North Carolina, the MSA, and Mecklenburg County:



Charlotte’s regional economy is diversified among the financial, manufacturing, trade, services and government sectors. As shown in the accompanying graph, the Trade, Transportation and Utilities sector of the economy has the largest proportionate share of employed workers.

**Employment by Sector, Proportionate Share
Charlotte-Gastonia-Rock Hill MSA**



Banking and Financial Services

With more than \$2.1 trillion in assets, Charlotte is second to New York City as a financial center for the US. The area has 85,800 employees in the financial activities sector and is home to a branch of the US Federal Reserve. The nation's second-largest financial institution by assets, Bank of America, is headquartered in Charlotte and Charlotte is a regional headquarters for Wells Fargo bank and its capital markets group.

Trade and Distribution

The Charlotte region is a leading distribution center, driven by its connectivity. Local distribution operations include: Target, Lowe’s home improvement, Ross, Family Dollar, Black & Decker, Walmart, Shoe Show and TJ Maxx, among numerous others. The region has an extensive network of ground transportation, including the country’s largest consolidated rail system, cargo airlines and freight forwarders facilitates distribution. This was enhanced in 2014, when Norfolk Southern completed its intermodal transportation facility at the airport.

Manufacturing and Biotechnology

Manufacturing has historically been a key element of Charlotte's economy. The region's manufacturers are in many different fields, including non-electrical and electrical machinery, metal working and chemicals. Major manufacturers in the MSA represent every major NAICS category. The Charlotte Chamber and Regional Partnership are placing emphasis on high-tech, bio-tech and other knowledge-based industries. The Electric Power Research Institute and the Polymers Center of Excellence are headquartered in Charlotte. The Charlotte Research Institute at UNC Charlotte partners with local firms to develop innovative new products and technologies.

The 350-acre North Carolina Research Campus (NCRC), located in Kannapolis, focuses on biotechnology related to food and nutrition. When completed, the facility will include 1.0 million SF of lab and office space and 160,000 SF of medical office space. The NCRC includes several university-run research facilities and labs, including UNC-Chapel Hill, North Carolina State University, UNC-Charlotte, Duke University and several others. The NCRC has a recent endowment of \$15 million per year in perpetuity by its founder, David Murdock.

Company Headquarters and Largest Employers

There are 291 Fortune 500 companies represented in the Charlotte region, with seven having headquarters in the area.

Charlotte-Area Fortune 500 Headquarters

# Rank	Company	Location	Industry
21	Bank of America	Charlotte	Commercial Banking
52	Lowe's	Mooresville (Iredell Co.)	Retail
123	Duke Energy	Charlotte	Electric Utility
150	Nucor	Charlotte	Steel Manufacturing
271	Family Dollar	Matthews	General Merchandise
309	Sonic Automotive	Charlotte	Car Dealerships
469	Domtar	Fort Mill (York Co., SC)	Forest & Paper Products

Source: Charlotte Chamber

The area's Top 10 employers (non-government) include a wide array of companies:

Charlotte Area Top-10 Largest Employers

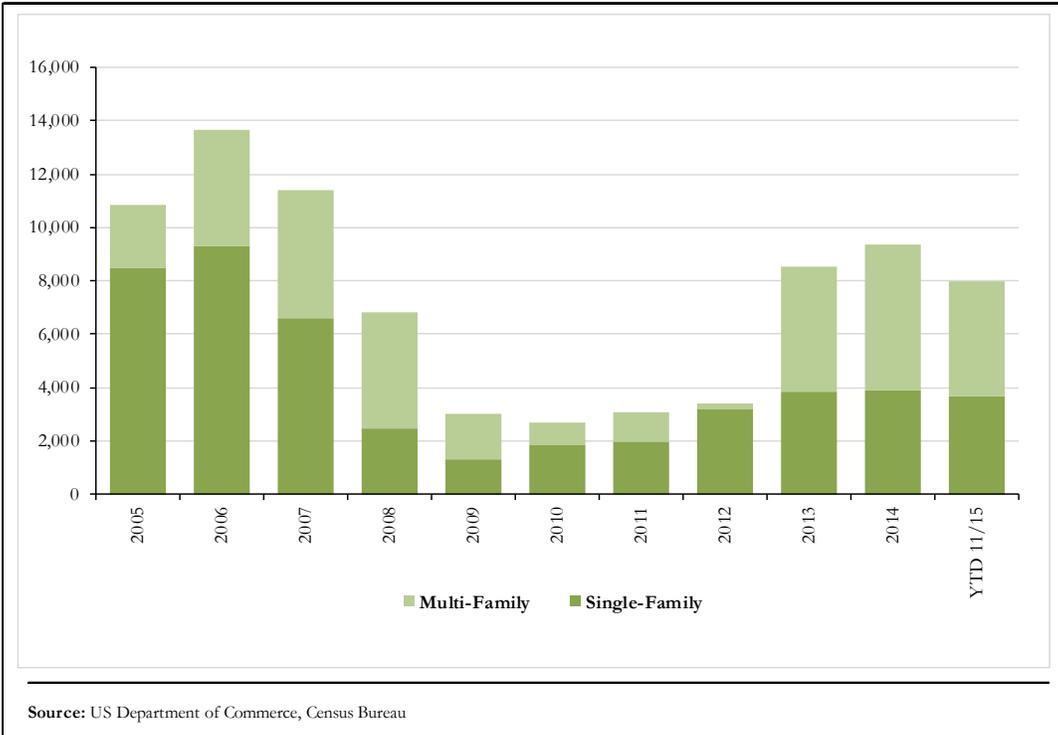
<u>Company</u>	<u># Employed</u>
1 Carolinas Health System	35,000
2 Wells Fargo	23,000
3 Walmart Stores, Inc	16,100
4 Bank of America	15,000
5 Novant Health	11,000
6 American Airlines Group	9,900
7 Delhaize/Food Lion	9,078
8 Harris-Teeter/Kroger	8,239
9 Lowe's, Inc. (home improvement)	7,801
10 Duke Energy Corp	7,800

Source: *Charlotte Business Journal Book of Lists (7/15)*

Real Estate Market and Construction Activity

Historically, Charlotte's growth in employment and population has created an ongoing demand for new housing, and residential building activity has kept pace with the growth. Building permits issued peaked in 2006/2007, with a significant decrease in 2008. Construction activity remained very low through 2011. Recent activity has increased somewhat, as shown on the accompanying graph. There were 9,340 new residential building permits in 2014, including 3,896 single family units and 5,444 multi-family units. Year-to-date 2015 permits issued appear to have slowed down slightly.

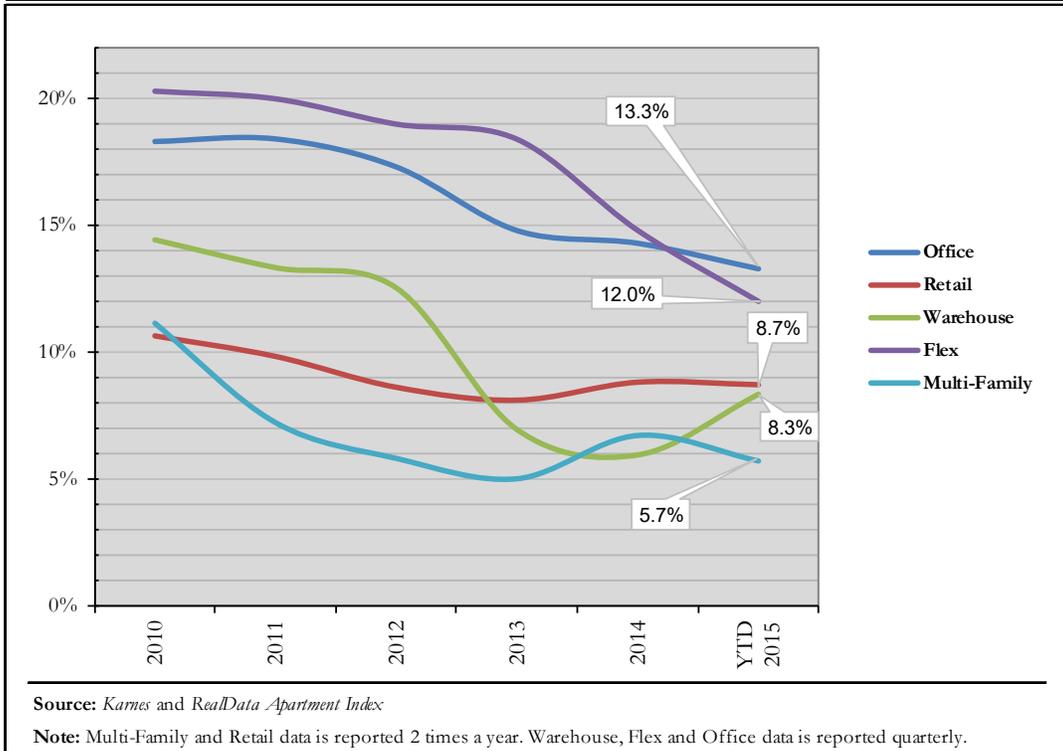
New Construction Residential Building Permits (Units) Mecklenburg County



Residential transaction activity is positive for the area. Carolina Multiple Listing Services, Inc. (CMLS) data shows the number of closings for 2015 (40,463) increased 11.7% from 2014, which was up 4.8% from 2013, indicating positive trends. The average sales price for the area at year-end 2015 was \$192,500, an increase of 6.3% from 2015. Year end 2015 listings are up 1.1% and the number of closed transactions is up 11.7%.

