

Borrower/Client	Kimberly Lane			File No.	30-0053
Property Address	764 Cormorant Trail				
City	Corolla	County	Currituck	State	NC
				Zip Code	27927
Lender	Bank of Currituck				

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# *Island Appraisal Service*

GREG STEMMERICH  
*NC State Certified Residential Appraiser*

12/12/08

Bank of Currituck  
5531 North Croatan Highway Southern Shores NC 27949

Re: Property: Kimberly Lane  
Corolla, NC 27927  
Borrower: Kimberly Lane  
File No.: 30-0053

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

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

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice. This summary approach shows an estimated value of **\$1,100,000**.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

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

Sincerely,

  
Greg Stemmerich  
**Broker, GRI**  
**Certified Residential Appraiser**





GREG STEMMERICH  
NC State Certified Residential Appraiser

# INVOICE

INVOICE NUMBER	
	0000735
DATE	
REFERENCE	
Internal Order #:	0000735
Lender Case #:	30-0053
Client File #:	Lane
Main File # on form:	30-0053
Other File # on form:	Lane
Federal Tax ID:	23-2916796
Employer ID:	

**TO:**

Bank of Currituck

**Telephone Number:****Fax Number:**

**Alternate Number:**

**E-Mail:**

## DESCRIPTION

**Lender:** Bank of Currituck

**Client:** Bank of Currituck

**Purchaser/Borrower:** Kimberly Lane

**Property Address:** 764 Cormorant Trail

City: Corolla

**County:** Currituck

State: NC

**Zip:** 27927

**Legal Description:** Deed Page #1025, Book #1

## FEEES

**AMOUNT**

## Summary

350.00

**SUBTOTAL**

350.00

## PAYMENTS

**AMOUNT**

**Check #:**

Date:

**Description:**

**Check #:**

Date:

**Description:**

**Check #:**

Date:

**Description:**

**SUBTOTAL****TOTAL DUE**

\$

350.00

Summary Appraisal Report

Uniform Residential Appraisal Report

Lane  
File # 30-0053

SUBJECT

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address	764 Cormorant Trail	City	Corolla	State	NC	Zip Code	27927
Borrower	Kimberly Lane	Owner of Public Record	Kimberly Lane	County	Currituck		
Legal Description	Deed Page #1025, Book #1						
Assessor's Parcel #	126A0000084000J	Tax Year	2008	R.E. Taxes \$	2,349.34		
Neighborhood Name	Ocean Sands	Map Reference	126A	Census Tract	1101.01		
Occupant	<input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant	Special Assessments \$	N/A	<input checked="" type="checkbox"/> PUD	HOA \$	350	<input checked="" type="checkbox"/> per year <input type="checkbox"/> per month
Property Rights Appraised	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)						
Assignment Type	<input type="checkbox"/> Purchase Transaction <input checked="" type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)						
Lender/Client	Bank of Currituck						
	Address 5531 North Croatan Highway Southern Shores NC 27949						
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No							
Report data source(s) used, offering price(s), and date(s). MLS information shows this property to have been listed as of, 10/2/08, at an asking price of \$899,000. It was withdrawn as an active listing shortly after this on 11/24/08, at a higher asking price of \$1,200,000.							

CONTRACT

I ☐ did ☒ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. I am not aware that this property is currently under agreement of sale.

Contract Price \$	N/A	Date of Contract	N/A	Is the property seller the owner of public record?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Data Source(s)	N/A
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? <input type="checkbox"/> Yes <input type="checkbox"/> No							
If Yes, report the total dollar amount and describe the items to be paid. N/A							

NEIGHBORHOOD

**Note: Race and the racial composition of the neighborhood are not appraisal factors.**

Neighborhood Characteristics		One-Unit Housing Trends		One-Unit Housing		Present Land Use %	
Location	<input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	60 %
Built-Up	<input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply	<input type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input checked="" type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	%
Growth	<input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input checked="" type="checkbox"/> Over 6 mths	600	Low new	Multi-Family	%
Neighborhood Boundaries	Mainly the Corolla and Duck areas as part of the Outer Banks area, an ocean front, resort area.			2,500	High 20	Commercial	%
				1,100	Pred. 6	Other	40 %
Neighborhood Description	The homes in the vicinity of the subject are primarily utilized for vacation homes. This property is located in an ocean side subdivision of newer homes. This subdivision offers ocean access and tennis courts.						

Market Conditions (including support for the above conclusions) The Outer Banks area has benefited from a rapid increase in property values in the past several years. This area has experienced a slow down in market activity, resulting in a higher supply of homes being made available for sale. See additional comments regarding market conditions on page three of this report.

SITE

Dimensions	60x114	Area	6,840 Sq.Ft.	Shape	rectangular	View	beach homes
Specific Zoning Classification	R01,PUD overlay	Zoning Description	single family use permitted along with residential income properties				
Zoning Compliance	<input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)						
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe							

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>		Water	<input checked="" type="checkbox"/>	Street paved	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input type="checkbox"/>	N/A	Sanitary Sewer	<input checked="" type="checkbox"/>	Alley N/A	<input type="checkbox"/>	<input type="checkbox"/>

FEMA Special Flood Hazard Area ☒ Yes ☐ No FEMA Flood Zone AE FEMA Map # 3720993400J FEMA Map Date 12/16/05

Are the utilities and off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☒ No If Yes, describe

There is nothing of this nature noted.

