

North Carolina Department of Transportation-Right of Way Unit REVIEW CERTIFICATION

TIP/Parcel No.: B-4676/004 WBS Element: 33831.2.FD1 County: Wilkes

Owner(s): Town of Wilkesboro FedAid Project: BRZ-1001(29)

I HEREBY CERTIFY THAT, to the best of my knowledge and belief the facts and data reported by me and used in the review process are true and correct.

I understand that this estimate of value is to be used in connection with a highway project and/or NCDOT Real Estate transaction.

The analyses, opinions, and conclusions in this **Review Report** are limited only by the critical assumptions and limiting conditions stated in this **Review Report** and are my personal, unbiased professional analyses, opinions, and conclusions.

I have no direct or indirect, present or prospective interest in the subject property or in any benefit from the acquisition of the subject property and I have no personal interests or bias with respect to the parties involved.

I have , have not , performed ANY appraisal and NO other services as an appraiser or any other capacity, regarding the property that is the subject of this appraisal within the three year period immediately preceding acceptance of this assignment.

My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this **Review Report**.

My estimate of the value of all items which are Compensable under State law but not eligible for Federal Aid reimbursement is \$ N/A

I personally inspected the subject parcel. I did did not personally inspect all sales/rentals considered to be comparable to the subject parcel.

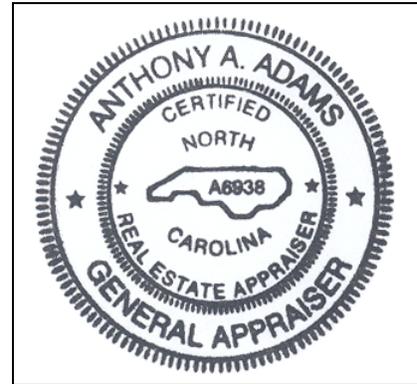
My analyses, opinions, and conclusions were developed and this **Review Report** was prepared in compliance with NCDOT Real Estate Appraisal Standards and Legal Principles and the Uniform Standards of Professional Appraisal Practice. The appraisals in this assignment are to be made in accordance with all of the requirements set out in the NCDOT Real Estate Appraisal Standards and Legal Principles and the Uniform Standards of Professional Appraisal Practice and shall also comply with all applicable **Local, State, and Federal** laws, ordinances, regulations, restrictions and/or requirements; and any additions, revisions and/or supplements thereto. No one provided me with significant professional assistance with this **Review Report**.

My opinion of the difference, if any, in the "Market Value" of the entire tract **Before the Acquisition** and the "Market Value" of the remaining property immediately **After the Acquisition** is \$ 3,300, as allocated:

Allocation

Right Of Way	\$	<u>2,450</u>
Permanent Easements	\$	<u>850</u>
Temporary Easements	\$	<u>0</u>

Total Value of Land Acquired	\$	<u>3,300</u>
Value of Improvements Acquired	\$	<u>0</u>
Damage to Remainder	\$	<u>0</u>
Benefits to Remainder	\$	<u>0</u>
DIFFERENCE	\$	<u>3,300</u>



Anthony A. Adams

REVIEW APPRAISER



March 5, 2015
DATE OF CERTIFICATION

Un-Economic Remnant to the Owner is a Factor Yes No
Area

Administrative Approval

Anthony A. Adams

APPROVED BY:

March 5, 2015

DATE:

**North Carolina Department of Transportation
Right of Way Branch
Appraisal Summary Sheet**

1. TIP/Parcel No.: B-4676 004 WBS Element: 33831.2.FD1 County: WILKES

2. Owner(s): Town of Wilkesboro Fed Aid Project: BRZ-1001 (29)

3. Plan Sheet No.: 4 Survey Stations: SS 12+25 to SS 15+90, SL - L Right

4. Land Areas:	AREA LT.OF R/W	AREA IN R/W	AREA RT. OF R/W	TOTAL
	0.000 AC	0.383 AC	4.472 AC	4.855 AC
5. Less: Land Area in Existing R/W:	0.000 AC	0.000 AC	0.000 AC	0.000 AC
6. Appraise Net Areas	0.000 AC	0.383 AC	4.472 AC	4.855 AC

7. Easements: TCE: _____ DUE: _____ PDE: _____
PUE: 0.135 Ac OTHER: _____

8. Improvements Lt. of R/W	Improvements to be Acquired	Improvements Rt. of R/W
None	None	None

9. Rights and Interests to be Appraised: **Unencumbered Fee Simple Interest**
(Subject to Existing Easements and Restrictions as Affected by Highway Acquisition.)

10. Estimated "MARKET VALUE" of Property Immediately Before:

Land \$	<u>30,600</u>
Improvements \$	<u>0</u>
TOTAL \$	<u>30,600</u>

11. Estimated "MARKET VALUE" of Property Immediately After:

Land \$	<u>27,300</u>
Improvements \$	<u>0</u>
TOTAL \$	<u>27,300</u>

12. "DIFFERENCE" Between Before and After Value (If Benefited, Type "BENEFITS") \$ 3,300

Signed

01-06-2015

Date of Appraisal

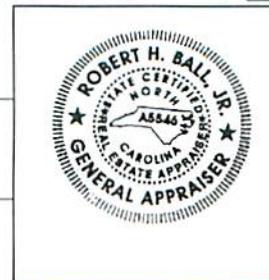
Name: Robert H. Ball, Jr.

Phone: 336-835-2256

Address: 920 N. Bridge Street

Elkin, North Carolina 28621

E-Mail Address: robertball@underdownball.com



Robert H. Ball

Signed

01-06-2015

Date of Appraisal



Name: Robert H. Ball

Phone: 336-835-2256

Address: 920 N. Bridge Street

Elkin, North Carolina 28621

E-Mail Address: bobball@underdownball.com

APPRAISAL REPORT

PROPERTY OWNER: Town of Wilkesboro, NC
PROPERTY ADDRESS: Oakwoods Road
Wilkesboro, NC 28697
COUNTY: Wilkes
TOWNSHIP: Wilkesboro
DATE OF INSPECTION: January 6, 2015
EFFECTIVE DATE OF THE APPRAISAL: January 6, 2015
DATE OF THE REPORT: February 16, 2015

I. PREAMBLE

(A) OBJECTIVE OF APPRAISAL AND PURPOSE OF REPORT

The objective of this appraisal is to estimate the market value of the subject property. The purpose of this report is to present data and analyses which support the opinion of market value.

(B) DEFINITION OF MARKET VALUE

Market value is defined as being: 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) the buyer and seller are typically motivated;
- (2) both parties are well informed or well advised, and each acting in what he considers his own best interest;
- (3) a reasonable time is allowed for exposure in the open market;
- (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and

(5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

(C) SCOPE OF THE APPRAISAL

The scope of this appraisal report involves an inspection of the subject property, the general area, the neighborhood area, research into the market for sales and other comparable information, analysis of the data found and a report of the findings in a narrative report format.

Data sources utilized include, but are not limited to, Multiple Listing Services, real estate professionals, appraiser files, demographic service companies, web sites, local and regional governmental agencies, the Internet, grantors and/or grantees.

According to USPAP (Uniform Standards for Professional Appraisal Practice), all approaches to value that are applicable to the interest being appraised and necessary to produce credible results must be utilized. The relevance and development of each analysis is listed as follows:

Cost Approach:	Not Applicable and Omitted from Report
Market Data Analysis:	Applicable and Included in Report
Income Approach:	Not Applicable and Omitted from Report

If applicable, this report is not to be construed as a building inspection as only a visual inspection of accessible areas was performed. This appraisal report cannot be relied upon to disclose conditions and/or defects in the real estate.

The client and intended user of this report is the North Carolina Department of Transportation (NCDOT).

The appraisers performed no services, as an appraiser or in other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

A **hypothetical condition** is applicable for reporting purposes in arriving at a value for the subject property. As defined in the *Appraisal of Real Estate, Twelfth Edition*, **hypothetical conditions** are contrary to what exists but the conditions are asserted by the appraiser for the purposes of analysis. The conditions are as follows:

¹ *Federal Register*, vol. 55, no. 163, August 22, 1990, pp. 34228-34229.

- The after condition is based upon a hypothetical condition that the right of way acquisition and permanent utility easements are in place and the effects on value that may be created.
- The existing sidewalks will be replaced by the North Carolina Department of Transportation as part of project construction and will not be considered in report.

An **extraordinary assumption** is applicable for reporting purposes in arriving at a value for the subject property. As defined in *The Appraisal of Real Estate, Twelfth Edition*, **extraordinary assumptions** presume uncertain information to be factual. If discovered to be false these assumptions could alter the appraiser's opinions or conclusions. The **extraordinary assumptions** for this report are:

- The observation of the subject property was restricted to the land site, it is assumed that there are no hidden defects applicable to the subject property and/or environmental issues including but not limited to USTs (Underground Storage Tanks).
- The size of the subject property is 4.855 acres as of the effective date of this appraisal.

(D) MARKETING PERIOD AND EXPOSURE TIME

Exposure time is the length of time the subject property would have been exposed for sale in the market had the property sold on the effective date of valuation. Exposure time is always presumed to proceed the effective date of the appraisal report. **Marketing time** is an estimate of the amount of time it may take to sell a property at the estimated market value immediately following the effective date of this appraisal.

The exposure and marketing time for the subject property is considered to be equal and being approximately eight to sixteen months supported by local real estate data. There will be exceptions, however, with properties such as the subject, an exposure and marketing time of eight to sixteen months is considered to be normal as of the effective date of this appraisal

(E) HAZARDOUS MATERIAL STATEMENT

Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption

that there is no such material on or in the property that 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. The client/property owner is urged to retain an expert in this field, if desired. That is, the subject property is appraised "as clean".

(F) AMERICANS WITH DISABILITIES ACT

The appraiser has not made a specific compliance survey and analysis of the subject property to determine whether or not it is in conformity with the various detailed requirements of the Americans with Disabilities Act ("ADA"). 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 subject parcel 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 the appraiser has no direct evidence relating to this issue, the appraiser did not consider possible non-compliance with the requirements of ADA in estimating the value of the subject.

(G) CLAIMANT'S STATEMENT

The Town Manager, Mr. Ken Noland, who represents the Town of Wilkesboro, North Carolina, was contacted on December 18, 2014, for permission to inspect the subject property. However, at that time, Mr. Noland was not available until after the Christmas and New Year holidays. Therefore, on December 31, 2014 a mutual appointment date set by Mr. Noland's administrative assistant was made for January 6, 2015, at 11:30 a.m. at the office for the Town Manager. At that meeting, Mr. Ken Noland advised your appraisers that he was well aware of the impending bridge project and road relocation and had received drawings and information from the North Carolina Department of Transportation regarding the project. Mr. Ken Noland also discussed the general background information regarding the subject property and the importance of the Cub Creek Park area to the residents of Wilkesboro, North Carolina. Future planning included the Yadkin River Parkway and the Cub Creek Park Connector Trail. Mr. Noland also spoke generally of acquiring the existing lands through direct land purchases as well as purchases with trades of other lands. Mr. Noland was also aware of the existing lands being encumbered by the Conservation Easement (Deed Book 1157, Page 374). After exchanging further information regarding the project and the existing land, Mr. Ken Noland granted permission for your appraisers to inspect the subject land. Although an invitation was extended to Mr. Noland to accompany your appraisers on the inspection, Mr. Noland respectfully declined. All information requested from Mr. Ken Noland was very readily supplied.

II. STATEMENT OF LIMITING CONDITIONS AND ASSUMPTIONS

This appraisal is made subject to the following limiting conditions and assumptions:

A. This appraisal is intended for the use only of The North Carolina Department of Transportation and their representatives, specifically, Mr. Tim Klinger, Area Appraiser. Any other use of this report is not intended by this appraiser.

B. This appraiser certifies that to the best of his knowledge and belief, the statements contained in this appraisal report, subject to the limiting conditions set forth below, are correct: also that this appraisal is made in conformity with the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Foundation, and the North Carolina Appraisal Board.

C. The opinion of value as stated in this report is based upon the unencumbered fee simple title to the subject property. The title to the subject property is assumed to be marketable. The property is appraised as though under responsible ownership and competent management.