On the commercial side of the local real estate market, vacancy rates for all segments have generally trended downward since 2010. Retail and Multifamily vacancy rates have been below 10% for an extended period. Office vacancy rates remain high, at 13.3%, but with a downward recent trend. The Flex market segment has shown good gains, with a vacancy rate that had been in the 18% to 21% range since 2009 but is now 12% and trending downward. Warehouse vacancy rates are 8.3% and trending upward. The following graph shows vacancy trends from 2004 through the most-recent reports:

5-Year Vacancy Comparison

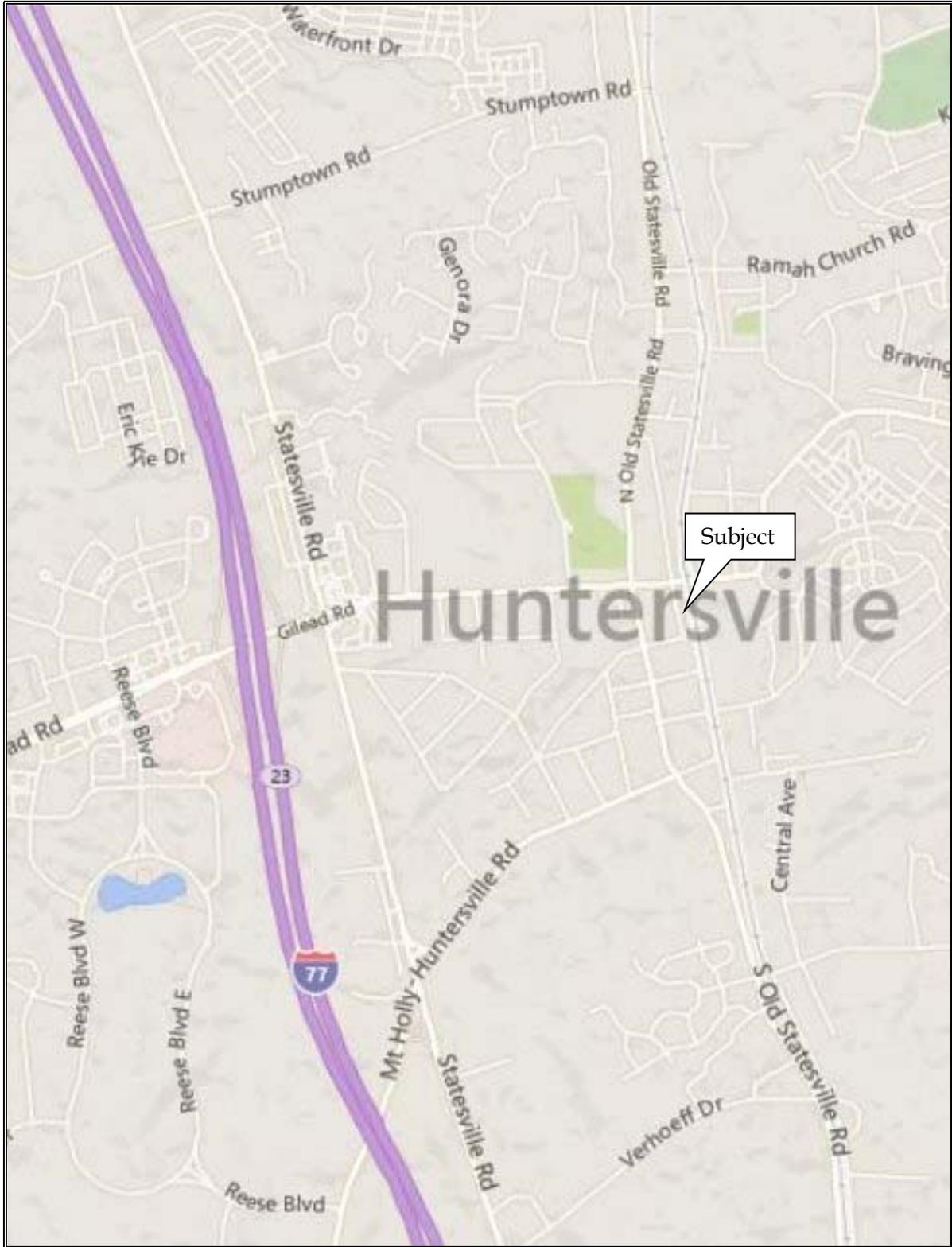


CONCLUSIONS

North Carolina's economy has improved somewhat since the recession. Economist John Connaughton (UNCC) indicates "signs are pointing to a stable new year for the N.C. economy. In 2016, the North Carolina economy is expected to increase by an inflation-adjusted rate of 2.5 percent over the 2015 level," Connaughton said. "This growth in 2016 follows four years of steady growth in North Carolina Gross State Product." At the Charlotte Chamber's annual economic outlook conference in December 2015, top bankers and CEOs from major companies said they were bullish on 2016, citing increases in jobs and wages, along with a continued housing market recovery and increases in local consumer spending. At the December 2014 conference, many of the same executives remained cautious about an economic recovery, indicating optimism.

The Charlotte MSA region consists of almost 2.5 million people in 10 counties, straddling the North Carolina-South Carolina state line. It is strategically located in the center of the East Coast, within a day's motor freight delivery to 60% of the US population and over 60% of the nation's industrial base. Charlotte is home to the headquarters of seven Fortune 500 companies. Positive characteristics include a relative low cost of doing business, a highly diversified industrial structure, and a rapidly-growing population base due to in-migration. Negatives for the area include a very cyclical job market and a financial sector of employment that continues to restructure and consolidate.

NEIGHBORHOOD MAP



NEIGHBORHOOD ANALYSIS

The Dictionary of Real Estate Appraisal, 6th Edition, 2015, page 156, defines a neighborhood as "a group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises."

LOCATION AND BOUNDARIES

The subject is located in the northern portion of Mecklenburg County, in the Town of Huntersville. The neighborhood's boundaries can be defined as Stumptown Road to the north, I-77 to the west, Main Street and the Norfolk Southern Railroad to the east, and Mount Holly-Huntersville Road to the south. The neighborhood contains about 3 square miles and is approximately 13 miles north of the Downtown Charlotte Business District (CBD).

ACCESSIBILITY

The neighborhood has good access from I-77 and Old Statesville Road, two primary north/south corridors that connect the area to Cornelius in the north and Charlotte in the south. The subject is located off Main Street, a secondary north/south corridor that runs parallel with Old Statesville Road – connecting to it near Bigam Street in the north and Mount Holly Huntersville Road in the south. I-77 is the primary commercial influence in the neighborhood with interchanges at Gilead Road and Sam Furr Road in the north. Gilead Road is a primary east west corridor through the neighborhood. The neighborhood has good linkages to schools, shopping and employment centers.

LAND USE PATTERNS/DEVELOPMENT

The neighborhood is densely developed south of Gilead Road to Mt. Holly-Huntersville Road. Commercial uses are prevalent along Gilead Road and include office users and retailers with the land use becoming residential south of Holbrook Street. The area north of Gilead Road includes several established residential subdivisions, multi-family developments and larger tracts of land for institutional users including churches and schools.

Retail and commercial development is concentrated near the intersection of US Highway 21 and Gilead Road. Retail uses include fast food restaurants, small commercial retailers, hotels, a shopping center and several automotive dealerships. There are no known land use changes that would negatively impact the subject property. The neighborhood is about 85% built out. There are few large tracts of vacant land available for development in this neighborhood, which is considered to be in the stable stage of the real estate cycle.

UTILITIES

Public and private utilities are available in the area. These are assumed to be of adequate capacity to serve the existing and any planned development in the area.

ZONING

There are no known potential zoning changes or applications for change in the subject neighborhood that could have a negative impact on it.