IMPROVEMENTS

General Description	Foundation	Exterior Description	materials/condition	Interior	materials/condition
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input checked="" type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	pilings N	Floors	car,mar,wd,cerm N
# of Stories 3	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	Hardy Plank N	Walls	drywall N
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 0 sq.ft.	Roof Surface	shingle N	Trim/Finish	wood N
<input type="checkbox"/> Existing <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish - %	Gutters & Downspouts	no	Bath Floor	marble,ceramic N
Design (Style) 3 story-contem.	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	double hung N	Bath Wainscot	fiberglass N
Year Built 2008	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated	double pane N	Car Storage	<input checked="" type="checkbox"/> None
Effective Age (Yrs) new	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	screens N	<input checked="" type="checkbox"/> Driveway	# of Cars 4
Attic <input type="checkbox"/> None	Heating <input type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> Woodstove(s) #	Driveway Surface	concrete
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input checked="" type="checkbox"/> Other HP	Fuel electric	<input checked="" type="checkbox"/> Fireplace(s) # 1 <input checked="" type="checkbox"/> Fence	<input type="checkbox"/> Garage	# of Cars
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck	<input checked="" type="checkbox"/> Porch wraparnd	<input type="checkbox"/> Carport	# of Cars
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Pool	<input type="checkbox"/> Other	<input type="checkbox"/> Att.	<input type="checkbox"/> Det. <input type="checkbox"/> Built-in
Appliances <input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven 3 Dishwasher <input type="checkbox"/> Disposal <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)					
Finished area above grade contains: 12 Rooms 6 Bedrooms 6.5 Bath(s) 3,257 Square Feet of Gross Living Area Above Grade					
Additional features (special energy efficient items, etc.). There is a propane fireplace.					

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The subject is a newly constructed home, of exceptional quality. Some of the features of this home is the upgraded flooring that includes Marble and walnut, marble counter tops, 106 inch screen in the theater, tray ceilings with murals, and oak wainscoting and chairrail. There numerous built in appliances, all stainless steel. There is an inground, heated pool, with a waterfall.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☒ No If Yes, describe

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☒ Yes ☐ No If No, describe

Uniform Residential Appraisal Report

Lane  
File # 30-0053

SALES COMPARISON APPROACH

There are 4 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 999,999 to \$ 1,295,000 .							
There are 3 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 975,000 to \$ 1,000,000 .							
FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	764 Cormorant Trail Corolla, NC 27927	110 Four Seasons Lane Duck, NC 27949		420 Myrtle Pond Road Corolla, NC 27927		108 Halyard Court Duck, NC 27949	
Proximity to Subject		11.29 miles		3.21 miles		11.37 miles	
Sale Price	\$ N/A		\$ 975,000		\$ 995,000		\$ 1,000,000
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 253.25 sq.ft.		\$ 325.16 sq.ft.		\$ 281.69 sq.ft.	
Data Source(s)		real estate MLS records		real estate MLS records		real estate MLS records	
Verification Source(s)		exterior inspection		exterior inspection		exterior inspection	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing Concessions		Conventional DOM-524		Conventional DOM-43		Conventional DOM-770	
Date of Sale/Time		1/9/08		6/18/08		4/11/08	
Location	Corolla-6+lots	Duck-6+Its-sup	-20,000	Duck-3-Its-sup	-30,000	Duck-4-Its-sup	-25,000
Leasehold/Fee Simple	Fee Simple	Fee Simple		fee		Fee Simple	
Site	6,840 Sq.Ft.	15,246 sq.ft.	-8,000	10,800 sq.ft.	-6,000	15,682 sq.ft.	-8,000
View	beach homes	beach homes		beach homes		beach homes	
Design (Style)	3 story-contem.	2 story-contem		3 story-contem		3 story-contem	
Quality of Construction	excellent	good	+70,000	good	+70,000	good	+70,000
Actual Age	new	5 years		9 years		8 years	
Condition	new	good	+60,000	good	+80,000	good	+80,000
Above Grade Room Count	Total Bdrms. Baths 12 6 6.5	Total Bdrms. Baths 12 6 5.5	+2,000	Total Bdrms. Baths 14 8 8	-13,000	Total Bdrms. Baths 10 8 8.5	-14,000
Gross Living Area	3,257 sq.ft.	3,850 sq.ft.	-23,720	3,060 sq.ft.	+7,880	3,550 sq.ft.	-11,720
Basement & Finished Rooms Below Grade	0 -	0 -		0 -		0 -	
Functional Utility	standard	standard		standard		standard	
Heating/Cooling	heat pump	heat pump		heat pump		heat pump	
Energy Efficient Items	fireplace	fireplace		fireplace		fireplace	
Garage/Carport	none	garage	-4,000	none		carport	-2,000
Porch/Patio/Deck	decks,patio	decks,patio		decks,patio		decks,patio	
	pool	pool		pool		pool,elevator	-10,000
Net Adjustment (Total)		⊗ + □ -	\$ 76,280	⊗ + □ -	\$ 108,880	⊗ + □ -	\$ 79,280
Adjusted Sale Price of Comparables		Net Adj. 7.8 % Gross Adj. 19.3 %	\$ 1,051,280	Net Adj. 10.9 % Gross Adj. 20.8 %	\$ 1,103,880	Net Adj. 7.9 % Gross Adj. 22.1 %	\$ 1,079,280
I <input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain							
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.							
Data Source(s) deed and public records							
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.							
Data Source(s) MLS and public records							
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).							
ITEM	SUBJECT		COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3		
Date of Prior Sale/Transfer	10/26/07		1/11/02	4/12/02	5/3/04		
Price of Prior Sale/Transfer	130,000-lot purchase		lot purchase	785,000	998,000		
Data Source(s)	public records		public records	public records	public records		
Effective Date of Data Source(s)	12/12/08		12/12/08	12/12/08	9/21/07		
Analysis of prior sale or transfer history of the subject property and comparable sales The deed reference number for the current owner shows a book number of #136. This deed book would indicate a fairly old transaction, more than three years. Comparable #1 shows a transfer, 1/14/04, for \$1,279,500. Comparable #2 shows a prior transfer, 3/12/04, for \$925,000. Comparable #3 shows a prior transfer, 5/3/04 for \$998,000.							
Summary of Sales Comparison Approach A search was completed for recent sales that have taken place in the Corolla and Duck areas for homes that are similar in nature to the subject. It is found that sales of this nature are quite limited, partly due to the soft market that is taking place in the local market (as seems to be the case across most of the nation) and also due to the subject's unique features, mainly it's exceptional quality. It is neccessary to utilize sales that show notable adjustment in several areas and two sales that exceed sales dates of over six months. The parameters set for this search were quite liberal with few limitations and very few sales turned up in this search. All three show adjustments for their location in superior subdivisions with superior amenities, lot size, the subject's superior quality, age, room count, and square footage. Comparable #1 is noted to offer a garage. Comparable #3 offers an elevator.							
Indicated Value by Sales Comparison Approach \$ 1,100,000							