D. No opinion is given and no responsibility is assumed for matters that are legal in nature with the title to the subject property assumed to be good. No liens have been considered and the property has been appraised as though it were free and clear of all contingent liens.

E. All market data which is included in this report has been obtained from one or both of the parties involved in the actual transactions. Each parcel of land has been personally inspected by this appraiser and the recorded deeds have been examined to give a concise and clear presentation of the properties and their descriptions. This information is believed to be reliable; however, such information is not guaranteed to be correct although it has been checked insofar as possible and is believed to be correct.

F. The legal description of the subject property is referenced in a NC General Warranty Deed recorded in Book of Records 919, Page 176 of the Wilkes County Registry. Acquisition Maps of the subject property have been supplied to your appraisers by The North Carolina Department of Transportation. The drawings appear to adequately and accurately represent the construction requirements.

G. All sketches that are included in this report are used to merely visualize the property and its surroundings and are not certified to be accurate. This appraisal is made based upon a visual inspection of the subject property. No engineering test borings were made to determine the soil bearing qualities. The soil of the area under appraisal appears to be firm and solid, unless otherwise stated.

H. The value estimates reported herein are under the purpose and land use premises stated. They are not valid for any other purpose and premise and must not be used in conjunction with the other appraisal or intended use.

I. Full compliance with all applicable federal, state and local environmental regulations is assumed as well as all applicable zoning, use and occupancy regulations and restrictions as stated and considered in this appraisal report.

J. The sketch of the subject land that is included as a part of this report has been taken from the drawings as supplied by the North Carolina Department of Transportation. A sketch of the subject property has also been secured from the Wilkes County Tax Mapping Department and the sketch of the areas required for the acquisition has been supplied to your appraiser by the North Carolina Department of Transportation. Sketches of the improvements have been completed by the appraiser and supported by data from the Wilkes County Tax Office. All sketches in this report have been reproduced by Xerox and/or a scanning process.

K. In this appraisal assignment, the existence of potentially hazardous material used in the construction or maintenance of the building, such as the existence of urea-formaldehyde foam insulation and/or the existence of toxic waste which may or may not be present on the property, has not been considered. The appraiser is not qualified to detect such substances. We urge the client to retain an expert in this field if required.

L. It is assumed that the utilization of the land and improvements is within the boundaries of the property lines of the property described and there is no encroachment or trespass unless noted in the report.

M. Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any other than its intended use by anyone other than the client without the prior written consent of the appraiser or the client and then only with the proper identification and qualification and only in its entirety. No change of any item in the report shall be made by anyone other than the appraiser and/or an officer of the firm. The appraiser and firm shall have no responsibility if any such change is made.

N. Neither any or part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the appraiser, particularly as to valuations, conclusions or to the identity of the appraiser or appraisal firm represented, or any references to an appraisal organization or any appraisal designation.

O. We are not required to give testimony in court or hearings nor engage in post appraisal consultation with clients or third parties, by reason of this appraisal unless prior arrangements have been made. If testimony or depositions are required because of any

subpoena, client shall be responsible for additional times, fees and charges regardless of the issuing party.

P. The liability of the appraiser and the firm is limited to the client only and to the fee actually received by the appraiser. 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. The appraiser is in no way to be responsible for any cost incurred to discover or correct any deficiencies of any type present in the property; physical, financial and/or legal. In the case of limited partnerships or syndication offerings or stock offerings in property, the client agrees that in case of law suit (brought by lender, partner or part owner in any form of ownership, tenant or any other party), any and all awards, settlements of any type in such suit, regardless of the outcome, client will hold appraiser completely harmless in such action.

Q. Acceptance of, and/or use of this appraisal report by client or any third party constitutes acceptance of the above conditions. Appraisal liability extends only to the stated client, no subsequent parties or users and is limited to the fee received.

R. This report is written in such a manner that it qualifies to fulfill all of the financial requirements by the various banks and lending institutions in the United States. The normal underwriting guidelines of the various government agencies have been read, considered, and it is the opinion of this appraiser that this report does conform to all of the various underwriting standards as promulgated by the various governmental agencies, banks and lending institutions. This report has been written to conform to the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Foundation and the North Carolina Appraisal Board.

III. SUBJECT PROPERTY INSPECTION

The inspection of the subject property was made the morning of January 6, 2015. No-one accompanied the appraisers on the inspection.

IV. LEGAL DESCRIPTION

The legal description of the subject property is an acquisition drawing provided by the North Carolina Department of Transportation. The land is described as having 4.885 acres with 0.383 acres of proposed new right of way acquisition. The total area of the remaining property is 4.472 acres and located right of the right of way.

A copy of the acquisition map and most recent deed supporting the preceding numbers is in the Addenda of this appraisal report.

V. AREA DESCRIPTION

(A) GENERAL AREA DESCRIPTION

Physical Characteristics

The general area in which the subject property is located is Wilkes County. Wilkes County is located in northwestern North Carolina, on the eastern slopes of the Blue Ridge Mountains. The county was chartered in 1778 and its history dated from pre-Revolutionary times. The county's 769 square miles encompass mountains, plateaus, and valleys. Altitude ranges from 900 to 4,000 feet above sea level. The crest of the Blue Ridge Mountains forms its northwestern line and the Brushy Mountains forms a portion of its southern border. Three municipalities are located within the county, those being North Wilkesboro, Wilkesboro and Ronda. Of the three, North Wilkesboro and Wilkesboro lie adjacent to one another, divided by the Yadkin River, and make up the greater Wilkes trading area. This trading center, in the central portion of the county, is located approximately 55 miles west of Winston Salem, 75 miles north of Charlotte and 100 miles northeast of Asheville. The population of Wilkes County as recorded by the 2010 census was 69,340 representing a 5.6% increase from the 2000 census which was 65,632. The United States Census Bureau has estimated the 2019 population at 71,717. North Wilkesboro is the county's largest town followed by the Town of Wilkesboro.

Access into the county is quite good, given the variety of US and State Highways located in and around the county. US Highway 421 bisects the county, providing the primary east-west route of transportation through the area. Other highways serving the county include NC Highways 16, 18, 115 and 268. US Highway 421 intersects with Interstate 77, approximately 20 miles east of the Wilkesboros in Yadkin County. Further, NC Highway 16 intersects with Interstate 40,

approximately 45 miles to the south in Hickory. Several certified motor freight carriers serve the area. This highway system links Wilkes County with sources of raw materials, product suppliers and major markets throughout North Carolina.

Additional transportation is found in the form of air service. Wilkes County has a local airport with a 6,200 foot paved, lighted runway with an instrument landing system and accompanying facilities. The nearest commercial airport is located in Hickory, approximately 45 miles southwest of the Wilkesboros. Additional commercial air travel is available at the Piedmont Triad International Airport located approximately 90 miles to the east, in Greensboro. Also, Charlotte Douglas International Airport is located approximately 100 miles to the south in Charlotte. These airports are served by or connect with most major airline flights.

Wilkes County enjoys a good economic base, represented by a variety of manufacturing and non-manufacturing industries. The largest employer in the county is Tyson Farms, Inc. This company along with Tyson Poultry provide hundreds of jobs in Wilkes and surrounding areas. In addition, Tyson contracts with hundreds of local farmers to furnish housing, labor and equipment to produce marketable broilers for the company's processing plant. Overall, this company has as large of an effect on the total economic picture of the county as any manufacturing company in the area. Additional manufacturers include Louisiana-Pacific, Manzella Knitting & Co., LLC, and Plycem USA, Inc. These companies provide a variety of products. Non-manufacturing employers of primary concern include Lowe's Companies, Inc., Wilkes County Board of Education, Wilkes Regional Medical Center, Wilkes County, Wilkes Community College, Wal-Mart and NCDOT. One of the largest suppliers of building materials and retail items in the southeastern United States, Lowe's Companies has grown tremendously over the course of the past several years. Lowe's Companies was headquartered in Wilkes County until 2003 when it moved into its new corporate headquarters in Mooresville, North Carolina and relocated approximately 1,200 jobs out of the county. This relocation of Lowe's had a serious detrimental effect on the local economy in the mid 2000's.

All these businesses have typically contributed to a relatively low unemployment rate. Historically, this rate had been around 3% to 3.5%. In January 2001, unemployment rates were at approximately 4.6%. In 2005, it was basically in the area of 5.5%. In early 2009, Tyson had a fairly significant lay-off coupled with American Drew that pushed the county unemployment rate to slightly over 13%. As 2010 began, the unemployment rate continued to rise and presently had stabilized at 12.8% in June 2010. In January of 2012 the rate was just under 12%. As of January of 2014, the rate had fallen to under 8% and as of July 2014, the unemployment rate for Wilkes County was 7.14%.

Overall, the Wilkes County area has continued to grow throughout its history. Population growth has slowed somewhat over the last 10 years but has been relatively stable. Given the somewhat rural nature of the Wilkes County area, the economy always remains somewhat fragile. A move by a large company could make a substantial difference in the overall market area.

In summary, Wilkes County has traditionally been fortunate from the diversity of businesses located in this area. As the economy has changed from a local and national economy to a global economy, Wilkes County has begun to feel those effects. The county now has to compete on a much wider basis than they ever before. Nationwide trends in the manufacturing sector have really hit hard in Wilkes County. It appears now that much of the future growth in Wilkes County will likely come through increased tourism and the expansion of service businesses. Wilkes County has benefited from the recent development of mountain subdivisions that are in or close to Wilkes County and once the housing market begins to pick back up; this will certainly have an impact on the county. These developments generally cater to second home owners and retirees. There are some positive signs in the area that will contribute to the local recovery once it begins in full force.

County Profile

Wilkes County (NC)

January 2015

Demographics

Population & Growth

	Population	Annual Growth
2019 Proj Total Population	71,717	0.3%
2014 Proj Total Population	70,620	
2010 Census Total Population	69,340	0.6%
July 2013 Certified Population Estimate (NC only)	69,754	

Urban/Rural Representation

		Urban/Rural Percent
2010 Census Total Population: Urban	18,867	27.2%
2010 Census Total Population: Rural	50,473	72.8%

Estimated Population by Age

		Pop by Age
2019 Proj Median Age	45	
2014 Proj Median Age	44	
2014 Proj Total Pop 0-19	16,456	23.3%
2014 Proj Total Pop 20-29	7,526	10.7%
2014 Proj Total Pop 30-39	7,997	11.3%
2014 Proj Total Pop 40-49	9,660	13.7%
2014 Proj Total Pop 50-59	10,882	15.4%
2014 Proj Total Pop 60+	18,099	25.6%

Commuters, Workers Age 16 and Over, 2013 Est

Percent of Workers, By Travel Time

Avg Travel Time, Minutes	24.3
Workers Not Working at Home	25,733
Travel Time to Work: < 10 minutes	12.8%
Travel Time to Work: 10-14 minutes	15.1%
Travel Time to Work: 15-19 minutes	19.9%
Travel Time to Work: 20-24 minutes	18.9%
Travel Time to Work: 25-29 minutes	5.3%
Travel Time to Work: 30-34 minutes	8.8%
Travel Time to Work: 35-44 minutes	5.7%
Travel Time to Work: 45-59 minutes	5.7%
Travel Time to Work: 60+ minutes	7.7%

Workers, By Transportation

Worker Transp. Base	25,733
Work at Home	2.5%
Drove Car/Truck/Van Alone	82.6%
Carpooled Car/Truck/Van	12.8%
Public Transportation	0.3%
Walked	1.4%
Other Transportation	0.4%

Place of Work

Worked in State/County of Residence	
Worked in State/Outside County of Residence	
Worked Outside State of Residence	

Commuters

19,733
5,876
124

Residents

76.7%
22.8%
0.5%

Education

		Pop Age 25+
2013-14 Kindergarten-12th Enrollment	10,022	
2014 Average SAT score (2400 scale)	1,445	
2014 Percent of Graduates taking SAT	30.6%	
2012-13 Higher Education Completions	650	
2012-13 Higher Education Total Enrollment	3,706	
2013 Est Education Attainment - At Least High School Graduate	36,138	74.2%
2013 Est Education Attainment - At Least Bachelor's Degree	6,083	12.5%