ENVIRONMENTAL CHARACTERISTICS

We are not aware of any environmental conditions which would be a detrimental influence on the neighborhood. The primary use in the area around the subject is residential. As stated in the Assumptions and Limiting Conditions included in the Addenda, the appraisers are not qualified to detect the existence of potentially hazardous material, which may be present in the area. The existence of such substances may have an effect on the value of properties in the area.

DEMOGRAPHICS

The table on the following page summarizes the past, current and projected demographics for the areas of 3-Mile Radius, Town of Huntersville, and the Charlotte-Gastonia-Rock Hill MSA. The population growth in the neighborhood is higher than that of Mecklenburg County and the MSA and the projections are expected to continue at a faster trend. Median household incomes and home values are also higher in this neighborhood than the county and MSA, but growth projections are a bit more modest.

Demographic Comparison			
Population	Neighborhood	Town of Huntersville	Charlotte-Gastonia-Rock Hill MSA
2020 Projection	7,495	58,288	2,558,420
2015 Estimate	6,256	51,842	2,366,607
2010 Census	5,152	46,773	2,217,012
Annual % Change 2010-2015	4.0%	2.1%	1.3%
Total % Change 2010-2015	21.4%	10.8%	6.7%
Projected Annual % Change 2015-2020	3.7%	2.4%	1.6%
Projected Total % Change 2015-2020	19.8%	12.4%	8.1%
Households			
2020 Projection	3,117	21,787	980,104
2015 Estimate	2,598	19,360	906,080
2010 Census	2,115	17,423	848,745
Annual % Change 2010-2015	4.2%	2.1%	1.3%
Total % Change 2010-2015	22.8%	11.1%	6.8%
Projected Annual % Change 2015-2020	3.7%	2.4%	1.6%
Projected Total % Change 2015-2020	20.0%	12.5%	8.2%
Number of Persons per Household (2015)	2.41	2.68	2.61
Median Household Income			
2020 Projection	\$76,577	\$94,778	\$59,483
2015 Estimate	\$65,544	\$86,713	\$53,106
Projected Annual % Change 2015-2020	3.2%	1.8%	2.3%
Projected Total % Change 2015-2020	16.8%	9.3%	12.0%
Median Housing Value			
2020 Projection	\$273,537	\$322,137	\$241,633
2015 Estimate	\$245,449	\$305,508	\$207,002
Projected Annual % Change 2015-2020	2.2%	1.1%	3.1%
Projected Total % Change 2015-2020	11.4%	5.4%	16.7%

Source: US Census Bureau, Census 2010. ESRI estimates and forecasts for 2015 and 2020.

CONCLUSION

The subject is located in a growing area of northern Mecklenburg County within the Town of Huntersville. The neighborhood has good linkages to the region, has experienced strong growth trends in the past which are projected to continue. These growth trends should be reflected in most segments of the real estate market.

HIGHEST AND BEST USE ANALYSIS

The Dictionary of Real Estate Appraisal, 6th Edition, 2015, page 156, defines a neighborhood as "a group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises."

HIGHEST AND BEST USE AS IF VACANT

Physically Possible

The subject contains a total of 0.268 acre, which is sufficient for any permissible development within the TC zoning category. The site has frontage on two streets with level topography. The site has access to private and public utilities. We are not aware of any soil or environmental conditions that would limit the subject's physical development. There are no physical limitations, other than the size of the site that would limit the development to its highest and best use.

Legally Permissible

The property is zoned TC, Town Center. This district permits a variety of commercial and residential uses. We are not aware of any restrictions or private covenants that would limit the potential use of the subject. The subject is large enough to accommodate uses that meet the development standards set forth in this zoning district.

Financially Feasible

The third guideline for determining highest and best use for the site, as if vacant, is what use would bring a positive cash flow to the investor? In other words, which uses are financially feasible? The subject is located an established neighborhood with office, retail and residential uses. In the case of the subject, due to its location, access/frontage, office or retail uses are most likely.

OFFICE MARKET

The subject is located along Main Street in the Town of Huntersville. This area is located in the North Office Submarket, as defined by Karnes Research, a company that tracks and publishes trends in the office, retail and industrial markets. Statistics for the office sector include for-lease office buildings containing at least 15,000 SF. The regional and local office market has the following characteristics:

Office Market Analysis		
Location	Region	North
SF Inventory	50,656,661	2,384,123
2015 Completions	392,613	49,724
SF Under Construction	2,402,401	36,000
Average Rent	\$24.39	\$21.26
Trending	Up	Up
Vacancy	13.2%	12.5%
Trending	Down	Down

Source: Karnes Research, 4th Quarter 2015

The Charlotte region includes over 50.6 million square feet of office inventory with an additional 2.4 million square feet under construction. First half completions total 392,613 SF and vacancy continues to fall. Rental rates in the office sector are trending up with an overall average rent of \$24.39/SF. Vacancy is falling, although marginally, and is down to 13.2% from 14.3% in 2014.

The North Submarket includes 2.3 million square feet of inventory with another 36,000 SF of space under construction. First half completions total 49,724 SF and the vacancy rate experienced a modest uptick. Vacancy is moderately lower the region and is trending downward. The average rent is \$21.26/SF and is trending up. The overall vacancy, at 12.5% is down significantly from last year's 14.2%.

RETAIL MARKET

The subject is located along Main Street in the Town of Huntersville. This area is located in the North Retail Submarket. Statistics for the retail sector include for-lease buildings containing at least 15,000 SF. The regional and local retail market has the following characteristics:

Retail Market Analysis		
Location	Region	North
SF Inventory	62,247,152	2,591,738
2015 Completions, 1st Half	309,345	163,428
SF Under Construction	158,973	81,000
Average Rent	\$19.34	\$21.48
Trending	Steady	Down
Vacancy	8.7%	6.3%
Trending	Steady	Up

Source: Karnes Research, 1st Half 2015

The region includes over 62.2 million square feet of retail space with an additional 158,000 square feet under construction. Rental rates in the retail sector are trending up with an overall average rent of \$19.34/SF. Vacancy is falling, although marginally, and is down to 8.7% from 8.8% in 2014.

The North Submarket includes 2.5 million square feet of inventory with another 81,000 SF of space under construction. Vacancy in the North submarket is moderately lower the region but is up to 6.3% from 5.4% in 2014. The slight uptick in vacancy is due in part to 163,428 SF of completions in the first half of 2015. A three year analysis of vacancy in this market reveals rates between 5% and 7%, indicative of a healthy market. The average rent is \$21.48/SF and is down somewhat from last year's rate of \$22.04/SF.

The retail and office sectors in this market are performing well. Vacancy is down and rental rates are holding steady or climbing. Both sectors have recently added new buildings to the market and include projects currently under construction.

The immediate area surrounding the subject, from Huntersville Concord Road south to the intersection at Old Statesville Road includes older buildings with some vacant land tracts available for development. Two of the buildings, including the subject, are in various states of disrepair. The remaining space is local shops and offices. Redevelopment and/or new construction in this area is modest when compared with other neighborhoods in this submarket. Speculative construction is cautioned. As vacant, the subject could accommodate a small to medium sized two story project that is owner occupied or heavily pre-leased. Speculative construction is not recommended.

Maximally Productive

The fourth criterion is what alternative use will produce the highest return to the investor/owner. The maximally productive use of the subject is for a mixed use building that is heavily pre-leased or owner occupied.

Conclusion, As If Vacant

The highest and best use of the subject is for a heavily pre-leased or owner occupied mixed use building.

Highest and Best Use, As Improved

The subject is improved with a 1,940 SF single story building. The building is functionally adequate for a typical office/commercial user, but will require substantial repairs to ready it for occupancy. The building is situated on a 0.268 acre site indicating a building to land ratio of about 17%. This ratio is similar to typical office/retail properties. However, downtown locations are often served extensively by on-street parking and building to land ratios are often close to or above 100%. Parking requirements are minimal for existing buildings in the Town Center Zoning District and these relaxed requirements extend to the expansion/remodeling of existing buildings.

The seven buildings along the corridor of Main Street, south of Huntersville Concord Road are served by 36 on-street parking spaces. Two of the existing buildings are vacant and the street parking appears adequate to support the current users. However, any expansion of the subject may require additional on-site parking. The Town of Huntersville recently acquired a tract of land on the south end of Main Street and the preliminary plans for the site are for a public parking lot. However, the certainty and timing of this event is unknown. Considering these factors, the highest and best use of the property, as improved, is for retail or office use for the existing building with the possibility of expansion in the future.

EXPOSURE TIME/MARKETING

EXPOSURE TIME

Exposure time is defined in USPAP as *"the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market."*

Exposure time is estimated at 9 to 12 months, consistent with the marketing time estimate.