RECONCILIATION

Indicated Value by: Sales Comparison Approach \$ 1,100,000	Cost Approach (if developed) \$ 1,071,540	Income Approach (if developed) \$ 1,497,720
.The most reliable approach to an estimate of market value is found in the sales comparison approach. A similar value is noted in the cost approach. This approach may be considered somewhat reliable due to the limited depreciation. The income approach has it's accuracy handicapped by the estimated income due to the subject's new construction.		
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:		
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 1,100,000 , as of 12/6/08 , which is the date of inspection and the effective date of this appraisal.		

Uniform Residential Appraisal Report

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ADDITIONAL COMMENTS

The intended user of this appraisal report is the Lender/Client. The intended use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form and definition of Market Value. No additional intended users are identified by the appraiser.

The scope of work for this request includes identification of the problem, including the purpose and type of report for this intended user. This particular report entails an interior inspection. Data regarding the subject was obtained from this interior inspection, data found in county records, and the local MLS. This data was then applied to the 1004 form. A search was completed from the local MLS source for comparable, sold property and their sales history. The data from comparable sales was applied to the sales grid and analysis based on market reaction to value of the various components. The sales were weighed for the most reliable sale and weight directed toward that sale for a final estimate of market value. A cost approach was completed from data taken from the Marshall and Swift Cost Handbook along with local, cost to build data, taken from a local builder. The income approach was developed from a multiplier that was developed from MLS data and applied to the income of this property. The income is an estimate that was developed from a local property manager.

The flood determination and panel, map number given in this report is derived from, Interflood, a paid service, provided an internet flood mapping service. At times the maps are not precise and the flood determination given in this report is an estimate and should not be totally relied on for an absolute flood zone determination. The location is placed on this map based on the knowledge of the location from the inspection and an estimate of lot location based on the county parcel maps or geo jet, another internet mapping service, showing parcels, locations, and dimensions.

This home is income producing and would not be considered the primary home for the owner or a second home.

An analysis was completed for sales of homes that have taken place in the Corolla area for homes that range in value from \$700,000 to \$1,200,000. The past year shows 24 sales at an average sales price of \$869,271 and a median of \$825,000. The average days on market was 205. There are currently 63 active listings of this nature at this time. Homes presently sale at 88% of asking price on the average. The year prior to that shows a total of 22 sales at an average sales price of \$863,705 and a median of \$850,000. The average days on market was 171. Homes sold at that time at 86% of asking price. This would indicate an oversupply of inventory at this time, around 2.6 years to sale at this pace. It also shows a slightly longer marketing time, although not a large number, around a month. The 88% of asking price does show more seller motivation to negotiate. The average and median shows a minimal change and indicates a stable market.

The home was noted to be vacant on the day of inspection. The electrical service and water were noted to be on and operational. I also noted that the thermostat, air and furnace were on and functional. The home was fully furnished and ready for occupancy

The value given in this report is based on an estimate of value for the real estate and anything attached to this real real estate. This would include built in appliances, in ground pools and items of this nature that are attached or built in. This value would not reflect personal possessions such as furniture, appliances not built in, above ground pools and free standing hot tubs.

Due to this location being resort area and it's proximity to the ocean, it is typical to find high property values that normally exceed 30% of overall values.

The geographical makeup of the Outer Banks being very long and quite narrow, limits a search to sales being located, mainly North and South. It is typical for sales to sometimes be situated several miles away due to this limitation.

COST APPROACH

COST APPROACH TO VALUE (not required by Fannie Mae)				
Provide adequate information for the lender/client to replicate the below cost figures and calculations.				
Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)		The estimated site value is taken from market evidence that, in this case, is provided from MLS information.		
ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW		OPINION OF SITE VALUE.....=\$ 250,000		
Source of cost data Marshall & Swift Cost Handbook		DWELLING 3,257 Sq.Ft. @ \$ 130.37.....=\$ 424,615		
Quality rating from cost service V Good Effective date of cost data 6/05		0 Sq.Ft. @ \$ .....=\$		
Comments on Cost Approach (gross living area calculations, depreciation, etc.)		refinements.....=\$ 291,925		
The data source used to obtain a value by way of the cost approach can be found in the Marshall and Swift Cost Handbook. Local, cost to build,		Garage/Carport Sq.Ft. @ \$ .....=\$		
factors are calculated into this approach. The square footage is		Total Estimate of Cost-New.....=\$ 716,540		
determined by actual measurement. The depreciation is determined by		Less Physical	Functional	External
the age/life process. Site improvements are added in as values for		Depreciation.....= \$( )		
driveway, pool, and landscaping.		Depreciated Cost of Improvements.....=\$ 716,540		
		"As-is" Value of Site Improvements.....=\$ 105,000		
Estimated Remaining Economic Life (HUD and VA only)		60 Years	INDICATED VALUE BY COST APPROACH.....=\$ 1,071,540	

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)						
Estimated Monthly Market Rent \$	71320	X Gross Rent Multiplier	21	= \$	1,497,720	Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM)			The value developed in this report is based the projected, anticipated rental income based on other similar property and an analysis that was completed on this property by a local property manager.			