Housing

		% Growth or % of Total
2019 Proj Total Housing	34,732	2.2%
2014 Proj Total Housing	33,996	
2010 Census Total Housing	28,360	
2010 Census Occupied Housing	23,655	83.4%
2010 Census Vacant Housing	4,705	16.6%
2013 Est Median Value of Owner Occupied Housing	\$111,700	
2013 Est Median Gross Rent	\$573	
2013 Est Owner Occupied Housing	20,339	73.9%
2013 Est Renter Occupied Housing	7,173	26.1%
2013 Est Owner Occupied Housing Vacancy	1.8%	
2013 Est Renter Occupied Housing Vacancy	12.5%	
2010 Census Total Households	33,065	

Income

		% Growth or % of Total
2013 Est Median Family Income	\$42,083	3.8%
2019 Proj Median Household Income	\$40,126	14.6%
2014 Proj Median Household Income	\$35,029	2.4%
2013 Est Median Worker Earnings	\$22,664	
2019 Proj Per Capita Income	\$21,506	2.0%
2014 Proj Per Capita Income	\$19,492	11.3%
2013 Est Total Pop with Income Below Poverty Level, Last 12 months	15,497	0.2%

Employment / Unemployment

	Currently	2013 Annual
Nov2014 Prelim., 2013 Employment	26,318	26,368
Nov2014 Prelim., 2013 Unemployment	1,592	2,695
Nov2014 Prelim., 2013 Unemployment Rate	5.7%	9.3%
2014Q3 YTD, 2013 Announced Job Creation	103	85
2014Q3 YTD, 2013 Total Announced Investments (\$mil)	\$12.8	\$0.0

Employment / Wages by Industry

	2014 2nd Qtr Employment	2013 Annual Employment	2014 2nd Qtr Avg Weekly Wage	2013 Avg Weekly Wage
Total All Industries	20,846	20,636	\$605	\$611
Total Government	4,277	4,257	\$623	\$664
Total Private Industry	16,569	16,378	\$601	\$597
Agriculture Forestry Fishing & Hunting	0	0	.	.
Mining	0	0	.	.
Utilities	45	43	\$1,121	\$997
Construction	505	511	\$609	\$590
Manufacturing	4,301	4,209	\$659	\$630
Wholesale Trade	782	778	\$848	\$919
Retail Trade	2,564	2,554	\$442	\$449
Transportation and Warehousing	392	407	\$841	\$837
Information	162	159	\$945	\$953
Finance and Insurance	333	347	\$1,123	\$913
Real Estate and Rental and Leasing	180	164	\$732	\$762
Professional and Technical Services	12	12	\$978	\$878
Mgt of Companies, Enterprises	0	0	.	.
Administrative and Waste Services	577	613	\$408	\$442
Educational Services	126	123	\$329	\$320
Health Care and Social Assistance	1,669	1,760	\$541	\$546
Arts, Entertainment and Recreation	46	42	\$295	\$290
Accommodation and Food Services	1,882	1,858	\$243	\$239
Other Services Ex. Public Admin	486	468	\$340	\$370
Public Administration	1,229	1,245	\$691	\$718
Unclassified	0	0	\$0	\$0

Commercial/Retail/Industrial

Local Businesses

Jan2015 Available Industrial Buildings	10
2014Q2 Establishments: Total Private Industry	1,175
2014Q2 Establishments: Manufacturing	67
2013 Est Self Employed	1,858

Local Retail Business

2014 Total Retail Sales (With Food/Drink) (\$mil)	\$665.1
2014 Total Retail Businesses (With Food/Drink)	520
2014 Avg Sales/Business Total (with Food/Drink)	\$1,278,949
Jan2015 Available Commercial Buildings	13

Quality of Life

Taxes

FY2014-15 Property Tax Rate per \$100 Value	\$0.6900
FY2013-14 Annual Taxable Retail Sales (\$mil)	\$508.4
2015 Tier designation	2

Childcare

2014Q3 Licensed Child Care Facilities	50
2014Q3 Licensed Child Care Enrollment	1,294

Weather

Annual Rainfall, inches	49
Annual Snowfall, inches	10
Average Annual Temperature, F	61
Average Annual High Temperature, F	72
Average Annual Low Temperature, F	47

Healthcare Providers

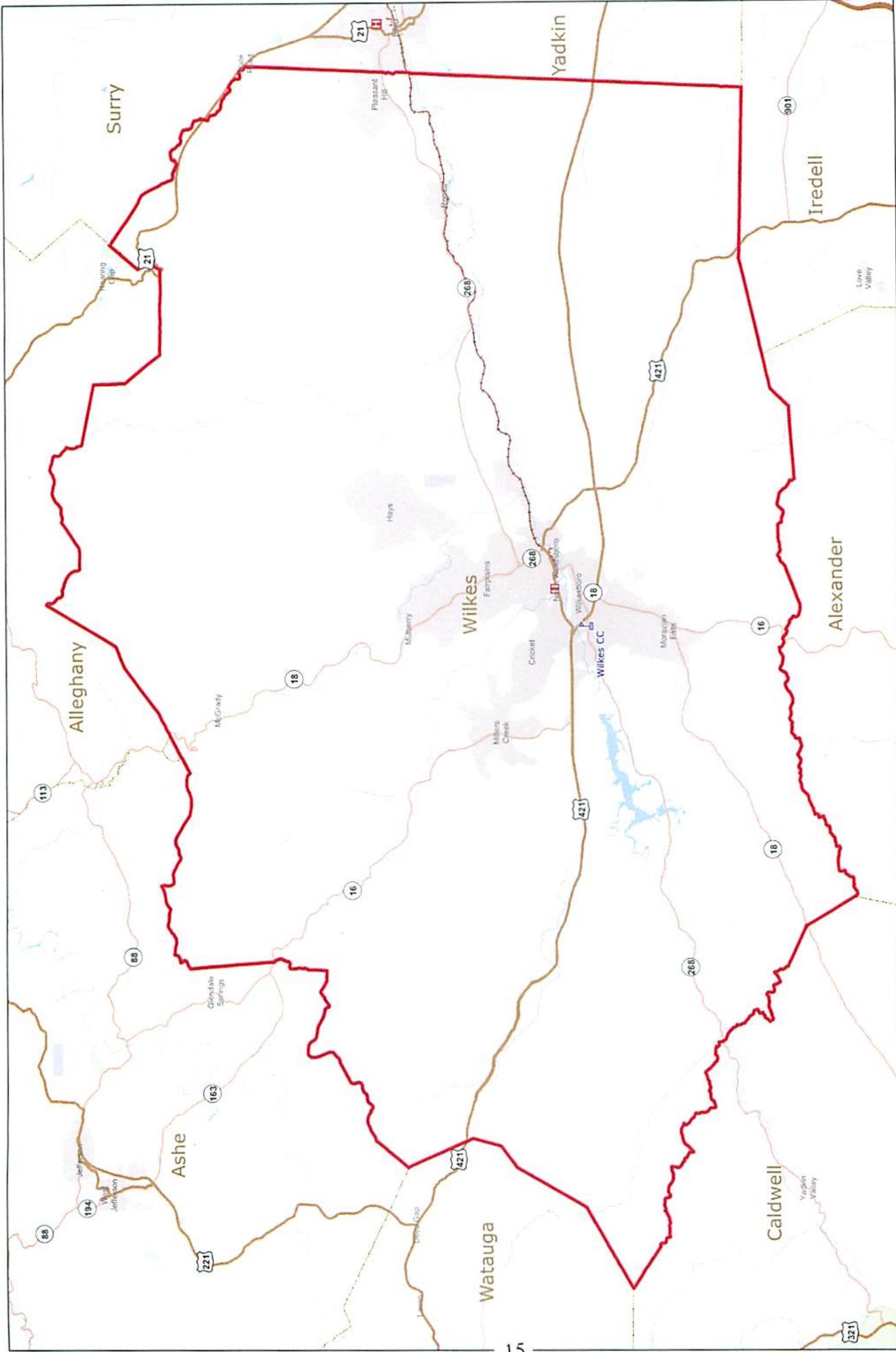
2012 Number of Physicians	83
2012 Physicians per 10,000 population	11.9
2012 RNs per 10,000 population	62.9
2012 Dentists per 10,000 population	2.6
2012 Pharmacists per 10,000 population	5.7

Sources:

ESRI for demographics, housing, income, and retail data. Applied Geographic Solutions for weather and crime data. www.appliedgeographic.com. NC Dept. of Education for SAT data by county system. <http://www.ncpublicschools.org>. US Dept. of Education, National Center for Education Statistics for higher education data. <http://nces.ed.gov/ipeds/>. NC Commerce, Labor and Economic Analysis Division, for announced new jobs and investment, NC tiers, occupational data, and industrial buildings. <http://www.nccommerce.com/en>. NC Dept. of Health & Human Services for childcare data. <http://www.ncdhhs.gov/>. UNC Sheps Center for healthcare provider statistics. <http://www.shepscenter.unc.edu/>. US Bureau of Labor Statistics for employment and unemployment, wages and establishments by industry. <http://www.bls.gov>. US Census, 2010 and 2000 Census, 5-year series American Community Survey for demographics, commuters, place of work, educational attainment, housing, and income. <http://factfinder2.census.gov>.

Notes:

Data are the latest available at the date the profile was prepared. SAT scores use the new scoring system including a writing test for a perfect score of 2400 and represent county systems. Unemployment data are now showing preliminary month and subject to change. ESRI 2014/2019 data are projections and noted as proj. Some data may be available only for North Carolina. 2010 Census data is noted as such. American Community Survey (ACS) data are estimates and noted as est and is from the 2008-12 (ESRI) or 2009-13, 5 year survey and data is as of the end year with dollars inflated to the end year. For further details or questions, please check the Data Sources Guide at https://edis.commerce.state.nc.us/docs/bibliography/Data_Sources_Guide.pdf or click on it under the map on the homepage. Additional data and reports are available at: <http://www.nccommerce.com/lead>.



- Legend**
- USA Airports
 - International/Regional/Municipal
 - Military/Seaplane Base
 - Other Airports
 - Hospital
 - Public /Private Univ./ Comm Col.

- Interstate
- US Highway
- State Highway
- Railroads
- Rivers
- Water
- Park
- National Forests
- Municipal Boundaries
- County Boundary

Wilkes, North Carolina



T H I R D I V E
 "N" NORTH CAROLINA

Wilkes County
2014 2nd Quarter

County Employer Profile Contact (919) 707-1500

Commerce Economic Development Contact (919) 733-4151

Top Employers

Rank	Company	Industry	Employment Range
1	Tyson Farms Inc	Manufacturing	1000+
2	Lowe's Companies Inc	Professional & Business Services	1000+
3	Wilkes County Board Of Education	Education & Health Services	1000+
4	Wilkes Regional Medical Center	Education & Health Services	500-999
5	Wilkes County	Public Administration	500-999
6	Wilkes Community College	Education & Health Services	250-499
7	Louisiana-Pacific Corporation	Manufacturing	250-499
8	Lowe's Home Centers Inc	Trade, Transportation & Utilities	250-499
9	Wal-Mart Associates Inc	Trade, Transportation & Utilities	250-499
10	Tyson Poultry Inc	Manufacturing	250-499
11	N C Dept Of Transportation	Public Administration	250-499
12	Carolina Resource Management Llc	Professional & Business Services	100-249
13	East Coast Millwork Dist Inc	Trade, Transportation & Utilities	100-249
14	Principle Long Term Care Inc	Education & Health Services	100-249
15	Holly Mtn Enterprises	Trade, Transportation & Utilities	100-249
16	Wilkes Senior Village	Education & Health Services	100-249
17	Food Lion	Trade, Transportation & Utilities	100-249
18	Manzella Knitting & Company Llc	Manufacturing	100-249
19	Avante At Wilkesboro Inc	Education & Health Services	100-249
20	Lowe's Food Stores Inc	Trade, Transportation & Utilities	100-249
21	Culinary Services Group Llc	Leisure & Hospitality	100-249
22	Ymca Of Northwest North Carolina	Other Services	100-249
23	Plycem Usa Inc	Manufacturing	100-249
24	Mcdonalds	Leisure & Hospitality	100-249
25	Home Instead Senior Care	Education & Health Services	100-249

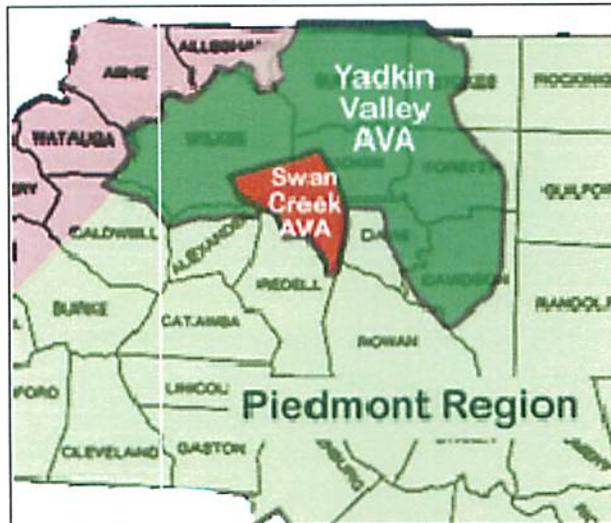
Source: NC Commerce, Labor and Economic Analysis Division, Top 25 Employers by NC County.
Notes: County is determined by the address provided by the business.