MARKETING TIME

The 6th Edition of *The Dictionary of Real Estate Appraisal*, 2015, page140 defines marketing time as *"An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.)"*

According to the *PWC Real Estate Investor Survey* (4th Quarter 2015) and RERC's *Real Estate Report* (Fall 2015), marketing times for relevant office segments range from 1 to 12 months, averaging about 4 months. This range is based on Charlotte office data. Brokers in the Charlotte market report marketing times that are similar to the national data. Based on this information, and given the subject's submarket performance, a marketing time of 9 to 12 months is estimated. The most likely buyer of this type of property is a local owner-user. The most likely user for the property include owner occupants or local tenants.

VALUATION METHODOLOGY

The appraisal process typically involves three approaches in estimating market value: cost, income, and sales comparison. The following is a brief description of each.

The **Cost Approach** uses depreciated replacement or reproduction costs of improvements plus land value as a basis for estimating market value. The underlying assumption is that an informed purchaser will pay no more than the cost of producing a substitute property with the same utility as the site.

The **Income Approach** uses capitalization or discounting of expected future income as a basis for estimating market value. The underlying assumption is that an informed purchaser will pay no more for the site than would have to be paid for another property with an income of comparable amount, duration and quality.

The **Sales Comparison Approach** uses sales prices of properties similar to the site as a basis for estimating market value. The underlying assumption is that an informed purchaser will pay no more for a property than would have to be paid for a similar property of comparable utility.

The subject is a small, single story commercial building situated on a 0.268 acre site. The building is in poor condition and has several items of deferred maintenance that will require correction prior to occupancy. No cost estimates are available for analysis and the extent of the interior damage is unknown. A large portion of the value is in the underlying land. Therefore, the Cost Approach is the most relevant approach to value.

The value of the site, as vacant, is estimated. The contributing value of the shell building is estimated from Marshall & Swift and considering a shell office building of Low Cost Class C masonry construction.

COST APPROACH

The cost approach is based on the premise that a prudent purchaser is not likely to pay more for a property than it would cost to acquire a similar site and have constructed an equally desirable improvement upon it. In this approach, land and buildings are valued separately, and the estimated value of the land (as if it were vacant) is added to the cost of the improvements.

SITE VALUATION

The first step in the cost approach is the estimate of land value as if it were vacant and available for its highest and best use. The preferred method of estimating land value is by direct comparison of the vacant site with vacant, comparable properties which have recently sold. Adjustments are made to the comparables for any significant differences they may have with the subject.

LAND SALE 1

Physical Data

Location	14124 Boren Street Huntersville, Mecklenburg County, North Carolina 28078
Tax Parcel	017-168-01
Land Area	1.946 Acres or 84,767 SF
Utilities	All Public Available
Zoning	CB, Corporate Business, Town of Huntersville
Access/Frontage	Good, Boren Street
Shape	Square
Visibility	Good
Topography	Wooded Lot, Sloping Topography
Property Type/Proposed Use	Commercial

Sales Data

Grantor	SREE HBP Hotel, LLC
Grantee	Pine & Twitty Huntersville
Date of Sale	October 2, 2015
Deed Book/Page	30323 / 230
Sales Price	\$750,000
Unit Price	\$385,405/Acre or \$8.85/SF
Financing Terms	Cash to Seller
Property Rights Conveyed	Fee Simple
Conditions of Sale	Arm's Length

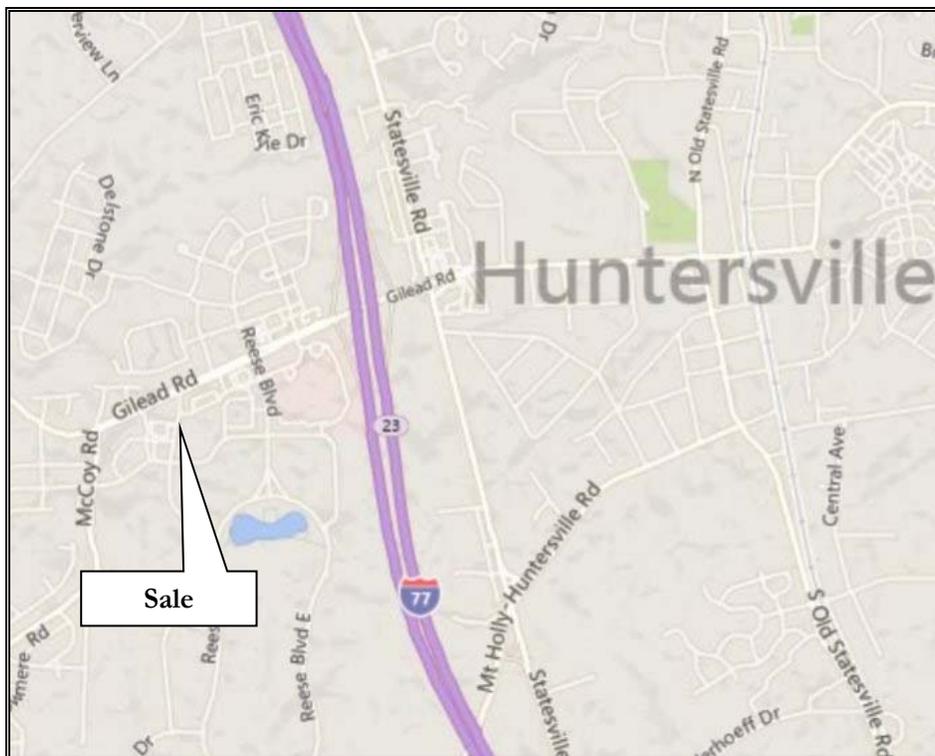
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Kurt Schoenhoff, Broker

Comments

Large commercial lot in The Park, a mixed use development on the south side of Gilead Road. Property had an extended marketing time of about 3 years.

LAND SALE 1



LAND SALE 2

Physical Data

Location	343 Huntersville Gateway Boulevard Huntersville, Mecklenburg County, North Carolina 28078
Tax Parcel	017-15-313
Land Area	0.73 Acres or 31,798 SF
Utilities	All Public Available
Zoning	HC (CD), Highway Commercial, Town of Huntersville
Access/Frontage	Good, Huntersville Gateway Boulevard
Shape	Square
Visibility	Good
Topography	Cleared Lot, Pad Ready
Property Type/Proposed Use	Retail, Sherwin Williams

Sales Data

Grantor	Exit Twenty Three, LLC
Grantee	HL Huntersville, LLC
Date of Sale	March 27, 2014
Deed Book/Page	29074 / 798
Sales Price	\$430,000
Unit Price	\$589,041/Acre or \$13.52/SF
Financing Terms	Cash to Seller
Property Rights Conveyed	Fee Simple
Conditions of Sale	Arm's Length

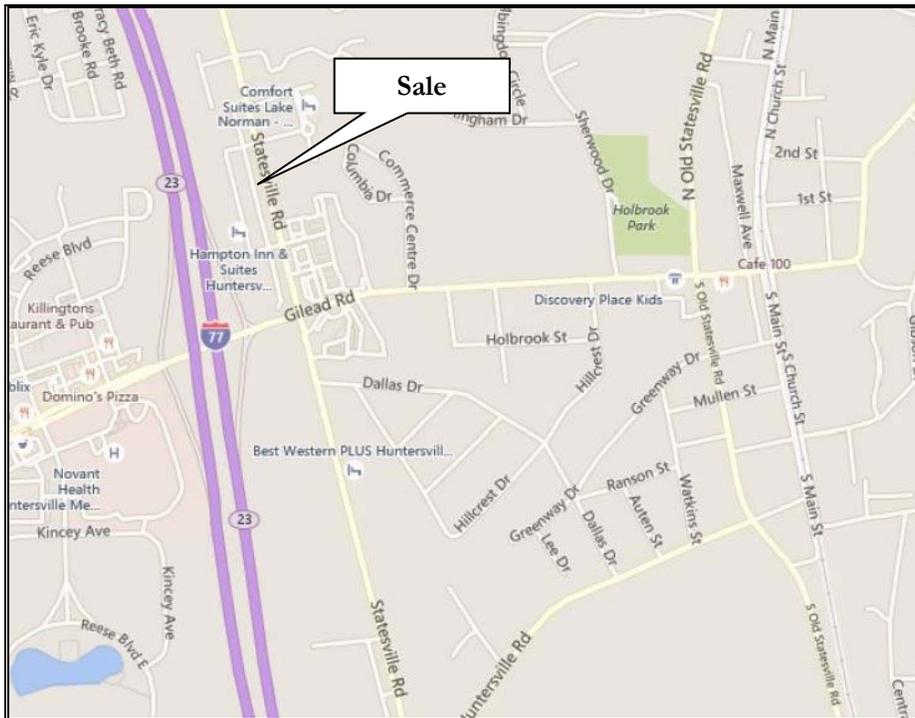
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Contract

Comments

Lot in Huntersville Gateway Development. Proposed for a Sherwin Williams store. Lot has good access from two roadways within the development and visibility from North Statesville Road.