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)		
Is the developer/builder in control of the Homeowners' Association (HOA)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Unit type(s) <input checked="" type="checkbox"/> Detached <input type="checkbox"/> Attached		
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.		
Legal Name of Project		
Total number of phases	Total number of units	Total number of units sold
Total number of units rented	Total number of units for sale	Data source(s)
Was the project created by the conversion of existing building(s) into a PUD? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, date of conversion.		
Does the project contain any multi-dwelling units? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source		
Are the units, common elements, and recreation facilities complete? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe the status of completion.		
Are the common elements leased to or by the Homeowners' Association? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe the rental terms and options.		
Describe common elements and recreational facilities.		

# Uniform Residential Appraisal Report

Lane  
File # 30-0053

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

**SCOPE OF WORK:** The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

**INTENDED USE:** The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

**INTENDED USER:** The intended user of this appraisal report is the lender/client.

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions\* granted by anyone associated with the sale.

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

**STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS:** The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.



# Uniform Residential Appraisal Report

Lane  
File # 30-0053

**APPRAISER’S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market’s reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.



Uniform Residential Appraisal Report

Lane  
File # 30-0053

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER Greg Stemmerich

Signature Greg Stemmerich  
Name Greg Stemmerich  
Company Name Island Appraisal  
Company Address 101 Dogwood Circle  
Manteo NC 27954  
Telephone Number 252 475 1239  
Email Address islandappraisal@earthlink.net  
Date of Signature and Report December 16, 2008  
Effective Date of Appraisal 12/6/08  
State Certification # A5844  
or State License # \_\_\_\_\_  
or Other (describe) \_\_\_\_\_ State # \_\_\_\_\_  
State NC  
Expiration Date of Certification or License 6/30/08

ADDRESS OF PROPERTY APPRAISED  
764 Cormorant Trail  
Corolla, NC 27927  
APPRAISED VALUE OF SUBJECT PROPERTY \$ 1,100,000  
LENDER/CLIENT  
Name \_\_\_\_\_  
Company Name Bank of Currituck  
Company Address 5531 North Croatan Highway Southern Shores  
NC 27949  
Email Address \_\_\_\_\_

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature \_\_\_\_\_  
Name \_\_\_\_\_  
Company Name \_\_\_\_\_  
Company Address \_\_\_\_\_  
Telephone Number \_\_\_\_\_  
Email Address \_\_\_\_\_  
Date of Signature \_\_\_\_\_  
State Certification # \_\_\_\_\_  
or State License # \_\_\_\_\_  
State \_\_\_\_\_  
Expiration Date of Certification or License \_\_\_\_\_

SUBJECT PROPERTY

- ☐ Did not inspect subject property  
☐ Did inspect exterior of subject property from street  
Date of Inspection \_\_\_\_\_  
☐ Did inspect interior and exterior of subject property  
Date of Inspection \_\_\_\_\_

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street  
☐ Did inspect exterior of comparable sales from street  
Date of Inspection \_\_\_\_\_

SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	764 Cormorant Trail
	Legal Description	Deed Page #1025, Book #1
	City	Corolla
	County	Currituck
	State	NC
	Zip Code	27927
	Census Tract	1101.01
	Map Reference	126A
SALES PRICE	Sale Price	\$ N/A
	Date of Sale	N/A
CLIENT	Borrower / Client	Kimberly Lane
	Lender	Bank of Currituck
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	3,257
	Price per Square Foot	\$
	Location	Corolla-6+lots
	Age	new
	Condition	new
	Total Rooms	12
	Bedrooms	6
	Baths	6.5
APPRAISER	Appraiser	Greg Stemmerich
	Date of Appraised Value	12/6/08
VALUE	Final Estimate of Value	\$ 1,100,000

Comparable Photo Page

Borrower/Client Kimberly Lane			
Property Address 764 Cormorant Trail			
City Corolla	County Currituck	State NC	Zip Code 27927
Lender Bank of Currituck			

Comparable 1



110 Four Seasons Lane  
Prox. to Subject 11.29 miles  
Sale Price 975,000  
Gross Living Area 3,850  
Total Rooms 12  
Total Bedrooms 6  
Total Bathrooms 5.5  
Location Duck-6+Its-sup  
View beach homes  
Site 15,246 sq.ft.  
Quality good  
Age 5 years

Comparable 2



420 Myrtle Pond Road  
Prox. to Subject 3.21 miles  
Sale Price 995,000  
Gross Living Area 3,060  
Total Rooms 14  
Total Bedrooms 8  
Total Bathrooms 8  
Location Duck-3-Its-sup  
View beach homes  
Site 10,800 sq.ft.  
Quality good  
Age 9 years

Comparable 3



108 Halyard Court  
Prox. to Subject 11.37 miles  
Sale Price 1,000,000  
Gross Living Area 3,550  
Total Rooms 10  
Total Bedrooms 8  
Total Bathrooms 8.5  
Location Duck-4-Its-sup  
View beach homes  
Site 15,682 sq.ft.  
Quality good  
Age 8 years