(B) NEIGHBORHOOD DESCRIPTION

The overall neighborhood of the subject property is the Cub Creek Park area of Wilkesboro, North Carolina. *The Appraisal of Real Estate, 13th Edition* defines **neighborhood** as a group of complementary land uses; a congruous grouping of inhabitants, buildings or business enterprises. The boundary for the neighborhood is adjudged being Main Street to north, Highway 18 (Cherry Street) to the west, Call Street to the south and Little Cub Creek to the east. This area is dominated by the Cub Creek Park being a mixture of walking tracks, ball fields, tennis and basketball courts, play grounds, hatchery supported creek, picnic tables and a dog park. The majority of neighboring uses include residential developments, places of worship and agricultural uses. Professional office space and neighborhood businesses border Main Street and the Wilkes County Courthouse is located just north of Call Street. The remaining area is described as undeveloped woodland. The closest hospital is Wilkes Regional Medical Center and located north in the Town of North Wilkesboro. Major employers are to the south in Statesville and Mooresville, Boone to the west and Winston-Salem/Greensboro areas of the Triad to the west.

This neighborhood is located within the Yadkin Valley American Viticulture Area (Yadkin Valley AVA). The Yadkin Valley encompasses 1,416,000 acres and includes all of Surry, Wilkes and Yadkin counties and portions of Stokes, Davie, Davidson and Forsyth counties. Surry Community College has a viticulture and enology program that includes a vineyard and winery. In 2008, the second AVA of North Carolina was created being the Swan Creek AVA and encompasses a portion of the Yadkin Valley AVA. The Swan Creek AVA covers an area of 180 square miles or 115,200 acres. The majority of vineyards and wineries in the region are boutique and create less than 2,000 cases of wine per year. Shelton Vineyards is the largest winery in the immediate area being a 383 acre estate with approximately 200 acres being used for the growing of wine producing grapes and is capable of bottling 50,000 cases of wine on an annual basis. Shelton Vineyards has been open to the public since 2000 and bottled its first wine in 2001. A copy of a location map is included in the Addenda of this report reflecting the general location of the subject tract of land. The following map illustrates the two mentioned AVA's.

The Yadkin Valley and Swan Creek AVA



VI. DESCRIPTION OF THE SUBJECT PROPERTY

(A) LAND

According to the construction drawings submitted to your appraisers by the North Carolina Department of Transportation and supported by the most recent applicable deed and the Wilkes County Tax Department, the subject property occupies 4.855 acres. The land is identified by Wilkes County by way of NC PIN No. 3867-69-7974 having an area of 5.00 acres. All of the land has access to all amenities provided by the Town of Wilkesboro including, but not limited to: police and fire protection, public water, public sewer, trash removal, power, telephone and electric.

The tract of land is irregular in shape fronting Oakwoods Road to the northeast and Cub Creek forming its southern boundary line. Approximately 60% of the land is cleared with the remaining 40% covered in trees with minimal underbrush. All of the land is below grade from Oakwoods Road and located within a 1% Annual Chance Flood Area as illustrated on FEMA National Flood Insurance Program Map No. 3710386700J dated 3/2/2009. All of the land is utilized for park use including walking/running trails, gravel parking lot and open grass fields. A Declaration of Covenants, Conditions and

Restrictions for Restoration Purposes “Restoration Declaration” applicable to the subject property is recorded in Book of Records 1157, Page 374 of the Wilkes County Registry. Prohibited activities include, but are not limited to: Industrial, Residential or Commercial Use, Agricultural, Grazing or Horticultural Use, New Construction and Development Rights. Permitted activities include Passive Recreational Uses, Educational Uses and Restoration. A copy of the “Restoration Declaration” is included in the Addenda of this appraisal. Other encumbrances that may exist are for additional road right of ways and for utility lines serving the subject property and/or surrounding real estate. Data on other land sales encumbered by similar restrictions illustrates the existing Restoration Declaration negatively impacts the market value of the subject land.

The property is zoned R6 (General Residential). The R6 district is to provide areas for higher density single family residential, two-family residential and other comparable uses that are designed, constructed and maintained to avoid distracting from a healthy and aesthetically pleasing residential environment.

A tax map as found in the Wilkes County Tax Mapping Department showing the general location of the approximate 5 acres is included in the Addenda of this report.

(B) IMPROVEMENTS

There are no improvements considered to contribute to the overall value of the subject property. Therefore, the property is regarded as vacant land.

(C) HISTORY OF THE SUBJECT PROPERTY

The most recent deed applicable to the subject property was drawn in May 2003 between Venture Properties I, LLC and The Town of Wilkesboro recorded in Book 919, Page 176 in the office of the Register of Deeds of Wilkes County, North Carolina on July 21, 2003. The Real Estate Excise Tax was \$60 indicating a purchase price of \$30,000.

The Restoration Declaration applicable to the subject property was recorded in Book of Records 1157, Page 374 on October 4, 2012.

The appraisers are unaware of the property being for sale by owner or listed with a licensed real estate broker over the last five years.

(D) TAXATION

1. Tax Rates - Wilkes County

In the State of North Carolina, the applicable statute that controls ad valorem taxes is called the North Carolina Machinery Act. An excerpt from this statute reflects that the statute requires that every parcel of land in the State of North Carolina must be appraised for taxes once every eight years. It further states that the appraised value for ad valorem taxes will be 100% of the market value of the property's true value. This has been interpreted in most cases to mean the market value of the property in question. Therefore, every county in the State of North Carolina is in the cycle of at least one reappraisal every eight years. Some of the counties of North Carolina have elected to reappraise properties in shorter periods of time in order to keep their tax base more level. Wilkes County has elected to reappraise properties on a county-wide basis every four years. However, the last reassessment for 2013 was a six year time frame. The 2014 Wilkes County Tax Rate per \$100 of valuation is \$0.69. On an average, it is estimated that taxes have increased around 3% on an annual basis over the last 15 years.

2. Subject Property Taxation

The subject property is identified in the Wilkes County Tax Supervisor's Office by the following Parcel ID Number:

Parcel ID 2206869

Real Estate
Assessment

Owner	TOWN OF WILKESBORO
Bill Year	2014
Assessment Values	Gross Assessment
Land	\$50,400.00
Building	\$0.00
Total	\$50,400.00

Class	Description	Area	Deferments	Net Assessment
LAND	08 WOODS	2.000 Acres	\$0.00	\$18,000.00
LAND	09 OPENLAND	3.000 Acres	\$0.00	\$32,400.00
Total				\$50,400.00

The Town of Wilkesboro is tax exempt thus no taxes are paid.

Although the appraised market value of the subject property in the Before Value and as shown in the following sections of this appraisal report reflects a value approximately 42% less than the tax value shown above, the tax value is for tax

purposes only and reflects variables that are inherent with general mass appraised techniques which produce less accurate results. The appraised value as shown in the report is based on a personal inspection of the subject property with research of the local real estate market for recent comparable sales data and as a result is considered a more accurate valuation.

(E) ZONING

The subject property is located within the Town Limits of Wilkesboro. According to Mr. Andrew Carlton, Planning and Community Development Director for the Town of Wilkesboro, the parcel is zoned R6 (General Residential). The R6 district is to provide areas for higher density single family residential, two-family residential and other comparable uses that are designed, constructed and maintained to avoid distracting from a healthy and aesthetically pleasing residential environment.

The Restrictions of the Property essentially prevent all uses except for Passive Recreational Uses, Educational Uses and Restoration.

The existing use of Passive Recreational is not in conflict with the zoning ordinance.

(F) OWNERSHIP RESTRICTIONS

Restrictions for Restoration Purposes “Restoration Declaration” applicable to the subject property is recorded in Book of Records 1157, Page 374 of the Wilkes County Registry. Prohibited activities include, but are not limited to: Industrial, Residential or Commercial Use, Agricultural, Grazing or Horticultural Use, New Construction and Development Rights, Permitted activities include Passive Recreational Uses, Educational Uses and Restoration. A copy of the “Restoration Declaration” is included in the Addenda of this appraisal. Other encumbrances that may exist are for additional road right of ways and for utility lines serving the subject property and/or surrounding real estate. Data on other land sales encumbered by similar restrictions illustrates the existing Restoration Declaration negatively impacts the market value of the subject land.

(G) HIGHEST AND BEST USE

1. Definition

Fundamental to the concept of value is the principal of highest and best use. Highest and best use is typically defined as the most profitable likely use of a site or that use which yields the greatest net return to the land. It may also be defined as follows:

That use from among reasonably probable and legal alternative uses that is found to be physically possible, appropriately supported and financially feasible. This definition immediately applies specifically to the highest and best use of land. It is to be recognized that in cases where a site has existing improvements, the highest and best use of the land only may very well be determined to be different from the existing use. The existing use will continue, however, unless or until land value in its highest and best use exceeds the total value of the property in its existing use.

Implied within these definitions is recognition of the contribution of the specific use to community environment or to community development goals in addition to wealth maximization of the individual property owners. Also implied, is that the determination of highest and best use results from the judgment and analytical skills, that the use determined from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use represents the premise upon which value is based. In the context of most probable selling price "Market Value" another appropriate term to reflect highest and best use would be the most probable use. In the context of investment value, an alternative term must be profitable use.

The highest and best use analysis plays an important role in the overall market feasibility of either a proposed or existing development. The highest and best use analysis is specifically addressed to the market economic feasibility of a real estate project by analyzing current market conditions. The first step in the highest and best use analysis is the assumption that the site is vacant without any improvements, considering the physical factors such as road frontage, zoning, topography, and availability of public utilities. The analysis also considers the overall size of the property of both assembling or sub-dividing the site in order to determine the highest return to the land.

Implied within these definitions is recognition of the contribution of the specific use to community environment or to community development goals in addition to wealth maximization of the individual property owners. Also implied, is that the determination of highest and best use results from the judgment and analytical skills, that the use determined from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use represents the premise upon which value is based. In the context of most probable selling price "Market Value" another appropriate term to reflect highest and best use would be the most probable use. In the context of investment value, an alternative term must be profitable use.

2. Subject's Existing Use

The subject of Highest and Best Use is divided into the following four categories.

1. The property must be legally available
2. The property must be physically adaptable or possible
3. There must be demand in the area for property of this type and for the intended purpose
4. The specific use of the property would create its maximum productivity

The existing use of the subject property is described as Passive Recreational Use.

Legal Availability

The first step in the highest and best use analysis is the requirement that the property be legally available. The legal documents have been examined and the existing restrictive covenants permit Passive Recreational Use. Therefore, the property is deemed legally available for its existing use.

Physical Adaptability

The second consideration is that the property be physically adaptable. Overall, the physical characteristics of the land results in a utility suitable for a variety of Passive Recreational Uses including fishing, bird watching, and hiking/walking. The surrounding Cub Creek Park further supports the Physical Adaptability of the property. This requirement is considered fulfilled.