LAND SALE 2



LAND SALE 3

Physical Data

Location	9534 Kinsey Avenue Huntersville, Mecklenburg County, North Carolina 28078
Tax Parcel	017-165-30
Land Area	1.345 Acres or 58,588 SF
Utilities	All Public Available
Zoning	HC (CD), Highway Commercial, Town of Huntersville
Access/Frontage	Good, Kinsey Avenue
Shape	Square
Visibility	Good
Topography	Sloping Topography
Property Type/Proposed Use	Day Care

Sales Data

Grantor	Bank of America, NA
Grantee	Idun, LLC
Date of Sale	May 8, 2014
Deed Book/Page	29164 / 533
Sales Price	\$490,000
Unit Price	\$364,366/Acre or \$8.36/SF
Financing Terms	Cash to Seller
Property Rights Conveyed	Fee Simple
Conditions of Sale	Arm's Length

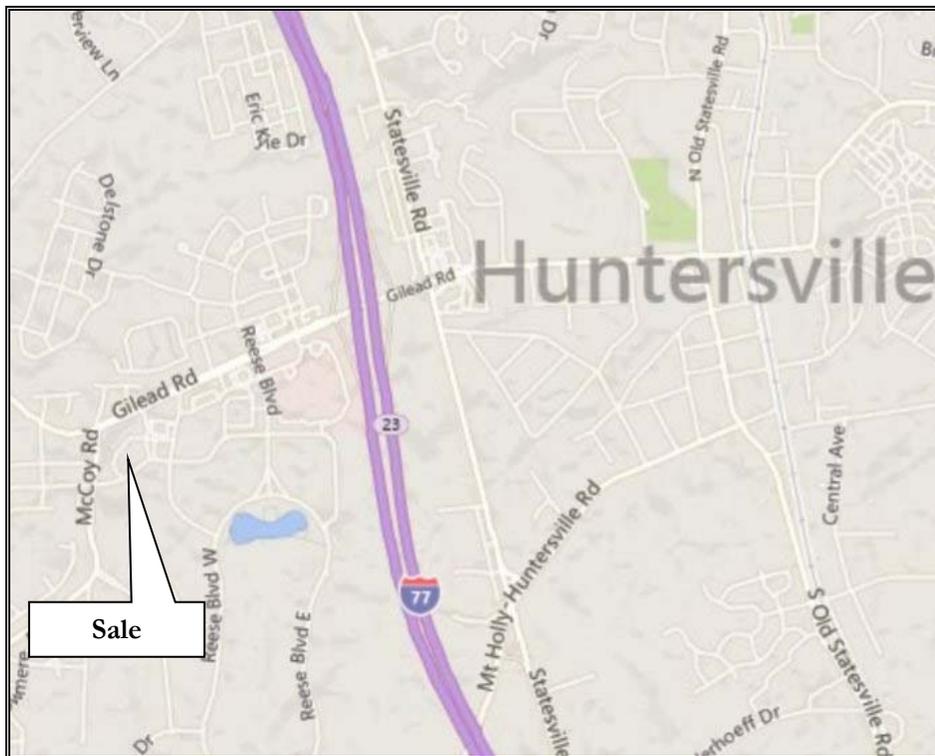
Verified

Susan Melton, Representative of Seller

Comments

Large commercial lot in The Park, a mixed use development on the south side of Gilead Road. Property had 15' sanitary sewer easement; 20' storm drainage easement along the west and southwest boundaries. Site to be improved with a Goddard School.

LAND SALE 3



LAND LISTING

Physical Data

Location	407 B Gilead Road Huntersville, Mecklenburg County, North Carolina 28078
Tax Parcel	017-105-01
Land Area	0.460 Acre or 20,038 SF
Utilities	All Public Available
Zoning	HC, Highway Commercial, Town of Huntersville
Access/Frontage	Private Roadway from Gilead Road
Shape	Rectangular
Visibility	Good
Topography	Wooded Lot
Property Type/Proposed Use	Vacant

Sales Data

Seller	Beverly Woods
Survey Date	March 8, 2016
Asking Price	\$145,000
Unit Price	\$315,217/Acre or \$7.24/SF
Property Rights Conveyed	Fee Simple

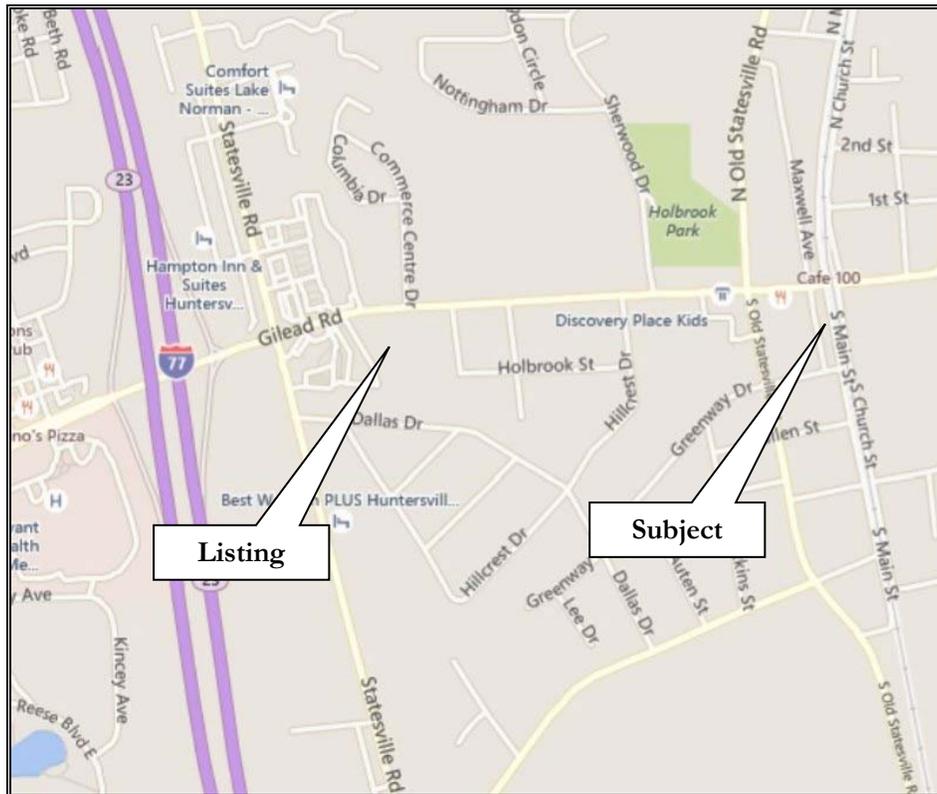
Verified

Listing, Lisa Dula

Comments

Lot is currently accessed via a private driveway. However, reconfiguration and extension of Commerce Center Drive, the property will potentially have 200' of access on the new roadway south of the signalized intersection at Gilead. Property has been on the market since July 2015 with a current asking price of \$145,000 – or \$7.24/SF.

LAND LISTING



Land Sales Adjustment Summary

	<u>Subject</u>	<u>Sale 1</u>	<u>Sale 2</u>	<u>Sale 3</u>	<u>Listing</u>
Location	114 S. Main Street, Huntersville, NC	14124 Boren Street, Huntersville, NC	343 Huntersville Gateway Boulevard, Huntersville, NC	9534 Kincey Avenue, Huntersville, NC	407 B Gilead Rd, Huntersville, NC
Tax Parcel(s)	019-041-06	017-168-01	017-153-13	017-165-30	017-105-01
Date of Sale	NA	Oct-15	Mar-14	May-14	Listing
Size- Acres	0.268	1.946	0.730	1.345	0.460
Size- SF	11,674	84,768	31,799	58,588	20,038
Existing/Proposed Use	Vacant	Vacant	Vacant	Vacant	Vacant
Shape/Utility	Rectangular	Rectangular	Rectangular	Rectangular	Rectangular
Topography/Floodplain	Level	Level	Level	Level	Level
Zoning /Density	TC	CB	HC (CD)	HC (CD)	HC
Utilities	All Municipal	All	All	All	All
Access/Frontage/Visibility	Two Roads	One Road	Two Roads	One Road	One Road
VALUE INDICATIONS					
Sales Price		\$750,000	\$430,000	\$490,000	\$145,000
Sales Price/SF		\$8.85	\$13.52	\$8.36	\$7.24
MARKET ADJUSTMENTS					
Property Rights		0%	0%	0%	0%
Financing Terms		0%	0%	0%	0%
Conditions of Sale		0%	0%	0%	-5%
Market Conditions		0%	5%	5%	0%
Adjusted Price/SF		\$8.85	\$14.20	\$8.78	\$6.87
PHYSICAL ADJUSTMENTS					
Location		-10%	0%	-10%	0%
Size		0%	0%	0%	0%
Shape/Utility		0%	0%	0%	0%
Topography/Floodplain		0%	0%	0%	0%
Zoning/Density		0%	0%	0%	0%
Utilities		0%	0%	0%	0%
Access/Frontage/Visibility		0%	-20%	0%	20%
TOTAL					
Adjustments		-10%	-20%	-10%	20%
Adjusted Price		\$675,000	\$361,200	\$463,050	\$165,300
Adjusted Price/SF		\$7.96	\$11.36	\$7.90	\$8.25
Analysis	Before Adjustment	After Adjustment			
Range Low (\$/SF)	\$7.24	\$7.90			
Range High (\$/SF)	\$13.52	\$11.36			
Range %	86.9%	43.7%			
Mean (\$/SF)	\$9.49	\$8.87			
Sources: Market research and parties to sale.					