Subject Interior Photo Page

Borrower/Client Kimberly Lane			
Property Address 764 Cormorant Trail			
City Corolla	County Currituck	State NC	Zip Code 27927
Lender Bank of Currituck			

Subject Interior

764 Cormorant Trail  
Sales Price N/A  
Gross Living Area 3,257  
Total Rooms 12  
Total Bedrooms 6  
Total Bathrooms 6.5  
Location Corolla-6+lots  
View beach homes  
Site 6,840 Sq.Ft.  
Quality excellent  
Age new



Subject Interior



Subject Interior





Subject Interior Photo Page

Borrower/Client Kimberly Lane			
Property Address 764 Cormorant Trail			
City Corolla	County Currituck	State NC	Zip Code 27927
Lender Bank of Currituck			

Subject Interior

764 Cormorant Trail  
Sales Price N/A  
Gross Living Area 3,257  
Total Rooms 12  
Total Bedrooms 6  
Total Bathrooms 6.5  
Location Corolla-6+lots  
View beach homes  
Site 6,840 Sq.Ft.  
Quality excellent  
Age new



Subject Interior



Subject Interior



Photograph Addendum

Borrower/Client		Kimberly Lane			
Property Address		764 Cormorant Trail			
City	Corolla	County	Currituck	State	NC
				Zip Code	27927
Lender		Bank of Currituck			



Comments:

Comments:

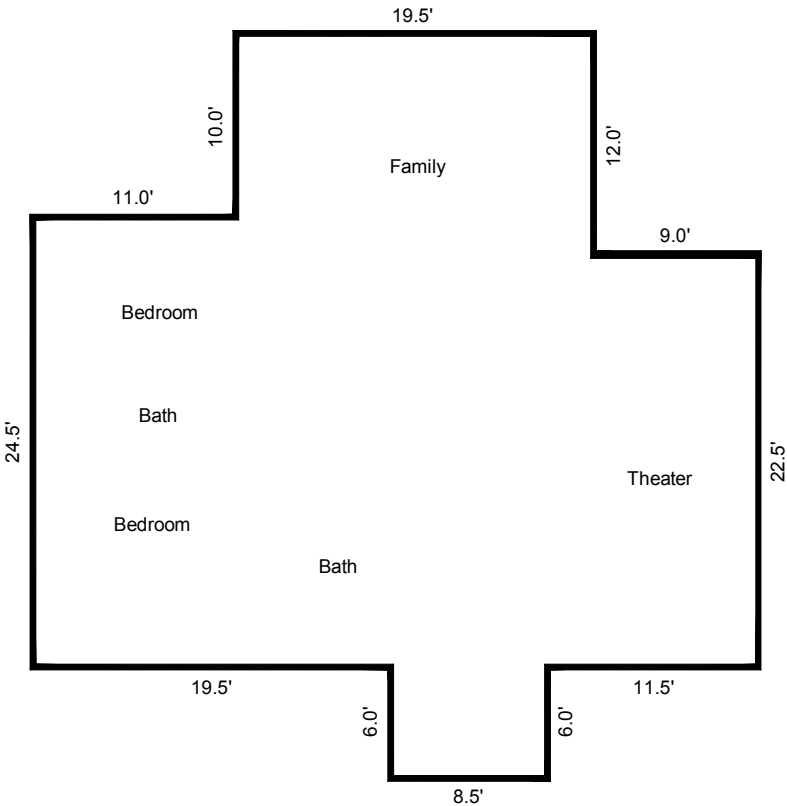


Comments:

Comments:

Building Sketch (Page - 1)

Borrower/Client Kimberly Lane			
Property Address 764 Cormorant Trail			
City Corolla	County Currituck	State NC	Zip Code 27927
Lender Bank of Currituck			



Sketch by Apex IV™

Comments:

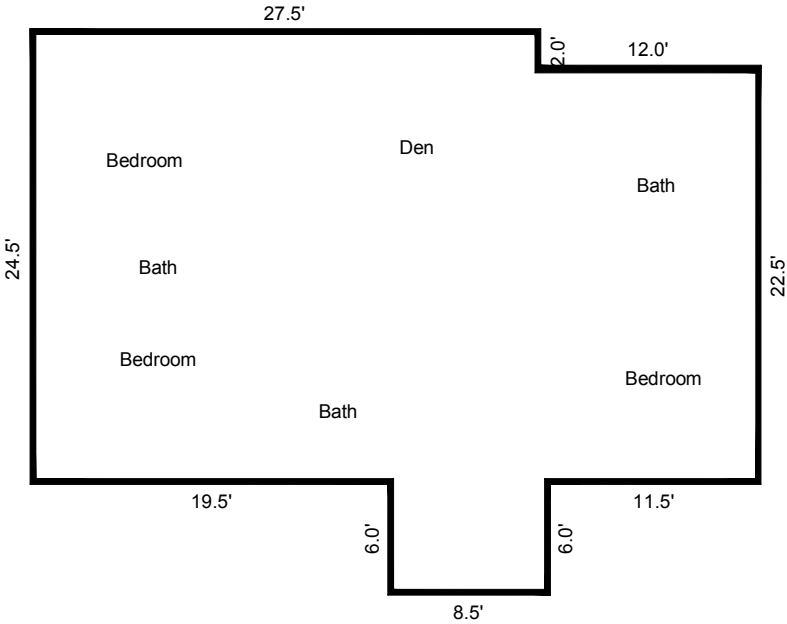
AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1195.8	1195.8
Net LIVABLE Area		(Rounded)	1196