Demand for Property

The third consideration is demand for the subject property in its existing configuration. The subject property has good road frontage on Oakwoods Road in close proximity to downtown Wilkesboro with extensive Cub Creek frontage. Therefore, it is the opinion of the appraisers there is demand for properties for this specific use in the overall market.

Specific Use of Property Creates Maximum Productivity

The fourth consideration is that the property be used for a purpose that produces the maximum productivity or the maximum value. Considering all the factors which influence the highest and best use of the subject property, the highest and best use for the real property is considered its existing use as Passive Recreational. The subject property is considered to be legally available, physically adaptable, and in good demand for property in this area and for this purpose and it is producing its maximum productivity.

VII. ESTIMATE OF THE SUBJECT VALUE BEFORE THE ACQUISITION

(A) VALUATION METHODOLOGY

The purpose of this section of the report is to describe the methods of estimating value for the subject property and to combine the information previously outlined with additional information and documentation obtained from the real estate market to estimate a value for the subject property. There are three approaches to value that can be developed in estimating a value for the subject property. These approaches include:

- Cost Analysis
- Market Data Analysis or Direct Sales Comparison Approach
- Income Analysis

The valuation process employed by these three methods leads to a conclusion of value.

Cost Analysis

The Cost Approach is defined as: “An analysis which is based on the proposition that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility as the subject property. It is particularly applicable when the property being appraised involves relatively new improvements which represent the highest and best use of the land or when relatively unique or specialized improvements are located on the site and for which there exist no comparable properties on the market.”²

In the Cost Analysis, the reproduction cost new of the improvements is estimated. Accrued depreciation is then estimated which includes physical deterioration, functional obsolescence and external obsolescence. A significant weakness of the cost analysis approach is that it is difficult to estimate accrued depreciation accurately. Land value is estimated through sales comparisons of similar types of land and reduced to a per-unit basis to allow for a more accurate comparison of the subject tract of land with the various sales of other similar tracts of land. The final step in this approach to value is the addition of the estimate of the value of the land to the present worth or depreciated value of the improvements to come to a total indication of value for the entire property.

² Real Estate Appraisal Terminology, Revised Edition, Published by Ballinger Publishing Company, Cambridge, Massachusetts, 1984, Page 63.

Market Data Analysis

The second approach to value is known as the Market Data Analysis. It is defined as: “An appraisal procedure in which the market value estimate is predicated on the prices paid in actual market transactions and current listings. The former fixing the lower limit of value in a static or advancing market (price wise) and fixing the higher limit of value in the declining market; and the later fixing the higher limit in any market. It is a process of analyzing sales of similar recently sold properties in order to arrive at an indication of the most probable sales price of the property being appraised. The reliability of this technique is dependent upon:

- a.) the availability of comparable sales data
- b.) the verification of sales data,
- c.) the degree of comparability or extent of adjustment necessary for time differences,
- d.) the absence of non-typical conditions affecting the sales price.”³

The Market Data Analysis process involves a direct comparison between the subject property and similar properties that have sold recently on the local market or a market that is termed to be comparable to the subject market. The dissimilarities of the properties that are considered to be comparable to the subject are then adjusted to form an indication of value for the subject property. After the adjustment process of the properties that are considered to be comparable, an indication of value is reconciled from the adjusted sales data.

Income Analysis

The third method of indicating a value for the subject property is the Income Analysis. The Income Analysis is defined as: “The procedure in an appraisal analysis which converts anticipated benefits (dollar income or amenities) to be derived from the ownership of property into a value estimate. The Income Analysis is widely applied in appraising income-producing properties. Anticipated future income and/or reversions are discounted to a present worth figure through a capitalization process.”⁴

This method analyzes the production of gross income for the subject property less allowances for rent loss and vacancy, operating expense and reserves for replacements thereby producing a net operating income. The net operating income is then converted into an indication of value through the use of either an overall capitalization rate or through the use of discounted cash flow. The end product of this process also produces an indication of value for the subject property.

After the three indications of value (Cost Analysis, Market Data Analysis, Income Analysis) have been formally produced, they are then reconciled into a final single value

³ Ibid. 160.

⁴ Ibid. 160.

estimate. This will have the effect of becoming the final estimate of the value of the subject property.

(B) COST ANALYSIS

Cost Analysis Overview

This method is based upon the proposition an informed purchaser would pay no more than the cost of producing a substitute property with the same utility as the subject. This process is notably applicable when the property being appraised involves relatively new structures or unique and specialized improvements located on the site. There are no improvements (structures) on the subject property. Therefore, the Cost Analysis in estimating a value for the subject property will be omitted and considered not applicable.

(C) MARKET DATA ANALYSIS

1. Land Value by Comparison

The value of the appraised 4.855 acres and available for its highest and best use is estimated through an analysis of the following sales that are considered to have some degree of similarity to the subject property and to have some degree of economic effect on the subject tract of land. Sales of other properties in generally the same areas of the subject property have been found, analyzed and are reflected in the following schedule.

North Carolina Department of Transportation

Comparable No: 1

Date: 3-18-14 **Deed Book:** 1186 **Page:** 351 **Stamps:** \$340 **County:** Wilkes
Grantor: Catherine Parks McElwee Freeman, et al. **Grantee:** Mathis Properties, LLC
Location: West NC Hwy 268 & West of YMCA Blvd.
Sales Price: \$170,000 **Confirmed by (Name):** Joe McMillan – Listing Agent
Financing: Cash
Condition of Sale and Reason Bought/Sold: Arm's Length/Crop Farming
Present Use: Vacant **Zoning:** M-1/ETJ (Wilkesboro)
Highest and Best Use: Recreational/Agricultural
Size: 19.28 Acres **Shape:** Irregular **Topography:** Rolling to level and moderately below grade with NC Hwy 268
Existing R/W Area: None **Area Cleared/Wooded:** 90/10
Soil Type: Typical **Drainage:** Normal **Available Utilities:** City/Wilkesboro
Access: W NC Hwy 268 **Frontage:** NC Hwy 268
Improvements: None
Lessor: N/A **Lessee:** N/A
Rentable Area: N/A **Rent:** N/A **V & C:** N/A **Expenses:** N/A **Term:** N/A
Unit Price: \$8,817 Per Acre **Tax ID:** 3847-95-7980

Other Pertinent Information:
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Land located in flood plain area.



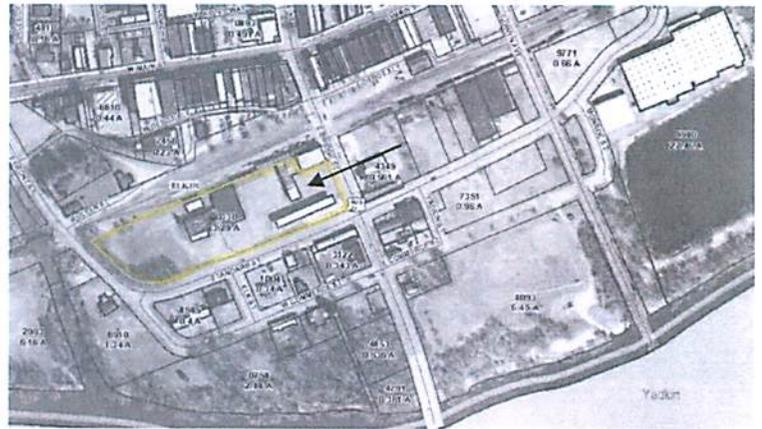
North Carolina Department of Transportation Right of Way Branch

Comparable No: 2

Date: 6-13-12 **Deed Book:** 1405 **Page:** 145 **Stamps:** \$224 **County:** Surry
Grantor: Smith-Phillips Lumber Co. **Grantee:** Town of Elkin, NC Municipal Corp.
 Location: 257 Standard St., Elkin
***Sales Price:** \$112,000 **Confirmed by (Name):** Grantor, Mickey Boles
Financing: Cash
Condition of Sale and Reason Bought/Sold: Arm's Length/Public Use
Present Use: Vacant **Zoning:** B-1/Elkin
Highest and Best Use: Commercial/Business
Size: 3.165 Ac/#1 **Shape:** Rectangular **Topography:** Level and Cleared, 100%
.250 Ac/#2 location in flood plain
Total 3.415 Acres
Existing R/W Area: N/A **Area Cleared/Wooded:** 100%/0%
Soil Type: Typical **Drainage:** Normal **Available Utilities:** City/Elkin
Access: Standard St. & S. Bridge St. **Frontage:** Standard St. & S. Bridge St.
Improvements: Showroom, office & storage bldgs., because of depreciation and condition, contributed little value to sale, estimated at \$30,000
Lessor: N/A **Lessee:** N/A
Rentable Area: N/A **Rent:** N/A **V & C:** N/A **Expenses:** N/A **Term:** N/A
Unit Price: \$24,012 (Land Only) **Tax ID:** 4951-18-32-9232 & 4951-18-42-2337

Other Pertinent Information:

* \$112,000 Sales Price
 - \$ 30,000 Extract Improvement
 \$ 82,000 Land Only



**North Carolina Department of Transportation
Right of Way Branch**

Comparable No: 3

Date: 5-24-10 **Deed Book:** 1113 **Page:** 109 **Stamps:** \$250 **County:** Wilkes
Grantor: Carol H. Perkins (Widow) **Grantee:** Town of Wilkesboro, NC Municipal Corp.
Location: South side of E. Main St. and North of Cub Creek
Sales Price: \$125,000 **Confirmed by (Name):** Town Manager, Ken Noland
Financing: Cash
Condition of Sale and Reason Bought/Sold: Arm's Length/Park and Recreation
Present Use: Vacant **Zoning:** R-6/Wilkesboro
Highest and Best Use: Recreational/Agricultural
Size: 11.34 Acres **Shape:** Irregular **Topography:** Rolling to sloping, open land and woods, primarily located in a flood plain
Existing R/W Area: N/A **Area Cleared/Wooded:** 80/20
Soil Type: Typical **Drainage:** Normal **Available Utilities:** City/Wilkesboro
Access: E. Main St. **Frontage:** E. Main St.
Improvements: None at time of sale
Lessor: N/A **Lessee:** N/A
Rentable Area: N/A **Rent:** N/A **V & C:** N/A **Expenses:** N/A **Term:** N/A
Unit Price: \$11,023 P.A. **Tax ID:** 3867-59-9604

Other Pertinent Information:



LAND SALES COMPARISON GRID

Town of Wilkesboro Parcel No. 004 R4676

Sale No.	Subject	1	2	3		
Date		3/18/2014	6/13/2012	5/24/2010		
Acres		19.28	3.415	11.340		
Sales Price		\$170,000	\$82,000	\$125,000		
			Land Only			
Unit Price		\$8,817	\$24,012	\$11,023		
Real Property Rights Conveyed		Fee Simple	Fee Simple	Fee Simple		
Adjustment		0.00%	0.00%	0.00%		
Adjusted Price		\$8,817	\$24,012	\$11,023		
Financing Adj.		0.00%	0.00%	0.00%		
Adjusted Price		\$8,817	\$24,012	\$11,023		
Conditions of Sale Adjustment		0.00%	0.00%	0.00%		
Adjusted Price		\$8,817	\$24,012	\$11,023		
Market Conditions Adjustment		0.00%	0.00%	-8.00%		
Adjusted Price		\$8,817	\$24,012	\$10,141		
Topography	Rolling/Level/CIRD	0.00	-0.05	0.00		
Size (Acres)	4.855	0.15	0.00	0.10		
Encumbered by Restoration Declaration	Yes	-0.50	-0.50	-0.50		
Location	Good	0.00	-0.10	0.00		
Utilities	City/Wilkesboro	0.00	0.00	0.00		
Roads/Access	Paved/Good	0.00	-0.05	0.00		
Flood Plain	Yes	0.00	0.00	0.00		
NET PHYS. ADJ.		-35.00%	-70.00%	-40.00%		
Final Adjusted Sales Price		\$5,731	\$7,204	\$6,085		
Total Adj. As % of Sales Price						
Per Unit Summary	LOW	\$5,731	HIGH	\$7,204		
	MEAN	\$6,340				
* All figures are computer rounded						

2. Reconciliation of the Sales Data

The methodology is to make comparisons of the sales to the subject property with regards to the terms of the sale and major differences in location and site characteristics. This analysis first considers adjustments to the comparable sales for the date of sale, property interest sold, any buyer/seller motivation and for special financing. This market adjusted price will then reflect a current sales price for a similar property interest on a cash basis as negotiated by typically motivated participants. The market adjusted sales price is then adjusted for specific location and physical characteristics. The adjusted sales price will then be correlated to an indicated value for the subject.