EXPLANATION OF ADJUSTMENTS

The characteristics of each comparable sale are compared to the subject and the data set. Where there are differences for superior or inferior characteristics, adjustments are made to the comparables. Two types of adjustments are made. Market adjustments, which are cumulative adjustments, are for Property Rights Conveyed, Financing, Conditions of Sale, and Market Conditions. Physical adjustments are made for various characteristics, including Location, Building Size, Building-to-Land Ratio, Age/Condition, and Construction Type/Quality.

MARKET ADJUSTMENTS

Property Rights Conveyed

This adjustment accounts for differences in the real property rights transferred. All of the comparable sales conveyed a fee simple interest, the same property rights being valued for the site, and no adjustments are made.

Financing Terms

This adjustment accounts for financing terms not considered to be cash equivalent. Each of the sales involved either all cash transactions or conventional financing at prevailing market rates and terms. No adjustments for financing are required.

Conditions of Sale

Atypical motivations by either buyer or seller are considered to impact the final sales price of a property. All sales were typical transactions and no adjustments are made. The listing is adjusted downward, as most properties eventually close at a price below the asking.

Market Conditions

Typically, a review of previous sales activity provides an indication of the rate of appreciation, or depreciation, of property values over time in the market area. The comparable sales occurred between March 2014 and October 2015. There has been some appreciation over this time period, this is evidenced by falling cap rates and rising rental rates in the office and retail markets. Sales 2 and 3 are adjusted upward. Sale 1 is considered representative of the current market.

Physical Adjustments

Location

The subject is located in Huntersville, in the north submarket of the Charlotte Region. All sales and listings are located within the same submarket of Huntersville. However, Sales 1 and 3 are located in The Park, an established business park and are adjusted downward for superior location.

Size/Shape/Utility

The size and utility of the site were considered. The subject is 0.268 acre, significantly smaller than the comparables in this analysis. Typically, a commercial site of 0.268 acre suffer from diminished utility due to costs of construction and parking requirements – requiring a downward adjustment to the comparables. Conversely, smaller sites typically sell at a premium on a per square foot basis. These factors are offsetting, no adjustment is made for size, or shape/utility.

Access/Frontage/Visibility

The subject has good visibility off Main Street and S Maxwell Avenue, both of which are somewhat secondary roadways in the town. Sales 1 and 3 are considered similar. Sale 2 has superior visibility and access from US 21 and is adjusted downward. The listing has inferior access and visibility and is adjusted upward.

RECONCILIATION SUMMARY

Before adjustments, the comparable sales prices range from \$7.24/SF to \$13.52/SF. After adjustments, the value indications range from \$7.90/SF to \$11.36/SF, with an adjusted average of \$8.87/SF. The range of the adjusted comparables is somewhat skewed due to Comparable 2. Sales 1, 3 and the listing are given most consideration and a market value of \$8.00/SF is estimated for the 11,674 SF site, yielding value of \$93,392

Improvement Valuation

According to *The Dictionary of Real Estate*, 5th edition (2010), replacement cost is "the estimated cost to construct, at current prices as of the effective appraisal date, a building with utility equivalent to the building being appraised, using modern materials and current standards, design, and layout." Reproduction cost is defined as "the estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building." The replacement cost estimate is used in this appraisal.

The subject includes 1,940 SF of gross building area. The building is of masonry and block construction with a wood frame roof and membrane covering. The roof is leaking and will require replacement prior to occupancy. The interior upfits are in poor condition and the building does not have a central heat/air unit. A prospective buyer will very likely utilize the shell of the building, replacing the roof covering and completely retrofitting the interior.

To estimate the replacement cost of the subject shell improvements, *Marshall Valuation Service (MVS)* is consulted. The class of construction is the basic subdivision in the MVS, which divides all buildings into five basic cost groups by type of building framing. The building frame is masonry best classified as a Low Cost Class C. The base cost for shell buildings of this type, as shown in

section 15 on page 35, is \$37.37/SF. Adjusted for location (0.92) and time (1.03), the adjusted hard costs are \$35.41/SF, for the 1,940 SF building. The shell cost includes only rough in electrical and plumbing, open areas, exposed concrete flooring and no heating or cooling costs.

Depreciation for the shell building would be minimal, with the exception of the roof covering. In the subject's case, the roof covering will require removal and replacement. The replacement cost for an Elastomeric, single ply roof, as shown in Section 57, Page 4, ranges from \$2.44/SF to \$7.13/SF. Section 66, page 11 indicates removal costs of \$1.14/SF.

A cost at the lower end of the range is estimated, or \$3.00/SF plus demolition/removal costs of \$1.14/SF indicating a total cost of \$4.14/SF, and when applied to the estimated area of the covering of 1,940 SF indicates a cost of \$8,032. This is deducted from the shell cost. The remainder is depreciated at 20% based on an effective age of 10 years and economic life of 50 years.

The following table summarizes the estimated depreciated value of the shell building.

Contributing Value of Shell Building		
Low Cost Class C Masonry - 1,940 SF	\$37.37	\$72,498
Less Roof Covering Replacement	-\$4.14	-\$8,032
Estimated Contributing Value	\$33.23	\$64,466
Less Depreciation, Age/Life at 20%	-\$6.65	-\$12,893
Estimated Contributing Value	\$26.58	\$51,573
Source: Marshall & Swift Cost Estimator		

The contributing value of the shell building is estimated at \$51,573. This is added to the land value of \$93,392 for a total value of \$144,965, rounded to \$145,000.

Estimated Market Value As Is, as of March 1, 2016
1,940 SF on 0.268 Acre, Fee Simple
\$145,000

Sincerely,




Mark T. Lambert, MAI
 North Carolina State Certified General Appraiser #A3572
 704-375-1032 x12
mark@fortenberrylambert.com




Michelle R. Theyken
 North Carolina State Certified General Appraiser #A7066
 704-375-1032 x21
michelle@fortenberrylambert.com

ADDENDA

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THIS APPRAISAL REPORT HAS BEEN MADE WITH THE FOLLOWING GENERAL ASSUMPTIONS AND LIMITING CONDITIONS:

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The liability of **Fortenberry Lambert, Inc.** is limited only to the client. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. Further, client will forever indemnify and hold **Fortenberry Lambert, Inc.**, its officers, and employees harmless from any claims by third parties related in any way to the appraisal. Third parties shall include limited partners of client if client is a partnership and stockholders of client if client is a corporation, and all lenders, tenants, past owners, successors, assigns, transferees, and spouses of client. **Fortenberry Lambert, Inc.** will not be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property, physically, financially, and/or legally.

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EXHIBITS

The illustrations and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photographs, if any, are included for the same purpose as of the date of the photographs. Site plans are not surveys unless so designated.

LEGAL, ENGINEERING, FINANCIAL, STRUCTURAL OR MECHANICAL NATURE, HIDDEN COMPONENTS, SOIL

No responsibility is assumed for matters legal in character or nature, nor matters of survey, or of any architectural, structural, mechanical, or engineering nature. No opinion is rendered as to the title, which is presumed to be good and marketable. The property is appraised as if free and clear, unless otherwise stated in particular parts of the report. The legal description is assumed to be correct as used in this report as furnished by the client, his designee or as derived by **Fortenberry Lambert, Inc.**

Fortenberry Lambert, Inc. has inspected as far as possible, by observation, the land and the improvements; however, it was not possible to personally observe conditions beneath the soil, or hidden structural, mechanical or other components and **Fortenberry Lambert, Inc.** shall not be responsible for defects in the property which may be related.