LIVING AREA BREAKDOWN		
Breakdown		Subtotals
First Floor		
6.0	x 8.5	51.0
19.5	x 34.5	672.8
9.0	x 22.5	202.5
11.0	x 24.5	269.5
4 Items		(Rounded)
		1196



Building Sketch (Page - 2)

Borrower/Client Kimberly Lane			
Property Address 764 Cormorant Trail			
City Corolla	County Currituck	State NC	Zip Code 27927
Lender Bank of Currituck			



Sketch by Apex IV™

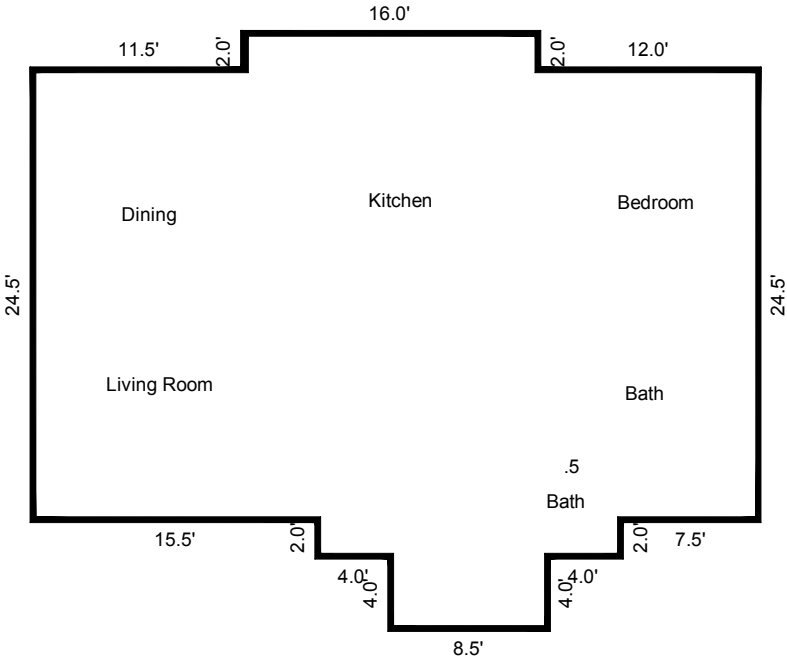
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA2	Second Floor	994.8	994.8
Net LIVABLE Area		(Rounded)	995

LIVING AREA BREAKDOWN		
Breakdown		Subtotals
Second Floor		
6.0	x 8.5	51.0
22.5	x 39.5	888.8
2.0	x 27.5	55.0
3 Items		(Rounded)
		995

Building Sketch (Page - 3)

Borrower/Client Kimberly Lane			
Property Address 764 Cormorant Trail			
City Corolla	County Currituck	State NC	Zip Code 27927
Lender Bank of Currituck			



Sketch by Apex IV™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA3	Third Floor	1066.8	1066.8
Net LIVABLE Area		(Rounded)	1067

LIVING AREA BREAKDOWN		
Breakdown		Subtotals
Third Floor		
2.0	x 16.0	32.0
4.0	x 8.5	34.0
2.0	x 16.5	33.0
24.5	x 39.5	967.8
4 Items		(Rounded)
		1067

## Parcel Map

Property Address: 764 Cormorant TRL

E-mapping.com



Approx. Lot SQFT: 0  
Land Use:

## Parcel Color Legend

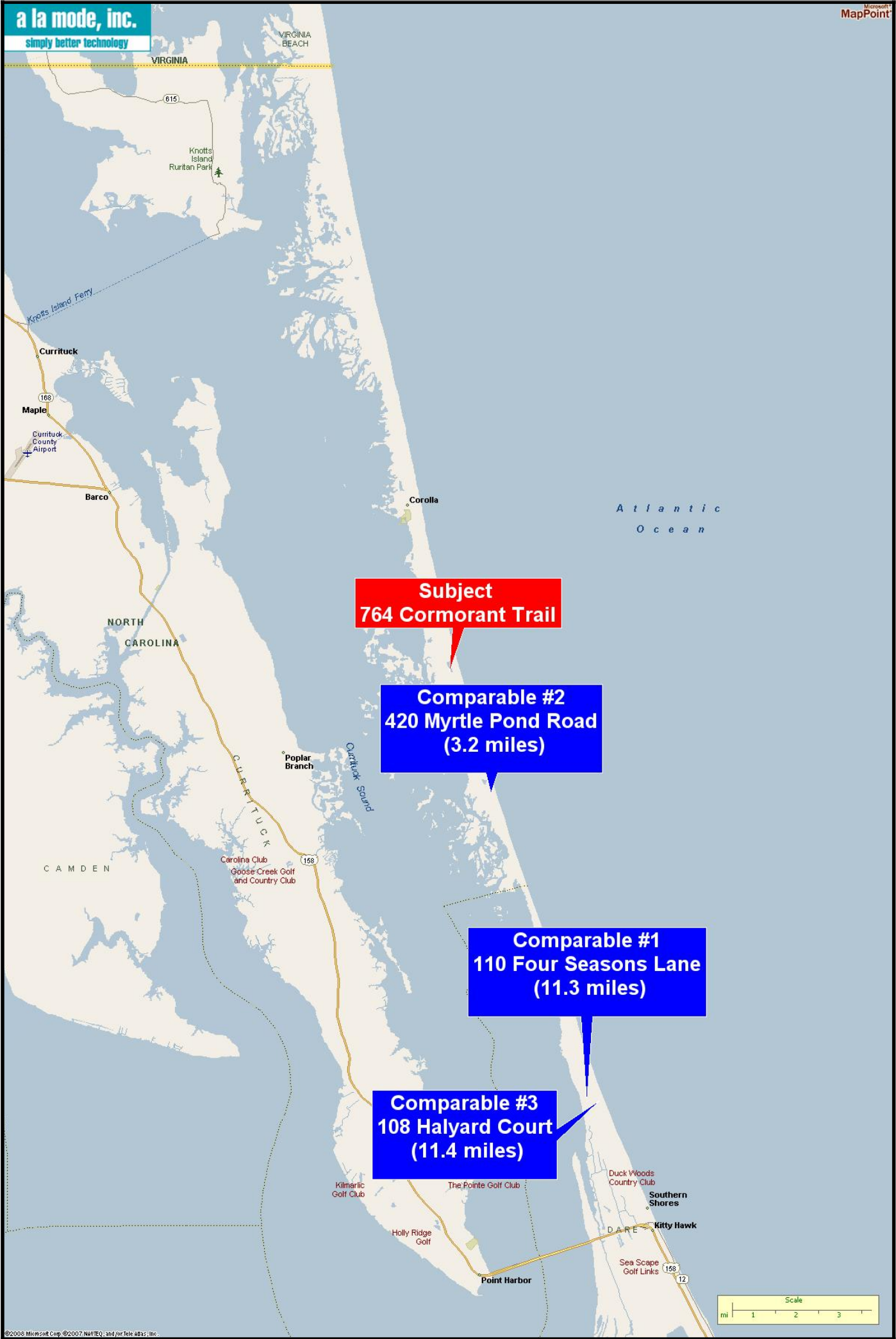
Commercial	Duplex/Complex	Industrial
Miscellaneous	Mobile Home	Public
Residential	Vacant	