As indicated on the sales location map, the sales that are included in the body of this report are all considered good representations of the subject property and all are located in somewhat close proximity except for Sale No. 2 but all are considered to compete with the subject property. All of these sales were fee simple, cash equivalent and arm's length transactions.

The three comparable sales at the time of conveyance were not encumbered by a Declaration of Covenants, Conditions and Restrictions for Restoration Purposes like the subject property. No comparable land sales with restrictions or easements were discovered in the immediate or overall area. Therefore, the appraisers have analyzed land sales with conservation easements in place and compared them with unrestricted land sales. The land sales with conservation easements in place sold for a reduced price from 30% to 85% in value when compared to unrestricted land sales.

Supported by market data and information contained within the appraiser's work files, a downward 50 percent modification will be given to the three comparable sales in this report for the superior characteristic of not being encumbered by a Restoration Declaration.

Sale No. 1 is located west of the subject property fronting NC Highway 268, the Yadkin River and adjoining the local YMCA. Sale No. 1 warrants a size adjustment as this sale is larger than the subject hence the positive adjustment. All other factors of this sale are considered equal.

Sale No. 2 is located one block from the downtown area of Elkin and warrants a superior adjustment. The sale is also located within a 1% annual chance flood zone similar to the subject property. As noted on the Sale Sheet, the total purchase price was \$112,000. The structures in poor to average condition at the time of sale were estimated to contribute \$30,000 in value. Therefore, the value of land only equates to \$82,000. ($\$112,000 - \$30,000 = \$82,000$). After further research, the

appraisers confirmed this land was not purchased under any threat of condemnation by the Town of Elkin and deemed an arm's length transaction. Robert Ball spoke with the NCDOT Area Appraiser, Mr. Tim Klinger in regards to a government entity purchasing Sale No. 2 and the reality there was no threat of condemnation. Mr. Klinger concurred with the appraisers and approved the request to use this comparable sale for a condemnation appraisal. The topography of Sale No. 2 is at grade with the roadway. The subject property is below grade from Oakwoods Road hence the downward adjustment. Access to Sale No. 2 warrants a superior access adjustment as there are numerous access points into Sale No. 2 with extensive frontage along Standard Street. All other factors of this sale are considered equal.

Sale No. 3 adjoins the western side of the subject property and was purchased for park/recreational use and is presently occupied by ball fields and a walking track. Market data demonstrates land selling in 2010 conveyed at a higher price on a per acre basis compared to present 2015 prices hence the downward 8 percent Market Conditions Adjustment. After further research, the appraisers confirmed this land was not purchased under any threat of condemnation by the Town of Wilkesboro and deemed an arm's length transaction. Robert Ball spoke with the NCDOT Area Appraiser, Mr. Tim Klinger in regards to a government entity purchasing Sale No. 3 and the reality there was no threat of condemnation. Mr. Klinger concurred with the appraisers and approved the request to use this comparable sale for a condemnation appraisal. This sale warrants a size adjustment as it is larger than the subject hence the upward size adjustment. All other factors of this sale are considered equal.

In summary, there is no one single sale that is considered to be 100 percent equal to the subject with all of the sales having some similarities and with several of the sales having dissimilarities that have been adjusted. Prior to adjustments, the sales reflect a range of value of \$8,817 per acre to \$24,012 per acre. After adjustments and based on a combination of relative comparison analysis to mirror the market, the range is narrowed to \$5,731 per acre to \$7,204 per acre and with a mean of \$6,340 per acre. To arrive at an indication of value, we place most emphasis on Sale No. 3 and supported by Sale No. 2 and Sale No. 1. Therefore, with a subject site size of 4.855 acres of land and an adjusted land value of \$6,300 per acre, the total indication of value is \$30,587 rounded to \$30,600.

(D) INCOME ANALYSIS

This method of estimating the value of the subject property will be omitted due to the fact the subject property is not rental income producing property and does not lend itself to this method of estimating a value.

(E) RECONCILIATION OF APPROACHES

In view of the fact that there is only one method of estimating the value of the subject property; it will suffice as the best indicator of value for the subject property. This was the Market Data Analysis in the amount of \$30,600.

(F) FINAL ESTIMATE OF THE SUBJECT VALUE PRIOR TO THE ACQUISITION

Land	=	\$30,600
<u>Improvements</u>	=	<u>\$ 0</u>
Total Estimated Value	=	\$30,600

VIII. DESCRIPTION OF THE ACQUISITION

(A) LAND

For this report there is one area of a Permanent Proposed Right of Way acquisition and one area of a Permanent Proposed Utility Easement (PUE). The area of the Permanent Proposed Right of Way acquisition has a total area of 0.383 acres and runs with the existing right of way along Oakwoods Road. The PUE along the eastern side of the parcel adjoining the newly acquired right of way has a reported area of 0.135 acres. A map in the Addenda of this report will illustrate the specific areas with the proposed right of way acquisition highlighted in pink and the PUE area highlighted in blue.

(B) IMPROVEMENTS

There are no improvements located within the acquisition area that will be appraised. According to NCDOT Area Appraiser, Mr. Tim Klinger, if any sidewalk is taken, the walkway will be replaced by the NCDOT. As noted in the body of this report, the appraisal is considered as all vacant land.

IX. DESCRIPTION OF THE REMAINDER

(A) LAND

The land that remains will contain a total of 4.472 acres and is basically the same configuration as the Before the Acquisition with basically the same topography and drainage with the exception that 0.383 acres of land has been acquired by the fee simple taking of the Permanent Right of Way acquisition to straighten out the existing roadway Oakwoods Road, and for the relocation and replacement of Bridge No. 29 over Cub Creek. In addition, there is a Permanent Utility Easement (PUE) running parallel with the right of way acquisition having an area of 0.135 acres. The land is fee simple, the same as it was prior to the acquisition. All of these areas are clearly shown in the Sketch of the Subject Land After the Acquisition.

(B) IMPROVEMENTS

There are no improvements on the subject property. The real estate is being appraised as a vacant tract of land.

(C) EFFECTS OF THE ACQUISITION

The fee simple right of way acquisition effectively reduces the land area of the subject property by a total of 0.383 acres of land. This right of way acquisition is more graphically shown on the Sketches of the Subject Property After the Acquisition which is included in the Addenda of this report. As a result, the value allowed for the land taken for the fee simple right of way taking will simply be deducted from the land prior to the acquisition. The PUE running parallel with the newly acquired right of way will be treated by the appraiser as a 100% acquisition as this easement is permanent. Although the land within the PUE is still owned by the property owner, the rights of the property owner to utilize this area are severely restricted. As a result, the value of the land taken by the PUE will simply be deducted from the land prior to the acquisition.

As supplied by the NCDOT, a **Permanent Utility Easement** is described as follows: Permanent Utility easement in perpetuity is for the installation and maintenance of utilities, and for all purposes for which the DEPARTMENT is authorized by law to subject same. The Department and its agents or assigns shall have the right to construct and maintain in a proper manner in, upon and through said premises a utility line or lines with all necessary pipes, poles and appurtenances, together with the right at all times to enter said premises for the purpose of inspecting said utility lines and making all necessary repairs and alterations thereon; together with the right to cut away and keep clear of said utility lines, all trees and other obstructions that may in any way endanger or interfere with the proper maintenance and operation of the same with the right at all times of ingress, egress and regress. It is understood and agreed that the Department shall have

the right to construct and maintain the cut and/or fill slopes in the PUE. It is further understood and agreed that Permanent Utility Easement shall be used by the Department for additional working area during the above described project.

The acquisition areas are more graphically shown on the Sketch of the Subject Property After the Acquisition and are included in the Addenda of this report.

(D) HIGHEST AND BEST USE

It is this appraiser's opinion that there is no change in the highest and best use of the subject property and is still available for passive recreational use.

X. ESTIMATE OF THE VALUE OF THE REMAINDER

(A) COST ANALYSIS

The Cost Analysis is not applicable and omitted from this appraisal report.

(B) MARKET DATA ANALYSIS

The value of the land remaining is so close to the makeup of the land prior to the Permanent Right of Way Acquisition; it will be calculated beginning with the same per unit value that was utilized in the Before Value section of this report. Because there is no adverse reaction to the land that remains, the same per unit value is considered to be still applicable. Therefore, the calculation for the estimate of the value of the land that does remain is shown as follows:

Net Value of Land Remaining		
4.472 Acres @ \$6,300 per Acre	=	\$ 28,174
Less: Permanent Utility Easement (PUE)		
0.135 acres @ \$6,300 per Acre	=	\$ <u>851</u>
After Value Total of the 4.472 acres	=	\$ 27,323
Rounded To	=	\$ 27,300

(C) INCOME ANALYSIS

This method for estimating a value of the subject property will also be omitted from this report. The subject property is not rental income producing property and does not lend itself to this method of estimating a value.

(D) RECONCILIATION OF APPROACHES

In view of the fact that there is only one method of estimating a value that is considered to be applicable to the subject property that remains, it will suffice as the best indicator of value for the subject property. The Market Data Analysis is the one method used and indicated a total value in the amount of \$27,300.

(E) FINAL ESTIMATE OF THE AFTER VALUE

Land	=	\$27,300
Improvements	=	<u>\$ 0</u>
Total Estimated Value	=	\$27,300

XI. SUMMARY OF THE BEFORE AND AFTER VALUES

(A) ESTIMATE OF THE BEFORE VALUE

Total Estimate of the Before Value \$30,600

(B) ESTIMATE OF THE AFTER VALUE

Total Estimate of the After Value \$27,300

(C) DIFFERENCE BETWEEN THE BEFORE AND AFTER VALUES

\$3,300

(D) ALLOCATION OF VALUES

Value of Land Taken:	\$3,300
Value of Improvements Taken:	\$ 0
Damages to the Remainder:	\$ 0
Benefits to the Remainder:	<u>\$ 0</u>
Total:	\$3,300

XII. ADDENDA

- (A) PHOTOGRAPH LOCATION MAP
- (B) PHOTOGRAPHS OF THE SUBJECT
- (C) SUBJECT AND SALES LOCATION MAP
- (D) SKETCH OF THE SUBJECT PROPERTY AFTER THE ACQUISITION
- (E) TAX MAP
- (F) TAX CARD
- (G) FLOOD MAP
- (H) DEEDS
- (I) DECLARATION OF RESTRICTIONS
- (J) QUALIFICATION OF THE APPRAISERS
- (K) CERTIFICATION OF THE APPRAISERS