The report is based on there being no hidden, unapparent, or apparent conditions of the property site, subsoil or structures or toxic materials which would render it more or less valuable. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them. All mechanical components are assumed to be in operable condition and status standard for properties of the site type. Conditions of heating, cooling, ventilation, electrical, and plumbing equipment are considered to be commensurate with the condition of the balance of the improvements unless otherwise stated.

If **Fortenberry Lambert, Inc.** has not been supplied with a termite inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranties are made concerning obtaining the above mentioned items.

Fortenberry Lambert, Inc. assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for The Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

LEGALITY OF USE

The report is based on the premise that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building and use regulations, and restrictions of all types have been complied with unless otherwise stated in the report. Further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or may be obtained or renewed for any use considered in the value estimate.

COMPONENT VALUES

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other report and are invalid if so used.

AUXILIARY AND RELATED STUDIES

No environmental or impact studies, special market study or analysis, highest and best use analysis, study or feasibility study has been required or made unless otherwise specified in an agreement for services or the report.

DOLLAR VALUES, PURCHASING POWER

The market value estimated and the costs used are as of the date of the estimate of value, unless otherwise indicated. All dollar amounts are based on the purchasing power and price of the dollar as of the date of the value estimate.

INCLUSIONS

Furnishings and equipment or personal property or business operations, except as specifically indicated and typically considered as a part of real estate, have been disregarded with only the real estate being considered in the value estimate, unless otherwise stated. In some property types, business and real estate interests and values are combined.

PROPOSED IMPROVEMENTS, CONDITIONAL VALUE

Improvements proposed, if any, onsite or offsite, as well as any repairs required, are considered for purposes of this report to be completed in a timely, good and workmanlike manner, according to information submitted and/or considered by **Fortenberry Lambert, Inc.** In cases of proposed construction, the report is site to change upon inspection of property after construction is completed.

VALUE CHANGE, DYNAMIC MARKET, INFLUENCES, ALTERATION OF ESTIMATE

The estimated value, which is defined in the report, is site to change with market changes over time. Value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace.

In cases of reports involving the capitalization of income benefits, the estimate of market value or investment value or value in use is a reflection of such benefits and **Fortenberry Lambert, Inc.'s** interpretation of income and yields and other factors derived from general and specific client and market information. Such estimates are as of the date of the estimate of value; thus, they are site to change as the market and value is naturally dynamic.

The "estimate of market value" in the report is not based in whole or in part upon the race, color, or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.

REPORT AND VALUE ESTIMATE

Report and value estimates are site to change if physical or legal entity or financing differ from that envisioned in this report.

MANAGEMENT OF THE PROPERTY

It is assumed that the property that is the site of this report will be under prudent and competent ownership and management.

HAZARDOUS MATERIALS

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation, asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did **Fortenberry Lambert, Inc.** become aware of such during their inspection. **Fortenberry Lambert, Inc.** had no knowledge of the existence of such materials on or in the property unless otherwise stated. **Fortenberry Lambert, Inc.**, however, is not qualified to test such substances or conditions. If the presence of such substances 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 the proximity that it would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

SOIL AND SUBSOIL CONDITIONS

Unless otherwise stated in this report, **Fortenberry Lambert, Inc.** does not warrant the soil or subsoil conditions for toxic or hazardous waste materials. Where any suspected materials might be present, we have indicated in the report; however, **Fortenberry Lambert, Inc.** are not experts in this field and recommend appropriate engineering studies to monitor the presence or absence of these materials.

AMERICANS WITH DISABILITIES ACT (ADA)

Fortenberry Lambert, Inc. has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the Americans with Disabilities Act ("ADA"), which became effective January 26, 1992. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since **Fortenberry Lambert, Inc.** has no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property."

TAX CARD

LOCATION Parcel ID:01904106

No. 114
 All No. 14 S MAIN ST HUNTERVILLE
 Tract/Block/Street/County
 Ownership Condo Unit #
 Owner 1 BRADFORD PROPERTIES
 Owner 2
 Owner 3
 Street 1 PO BOX 197
 Street 2
 City/HVY HUNTERVILLE
 State/Prov NC County Davy Dec
 Postal 28078

IN PROCESS APPRAISAL SUMMARY

Use Code	Buildmt Value	Yard Items	Land Size	Land Value	Total Value
C700	58,900	0	0.27	105,100	164,000
Total Parcel	58,900	0	0.27	105,100	164,000
Source	Mkt Ask Cont	Total Value per SQ unit		82.83	

TOTAL ASSESSED: 164,000

Legal Description
 NA
 Entered Lot Size
 Total Land
 Land Unit Type CA
 Contiguous



TAX DISTRICT 618D MU6/FR18/SPD

PREVIOUS OWNER

Owner 1
 Owner 2
 Street 1
 Street 2
 City/HVY
 State/Prov
 Postal

SALES INFORMATION

Grantor	Local Ref	Type	Date	Code	Price	Lot	Verification	Notes
	09263-780	DS	09/23/1997	Z	0	N		

NARRATIVE DESCRIPTION

This Parcel contains XXXX CA of land mainly classified as COMMERCIAL. It has 1 building(s) with a total of 1,980 square feet. There are 1 living unit(s).

PREVIOUS ASSESSMENTS

Year	Code	Use	Build Value	Yard Items	Land Size	Land Value	Total Value	Total Asses'd	Notes	Date
2014RPTV	C700		58,900	0	0	105,100	164,000	164,000	REPORT	02/28/2015
2013RPTV	C700		58,900	0	0	105,100	164,000	164,000	REPORT	02/28/2015
2012RPTV	C700		58,900	0	0	105,100	164,000	164,000	REPORT	02/28/2015
2011RPTV	C700		58,900	0	0	105,100	164,000	164,000	REPORT	02/28/2015
2010EV	C700		31,400	0	0	43,800	75,200	75,200	average	10/27/2010
2009RPTV	C700		31,400	0	0	43,800	75,200	75,200	report	09/18/2011
2008RPTV	C700		31,400	0	0	43,800	75,200	75,200	report	09/18/2011
2007RPTV	C700		31,400	0	0	43,800	75,200	75,200	report	09/18/2011

PAT ACCT 24141

Date	Time	Date	Time
2015-08-03	15:19:29	2015-04-14	22:04:52
		waited	

APPEALS INFORMATION

Appeal Status	Appeal ID	Next Action
	0	

ACTIVITY INFORMATION

Date	Result	By	Name
02/07/2015	END REVIEW	REVC	REVC
02/07/2015		REVC	REVC
02/06/2015	SPEC REVIEW	REVC	Hameckheime
01/11/2015		REVC	REVC
12/17/2014	REVIEWED CHG		
03/23/2014	UNDER REVIEW	REVC	REVC
01/14/2012	2011 TAXBILL	BILL	BILL
03/17/2011	REVAL URTION	NOTC	NOTC
07/24/2010	2010 TAXBILL	BILL	BILL

PROPERTY FACTORS

Item	Code	Date	%
District	FR18	HUNTERVILLE	
	MU6	HUNTERVILLE	
	SPD	SPEC DIST D	
Zoning	177	TC	

BUILDING PERMITS

Date	Number	Job Name	Amount	Last Visit	Status	Notes
------	--------	----------	--------	------------	--------	-------

Campus
 Road Name
 Type
 Street
 Traffic
 Exempt

Sign _____ Date / /
 VERIFICATION OF VISIT NOT DATA

LAND SECTION

UIC - Fact Description	No of Units Capable/5 High	Unit Type Land Type-Fact	Base Value	Unit Price	Neigh Misc Influence	Influence 1 %	Influence 2 %	Influence 3 %	Appraised Value	All Class %	Special Land JUR - Factor	Assessed Value	Notes
C700-1.00 COMMERCIAL	11674.090	SQUARE FEET P-1.00	10.00	9.00	RE07	87	-10.00		105,100			105,100	
Total APZHA	Total SPSM	Parcel LUG	C700	COMMERCIAL	Prime NB Desc	RE07	Total		105,100	Spcl Crdct	0 Total	105,100	

Disclaimer: This Information is believed to be correct but is subject to change and is not warranted.

Exterior Information			
Bld Type	10	RETAIL	
Strv Ht	01		
Liv Units	1		
Foundation	03	SLAB.COM	1.00
Frame	04	MASONRY	1.00
Wall	21	FACE BRICK	1.00
Wall2			0%
RoofStruct	03	GABLE	1.00
Roof Cover	04	T&G/RUBBER	1.00
Color	SOPHISTICATED LADY		
ViewCode			

Bath Features (Rating)	
Full Bath	0
Addtl	0
3/4 Bath	0
Addtl	0
1/2 Bath	0
Addtl	0
Othr Fix	3 AV

Location: 114 S MAIN ST, HUNTERSVILLE.