Data Subject to Errors, Omissions, Revisions - Not Warranted.  
(9/20/2007)

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Location Map

Borrower/Client Kimberly Lane			
Property Address 764 Cormorant Trail			
City Corolla	County Currituck	State NC	Zip Code 27927
Lender Bank of Currituck			





Borrower/Client Kimberly Lane			
Property Address 764 Cormorant Trail			
City Corolla	County Currituck	State NC	Zip Code 27927
Lender Bank of Currituck			

**InterFlood**  by a la mode  
www.interflood.com • 1-800-252-6633

**Prepared for:**  
Island Appraisal Service (252) 475-1239  
764 Cormorant Trail  
Corolla, NC 27927

**Subject  
764 Cormorant Trail**

#### FLOODSCAPE

##### Flood Hazards Map

**Map Number**  
3720993400J

**Effective Date**  
December 16, 2005

For more information about  
flood zones and flood  
insurance, contact:

Powered by FloodSource  
877.77.FLOOD

Scale

mi 232 464 696

© 1999-2007 SourceProse and/or FloodSource Corporations. All rights reserved. Patents 6,631,326 and 6,678,615. Other patents pending. For Info: info@floodsource.com.

ENVIRONMENTAL ADDENDUM  
APPARENT\* HAZARDOUS SUBSTANCES AND/OR DETRIMENTAL ENVIRONMENTAL CONDITIONS

Borrower/Client <u>Kimberly Lane</u>				
Address <u>764 Cormorant Trail</u>				
City <u>Corolla</u>	County <u>Currituck</u>	State <u>NC</u>	Zip code <u>27927</u>	
Lender <u>Bank of Currituck</u>				

\*Apparent is defined as that which is visible, obvious, evident or manifest to the appraiser.

This universal Environmental Addendum is for use with any real estate appraisal. Only the statements which have been checked by the appraiser apply to the property being appraised.

This addendum reports the results of the appraiser’s routine inspection of and inquiries about the subject property and its surrounding area. It also states what assumptions were made about the existence (or nonexistence) of any hazardous substances and/or detrimental environmental conditions. **The appraiser is not an expert environmental inspector** and therefore might be unaware of existing hazardous substances and/or detrimental environmental conditions which may have a negative effect on the safety and value of the property. It is possible that tests and inspections made by a qualified environmental inspector would reveal the existence of hazardous materials and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.

DRINKING WATER

- ☒ Drinking Water is supplied to the subject from a municipal water supply which is considered safe. However the only way to be absolutely certain that the water meets published standards is to have it tested at all discharge points.
- ☐ Drinking Water is supplied by a well or other non-municipal source. It is recommended that tests be made to be certain that the property is supplied with adequate pure water.
- ☒ Lead can get into drinking water from its source, the pipes, at all discharge points, plumbing fixtures and/or appliances. The only way to be certain that water does not contain an unacceptable lead level is to have it tested at all discharge points.
- ☒ The value estimated in this appraisal is based on the assumption that there is an adequate supply of safe, lead-free Drinking Water.

Comments \_\_\_\_\_

SANITARY WASTE DISPOSAL

- ☐ Sanitary Waste is removed from the property by a municipal sewer system.
- ☒ Sanitary Waste is disposed of by a septic system or other sanitary on site waste disposal system. The only way to determine that the disposal system is adequate and in good working condition is to have it inspected by a qualified inspector.
- ☒ The value estimated in this appraisal is based on the assumption that the Sanitary Waste is disposed of by a municipal sewer or an adequate properly permitted alternate treatment system in good condition.

Comments \_\_\_\_\_

SOIL CONTAMINANTS

- ☒ There are no apparent signs of Soil Contaminants on or near the subject property (except as reported in Comments below). It is possible that research, inspection and testing by a qualified environmental inspector would reveal existing and/or potential hazardous substances and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.
- ☒ The value estimated in this appraisal is based on the assumption that the subject property is free of Soil Contaminants.