Photographs of Subject Property



Photo 1



Photo 2



Photo 3

Photographs of Subject Property



Photo 4



Photo 5



Photo 6

Photographs of Subject Property



Photo 7



Photo 8



Photo 9

Photographs of Subject Property



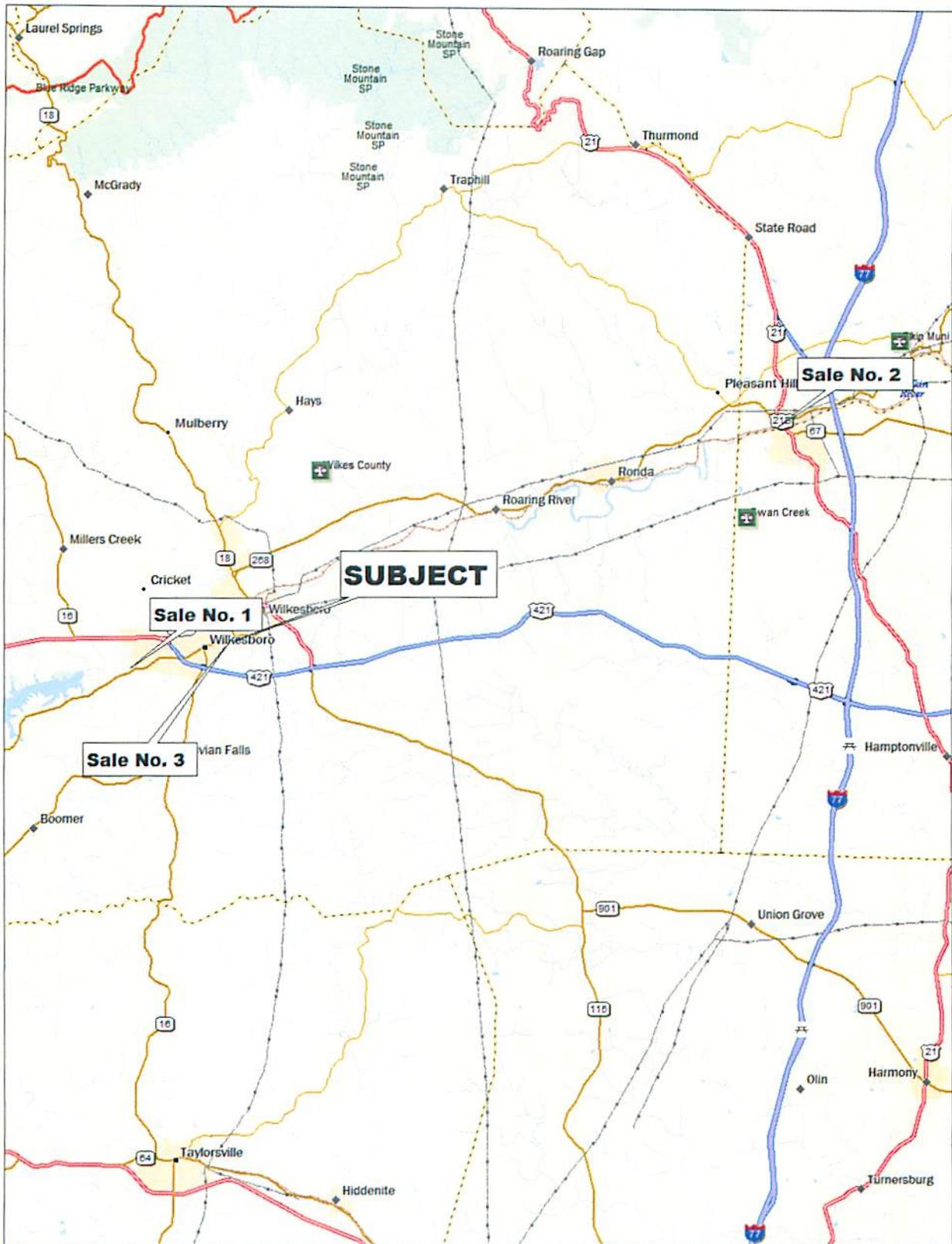
Photo 10



Photo 11



Photo 12



DELORME

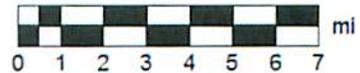
Data use subject to license.

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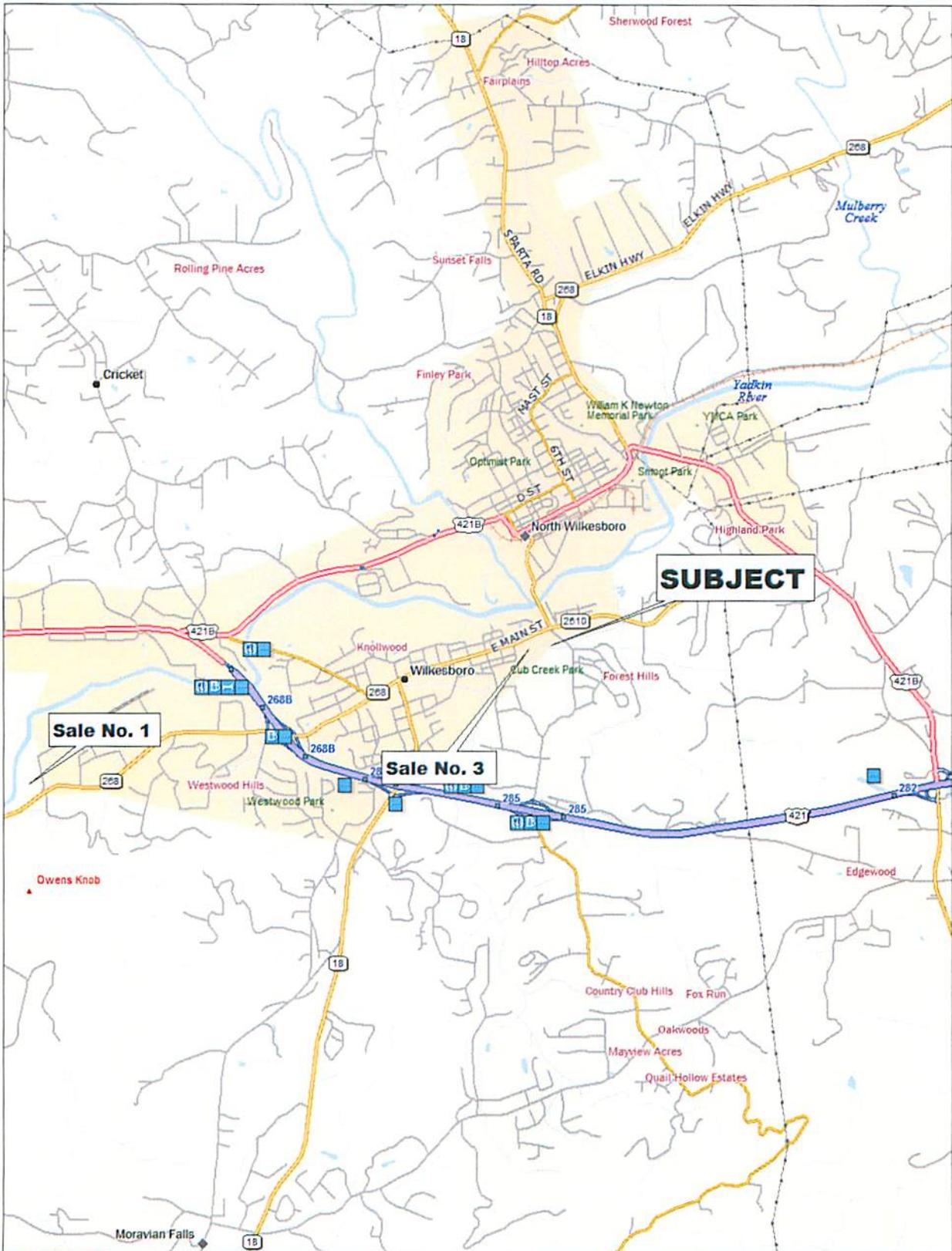
www.delorme.com

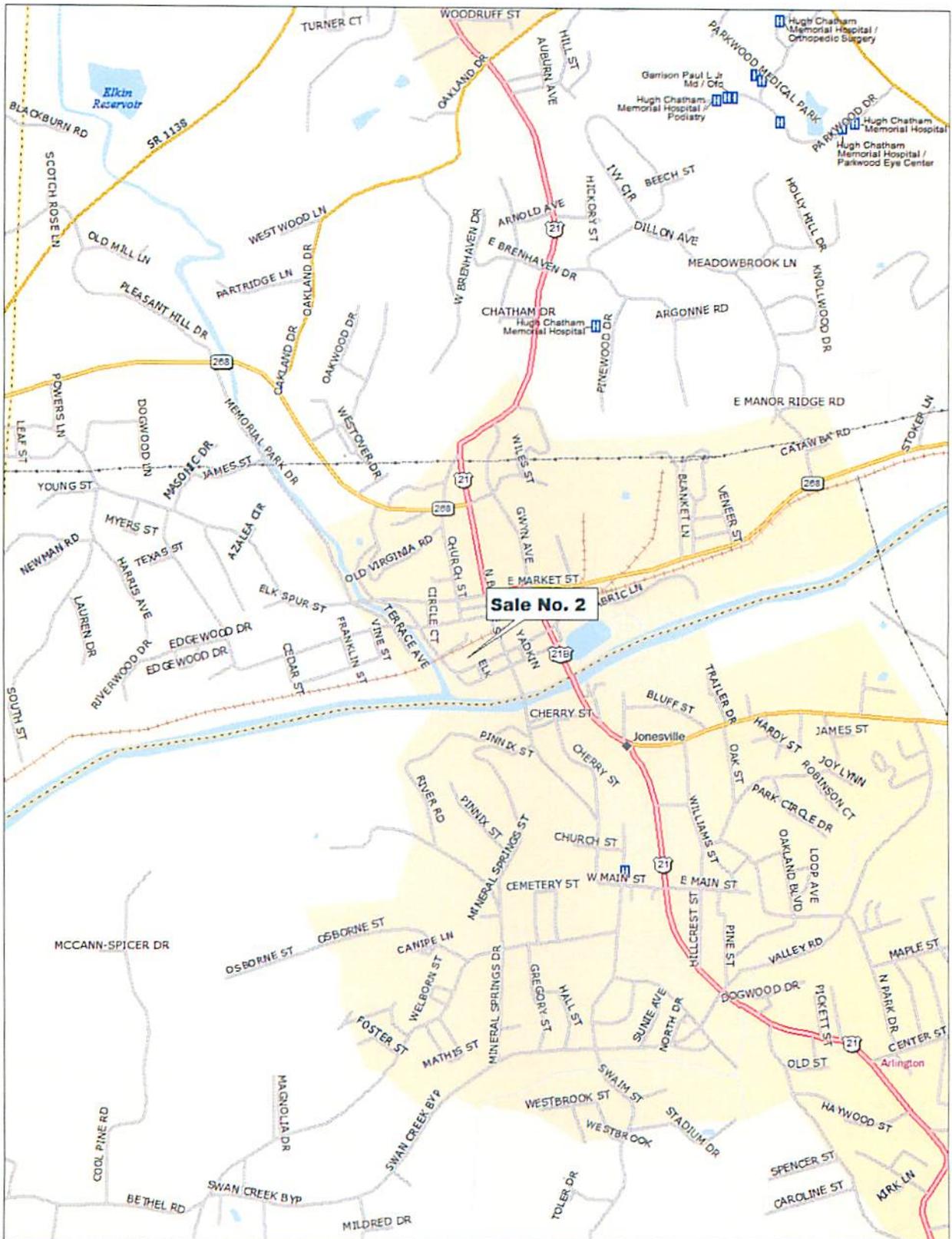


MN (7.7° W)