General Information	
Grade	16 BELOW AVG 06
Year Blt	1923 Eff Yr Blt 1975
Alt LUC	0%
Juris dt	Fact 1.00
Constr Mod	
Lump Sum Adj	0.00

Other Features (Rating)	
Kitchens	0
Ad Kit	0
Frlps	0
WSFlue	0

Condo Information	
Location	
Tot Units	
Floor Level	
Num Floors	1
% Own	0
Name	

Interior Information			
Avg Ht/FL	14.00		
Prime Wall	04	PLYWOOD PANL	1.05
Sec Wall			0%
Partition			1.00
Prime Fl	05	ASPHALT TILE	1.00
Sec Floors			0%
Bsmnt Floor			
Subfloor			1.00
Bsmnt Gar	0		
Electric			1.00
Insulation	06	NT SUS NO IN	0.98
Int vs Ext			
Heat Fuel	03	GAS	1.00
Heat Type	03	AIR-NO-DUCT	0.95
Air Cond	11	AC-NONE	100% 0.94
# Heat Sys	0		
% Heated	0	% A/C	0
% Sprinkled	0	% Ctrl Vac	0

Depreciation %	
PhysCond	Average 66
Func	0
Econ	0
Spec	0
OV	0
Total: 66.00	

Calculation	
Basic \$/SQ	85.00
Size Adj	1.13
Const Adj	0.92
Adj \$/SQ	88,260
Other Feat	1,950
Grade Fact	0.98
NBHD Infl	1.00
LUC Factor	1.00
Adj Total	173,171
Depreciation	114,293
Dep Total	58,878

Sub Area Detail

Code	Desc.	F.Area	Area	Rate	Appr Val
BAS	BASE	1,980	1,980	86	58,228.00
Total		1,980	1,980		58,228.00

Residential Grid

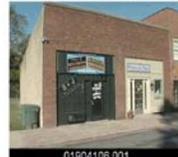
Fr Lvl	Description	Units	Rms	Bed	Baths
J	Line 1	1	0	0	0

Special Features / Yard Items

Code	SFYIDesc	A	YIS Qty	Size	Qual	Con	Year	Unit Price	Adj UPD'S	Dep%	LUC	L.Fac	NB	N.Fact	Juris	J.Fact	UndepValue	Apprd Value	Assd Value
Total Sp. Features:																			
Total Yard Items:																			
Total Appraised:										Total Assessed Value:									

Area Totals

Final Total	58900
Adj Area	1980 Val/Su Fin 29.75
Fin Area	1980 Val/Su Net 29.75
Total Area	1980 Val/Su Adj 29.75



Disclaimer: This information is believed to be correct but is subject to change and is not warranted.

Acct # 24141

2014 Bldg Sequence 1 of 1

2016-03-03 16:13:36 waltoj

QUALIFICATIONS OF THE APPRAISERS

QUALIFICATIONS

Mark Thomas Lambert, MAI

6923 Shannon Willow Road, Suite 400, Charlotte, North Carolina 28226

Phone: (704)375-1032 Fax: (704)375-6545 Cell: (704)650-6271

mark@fortenberrylambert.com

REAL ESTATE APPRAISAL AND ANALYSIS EXPERIENCE

Fortenberry Lambert, Inc.
Partner

Charlotte, North Carolina

Commercial real estate consulting and appraisal. Opened firm in January 2001. Provide real estate services to developers, property owners, and financial clients. Services include valuation, market/feasibility analysis. Specialist in multi-tenant lease-by-lease, and discounted cash flow analysis using *Argus* software.

Lambert Consulting
Owner

Charlotte, North Carolina

Commercial real estate consulting and appraisal. Provided real estate services to developer, property owner, and financial clients. Opened firm in 1996.

TB Harris, Jr., & Associates
Vice President

Charlotte, North Carolina

Provided appraisal services.

The Rouse Company
Research Analyst

Columbia, Maryland

Worked as an in-house consultant for three divisions: Retail Development/Acquisitions, Office and Community Development, and Operating Properties. Responsibilities included locating and analyzing potential sites for retail and/or office developments and involvement in the management, operations, marketing and leasing for 15 regional malls and mixed-use developments within the Rouse portfolio.

The Hahn Company
Market Analyst Intern

San Diego, California

Market feasibility and site analysis for an 800,000-square-foot shopping center proposed to be developed at the University Place mixed-use complex in northeast Mecklenburg County, North Carolina.

Charlotte-Mecklenburg Planning Commission
Intern

Charlotte, North Carolina

Worked part-time while in graduate school researching demographic data and working on various district plans, small area plans, and special projects.

EDUCATION

Texas A&M University, College Station, Texas
Bachelor of Science

University of North Carolina at Charlotte, Charlotte, North Carolina

Post-Graduate, Department of Geography & Earth Sciences

Location Analysis - Real Estate

Course Highlights

Real Estate Development

Public Facility Planning

Real Estate and Land Economics

Quantitative Analysis

Real Estate Law and Policy Analysis

Research Methods and Analysis

Private Facility Location

Environmental Planning

Land Use Planning

Transportation Planning

Mark Thomas Lambert, MAI

6923 Shannon Willow Road, Suite 400, Charlotte, North Carolina 28226

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mark@fortenberrylambert.com

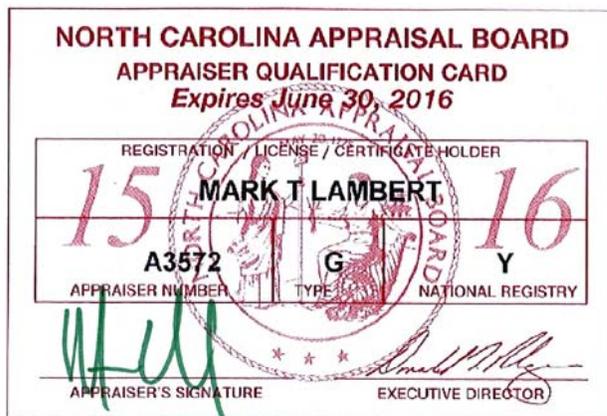
APPRAISAL EDUCATION

The Appraisal Institute Courses Completed

1A-1 Real Estate Appraisal Principles
1A-2 Basic Valuation Procedures
1B-A Income Capitalization - Part A
1B-B Income Capitalization - Part B
550 Advanced Applications
II 540 Report Writing and Valuation Analysis
Standards of Professional Practice
Continuing Education Requirements - Current

AFFILIATIONS AND ACTIVITIES

Member, The Appraisal Institute MAI #84110
North Carolina State Certified General Real Estate Appraiser #A3572
South Carolina State Certified General Real Estate Appraiser #CG3415
North Carolina Real Estate Brokers License #148289 (Inactive)
Appraisal Institute Metrolina Chapter Advisory Board (Past)
Building Owners and Managers Association
Charlotte Region Realtor Association
ClareHaven Neighborhood – Past President
Big Brothers Big Sisters of Greater Charlotte, past Big Brother
Dowd YMCA ABLE Reading Literacy Volunteer
Mecklenburg Aquatic Club (MAC) – past Board Member
Stingray Aquatics – past Board Member, current Team Member
US Masters Swimming – Member
North Carolina Special Olympics - Certified Swim Coach
Cabarrus County Special Olympics – Volunteer Swim Coach



QUALIFICATIONS

Michelle R. Theyken
Fortenberry Lambert, Inc.
6923 Shannon Willow Road, Suite 400, Charlotte, North Carolina 28226
Phone: (704)375-1032 Fax: (704)375-6545 email: michelle@fortenberrylambert.com

EDUCATION

University of North Carolina at Charlotte
Bachelor of Arts

Charlotte, North Carolina

Appraisal Institute

Courses Completed

Subdivision Valuation
Forecasting Revenue
Appraising Convenience Stores
Analyzing Operating Expenses
Marina Valuation Overview

Other Course Work

Uniform Appraisal Standards for Federal Land Acquisitions

REAL ESTATE ANALYSIS EXPERIENCE

Fortenberry Lambert, Inc.
Staff Appraiser

Charlotte, North Carolina

Commercial real estate consulting and appraisal. Provide real estate services to developers, property owners, and financial clients.

Mountain Stream Appraisal Services
Staff Appraiser

Charlotte, North Carolina

Commercial real estate consulting and appraisal. Trainee and staff appraiser from July 2006 to June 2014. Provided real estate services to developers, property owner, and financial clients. Specialization in land, multi-tenant retail and office properties.

AFFILIATIONS AND ACTIVITIES

North Carolina State Certified General Real Estate Appraiser #A7066
South Carolina State Certified General Real Estate Appraiser #CG6657
Appraisal Institute - Candidate for MAI Designation



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