Comments \_\_\_\_\_

ASBESTOS

- ☐ All or part of the improvements were constructed before 1979 when Asbestos was a common building material. The only way to be certain that the property is free of friable and non-friable Asbestos is to have it inspected and tested by a qualified asbestos inspector.
- ☒ The improvements were constructed after 1979. No apparent friable Asbestos was observed (except as reported in Comments below).
- ☒ The value estimated in this appraisal is based on the assumption that there is no uncontained friable Asbestos or other hazardous Asbestos material on the property.

Comments \_\_\_\_\_

PCBs (POLYCHLORINATED BIPHENYLS)

- ☒ There were no apparent leaking fluorescent light ballasts, capacitors or transformers anywhere on or nearby the property (except as reported in Comments below).
- ☒ There was no apparent visible or documented evidence known to the appraiser of soil or groundwater contamination from PCBs anywhere on the property (except as reported in Comments below).
- ☒ The value estimated in this appraisal is based on the assumption that there are no uncontained PCBs on or nearby the property.

Comments \_\_\_\_\_

RADON

- ☒ The appraiser is not aware of any Radon tests made on the subject property within the past 12 months (except as reported in Comments below).
- ☒ The appraiser is not aware of any indication that the local water supplies have been found to have elevated levels of Radon or Radium.
- ☒ The appraiser is not aware of any nearby properties (except as reported in Comments below) that were or currently are used for uranium, thorium or radium extraction or phosphate processing.
- ☒ The value estimated in this appraisal is based on the assumption that the Radon level is at or below EPA recommended levels.

Comments \_\_\_\_\_

USTs (UNDERGROUND STORAGE TANKS)

- ☒ There is no apparent visible or documented evidence known to the appraiser of any USTs on the property nor any known historical use of the property that would likely have had USTs.
- ☒ There are no apparent petroleum storage and/or delivery facilities (including gasoline stations or chemical manufacturing plants) located on adjacent properties (except as reported in Comments below).
- ☐ There are apparent signs of USTs existing now or in the past on the subject property. It is recommended that an inspection by a qualified UST inspector be obtained to determine the location of any USTs together with their condition and proper registration if they are active; and if they are inactive, to determine whether they were deactivated in accordance with sound industry practices.
- ☒ **The value estimated in this appraisal is based on the assumption that any functioning USTs are not leaking and are properly registered and that any abandoned USTs are free from contamination and were properly drained, filled and sealed.**

Comments \_\_\_\_\_

NEARBY HAZARDOUS WASTE SITES

- ☒ There are no apparent Hazardous Waste Sites on the subject property or nearby the subject property (except as reported in Comments below). Hazardous Waste Site search by a trained environmental engineer may determine that there is one or more Hazardous Waste Sites on or in the area of the subject property.
- ☒ **The value estimated in this appraisal is based on the assumption that there are no Hazardous Waste Sites on or nearby the subject property that negatively affect the value or safety of the property.**

Comments \_\_\_\_\_

UREA FORMALDEHYDE (UFFI) INSULATION

- ☐ All or part of the improvements were constructed before 1982 when UREA foam insulation was a common building material. The only way to be certain that the property is free of UREA formaldehyde is to have it inspected by a qualified UREA formaldehyde inspector.
- ☒ The improvements were constructed after 1982. No apparent UREA formaldehyde materials were observed (except as reported in Comments below).
- ☒ **The value estimated in this appraisal is based on the assumption that there is no significant UFFI insulation or other UREA formaldehyde material on the property.**

Comments \_\_\_\_\_

LEAD PAINT

- ☐ All or part of the improvements were constructed before 1980 when Lead Paint was a common building material. There is no apparent visible or known documented evidence of peeling or flaking Lead Paint on the floors, walls or ceilings (except as reported in Comments below). The only way to be certain that the property is free of surface or subsurface Lead Paint is to have it inspected by a qualified inspector.
- ☒ The improvements were constructed after 1980. No apparent Lead Paint was observed (except as reported in Comments below).
- ☒ **The value estimated in this appraisal is based on the assumption that there is no flaking or peeling Lead Paint on the property.**

Comments \_\_\_\_\_

AIR POLLUTION

- ☒ There are no apparent signs of Air Pollution at the time of the inspection nor were any reported (except as reported in Comments below). The only way to be certain that the air is free of pollution is to have it tested.
- ☒ **The value estimated in this appraisal is based on the assumption that the property is free of Air Pollution.**

Comments \_\_\_\_\_

WETLANDS/FLOOD PLAINS

- ☒ The site does not contain any apparent Wetlands/Flood Plains (except as reported in Comments below). The only way to be certain that the site is free of Wetlands/Flood Plains is to have it inspected by a qualified environmental professional.
- ☒ **The value estimated in this appraisal is based on the assumption that there are no Wetlands/Flood Plains on the property (except as reported in Comments below).**

Comments Flood map #3720985900J, dated 9/20/06

MISCELLANEOUS ENVIRONMENTAL HAZARDS

- ☒ There are no other apparent miscellaneous hazardous substances and/or detrimental environmental conditions on or in the area of the site except as indicated below:

☐ Excess Noise

☐ Radiation + Electromagnetic Radiation

☐ Light Pollution

☐ Waste Heat

☐ Acid Mine Drainage

☐ Agricultural Pollution

☐ Geological Hazards

☐ Nearby Hazardous Property

☐ Infectious Medical Wastes

☐ Pesticides

☐ Others (Chemical Storage + Storage Drums, Pipelines, etc.)
- ☒ **The value estimated in this appraisal is based on the assumption that there are no Miscellaneous environmental Hazards (except those reported above) that would negatively affect the value of the property.**

When any of the environmental assumptions made in this addendum are not correct, the estimated value in this appraisal may not be valid.