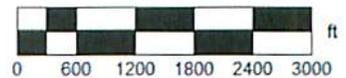
Data Zoom 9-6



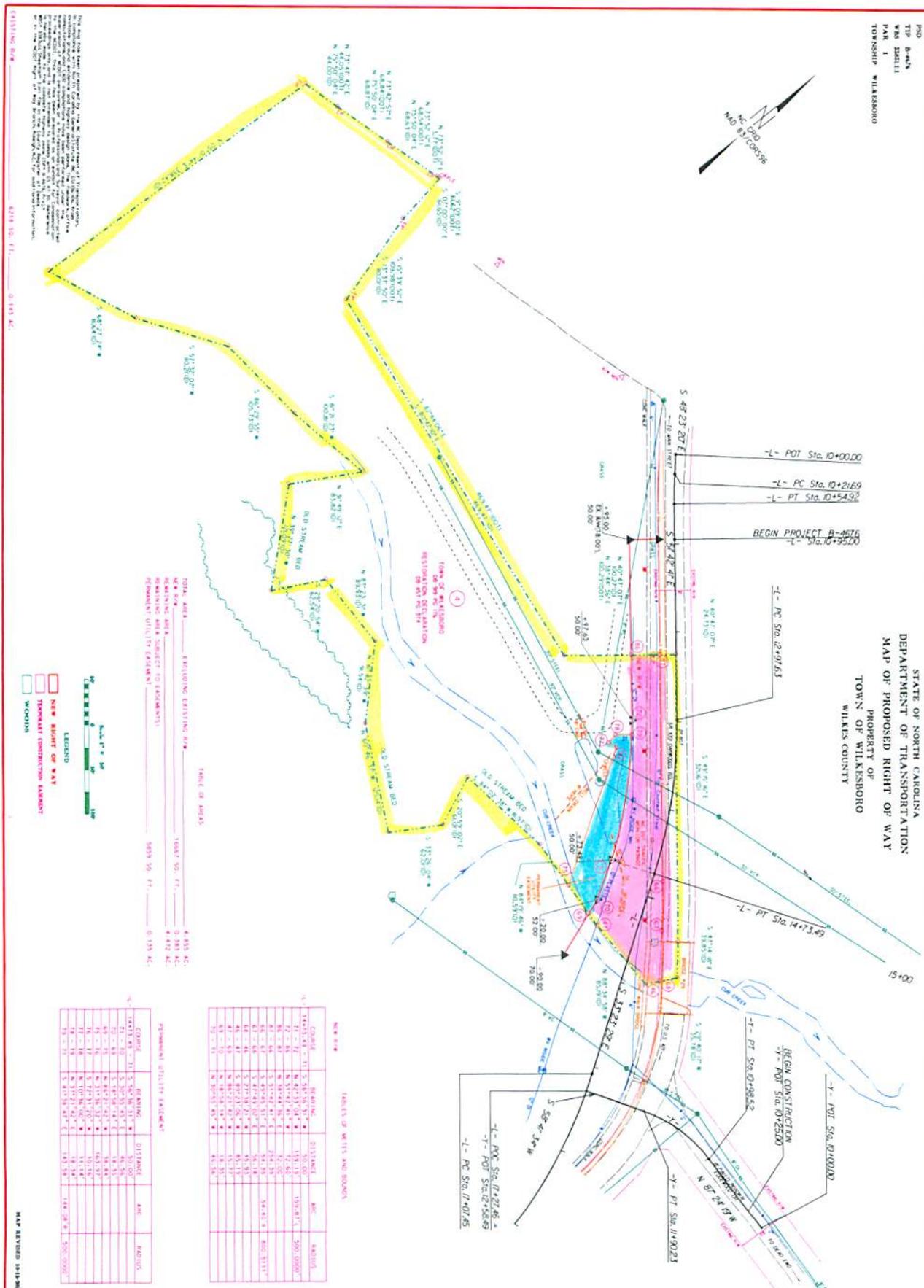


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Data Zoom 13-3



THE PLAN DATA HEREIN IS BASED ON THE DATA PROVIDED BY THE TOWN OF WILKESBORO. THE ENGINEER HAS CONDUCTED A VISUAL INSPECTION OF THE SITE AND HAS FOUND THE DATA TO BE REASONABLY ACCURATE. THE ENGINEER DOES NOT WARRANT THE ACCURACY OF THE DATA OR THE RESULTS OF THIS STUDY. THE USER OF THIS PLAN SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND FOR VERIFYING THE ACCURACY OF ALL DATA. THE ENGINEER'S LIABILITY IS LIMITED TO THE PROFESSIONAL SERVICES PROVIDED HEREIN.

4219 151.71 0.143 AC

TABLE OF AREAS

AREA	EXCLUDING EXISTING ROW	TOTAL
NEW ROW	1687.50 FT.	4.415 AC.
EXISTING ROW	4.417 AC.	
TOTAL	993.50 FT.	0.135 AC.

LEGEND

- NEW RIGHT OF WAY
- TEMPORARY CONSTRUCTION LIMIT
- WORKS

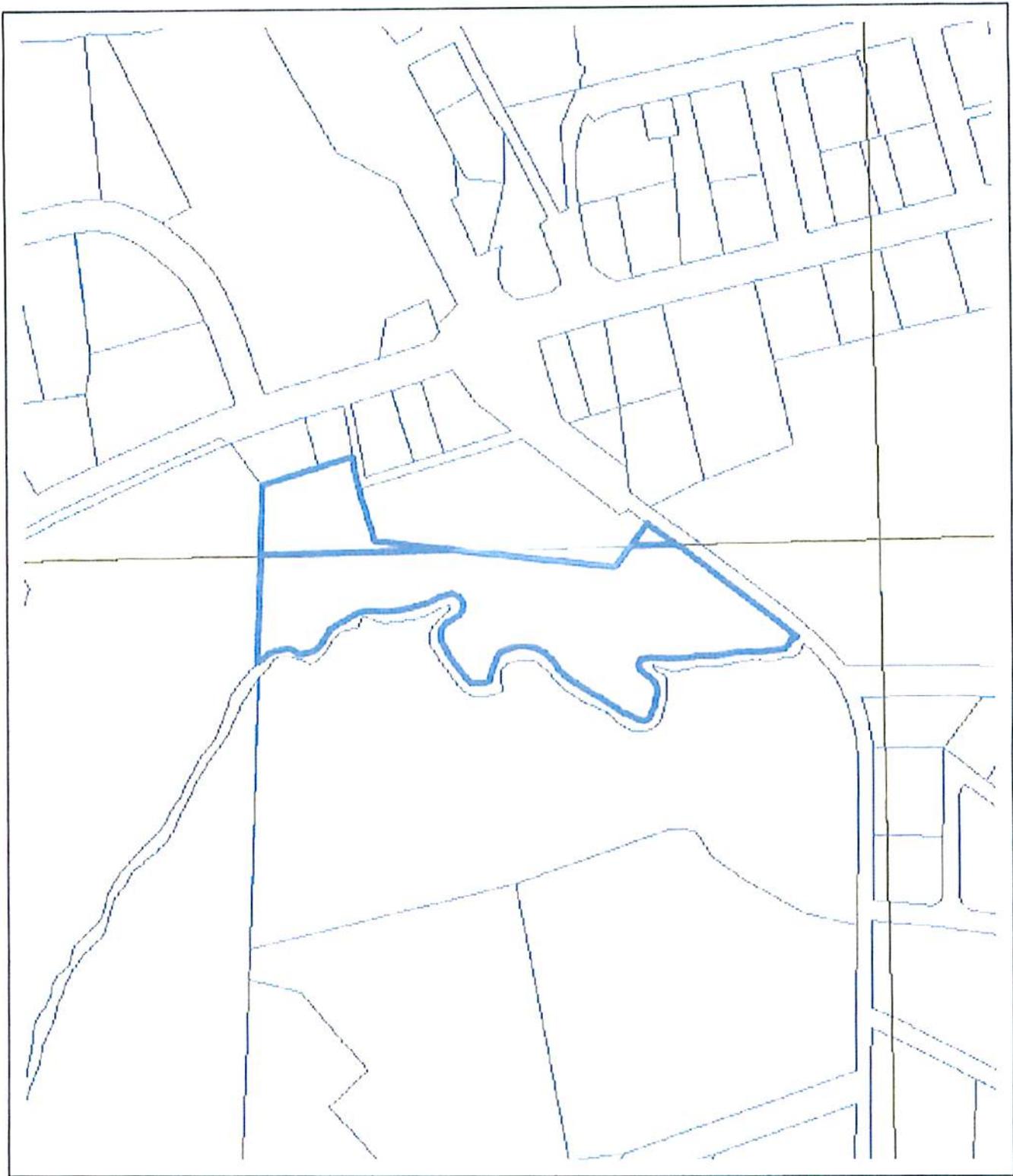
TABLE OF WIDTHS AND BOUNDARIES

CHAIN	BEARING	DISTANCE	AREA	ACROSS
1-1	N 11° 41' 45" E	5.0000	0.0000	
1-2	S 88° 18' 15" W	100.0000	200.0000	
1-3	N 11° 41' 45" E	100.0000	0.0000	
1-4	S 88° 18' 15" W	100.0000	200.0000	
1-5	N 11° 41' 45" E	100.0000	0.0000	
1-6	S 88° 18' 15" W	100.0000	200.0000	
1-7	N 11° 41' 45" E	100.0000	0.0000	
1-8	S 88° 18' 15" W	100.0000	200.0000	
1-9	N 11° 41' 45" E	100.0000	0.0000	
1-10	S 88° 18' 15" W	100.0000	200.0000	
1-11	N 11° 41' 45" E	100.0000	0.0000	
1-12	S 88° 18' 15" W	100.0000	200.0000	
1-13	N 11° 41' 45" E	100.0000	0.0000	
1-14	S 88° 18' 15" W	100.0000	200.0000	
1-15	N 11° 41' 45" E	100.0000	0.0000	
1-16	S 88° 18' 15" W	100.0000	200.0000	
1-17	N 11° 41' 45" E	100.0000	0.0000	
1-18	S 88° 18' 15" W	100.0000	200.0000	
1-19	N 11° 41' 45" E	100.0000	0.0000	
1-20	S 88° 18' 15" W	100.0000	200.0000	

STATE OF NORTH CAROLINA
 DEPARTMENT OF TRANSPORTATION
 DIVISION OF HIGHWAYS
 LOCATION AND SEVERITY UNIT
 C. M. ARON, P.E., P.L.L.C.
 STATE LOCATION AND SEVERITY ENGINEER
 PROPERTY SURVEY AND SURVEY ENGINEER
 MAP CORRECTED 10/15/04
 M. G. HAYES, P.L.L.C.
 STATE LOCATION AND SEVERITY ENGINEER
 CADD OPERATOR

After Acquisition
 Yellow = Property Line
 Pink = New Right of Way
 Blue = Permanent Utility Easement

MAP REVISED 10/15/04



Town of Wilkesboro
3867-69-7974



Printed: Oct 16, 2014



Residential Property Record Card - Wilkes County Tax Department

Property Location:
Oakwoods Rd

Account: 2206869

Map Block No: 3867-69-7974

Class: EX State Class: 910 Card 1 of 1

Dwelling Information		Replacement Costs	
Style:		Base Price:	0
Condo Style:		Additions:	0
Exterior Walls:		Unfinished Area:	0
Story Height: 0 0		Basement:	0
Attic:		Attic:	0
Interior/Exterior:		Plumbing:	0
Basement: None		Heating A/C Adj.:	0
Bsmt Garage: 0		FBLA:	0
Rec Room size: 0 0		Rec Room:	0
FBLA size: 0 0		Fire Place:	0
Unfinished Area: 0		Basement Garage:	0
Inlaw Apts: 0		Exterior Trim:	0
WB Fireplace: Stacks 0 Openings 0		Subtotal:	0
MTL Fireplace: Stacks 0 Openings 0		Grade Factor:	0.00
Heating Type:		C & D Factor:	0.00
Fuel:		Total RCN:	0
Heating System:		Percent Good:	0.00
Year Built: 0		Market Adj.:	0.00
Eff. Yr Built: 0		Total RCNLD:	0
Ground Flr Area: 0		Addition Information	
Tot Living Area: 0		Low 1st 2nd 3rd Area Points	
Basement Area: 0			
Grade:			
Condition:			
CDU:			
Building Notes:			
Rooms:		Low 1st 2nd 3rd Tot	
Bedrooms:		0 0 0 0 0	
Full Baths:		0 0 0 0 0	
Half Baths:		0 0 0 0 0	
Add'l Fixtures:		0 0 0 0 0	

Descriptor/Area

Owner/Values: Includes all Land/Buildings/OBYs for this Parcel					
	Current	Cost	Market	Income	Prior
Land:	50,400	50,400	0	0	56,000
Building:	0	0	0	0	0
Total:	50,400	50,400	0	0	56,000

Comparable Sales Summary

Parcel ID	Location	DOS	Price	TLA	Style	Year Bed- Bath				Acres	
						Grade	built	room	Full Half		
							0	0	0	0	0
							0	0	0	0	0
							0	0	0	0	0
							0	0	0	0	0
							0	0	0	0	0



FEMA



National Flood Insurance Program

NORTH CAROLINA FLOODPLAIN MAPPING PROGRAM
 NATIONAL FLOOD INSURANCE PROGRAM
 FLOOD INSURANCE RATE MAP

NORTH CAROLINA

PANEL 3867



FEMA

Panel Contains

COMMUNITY	CID	PANEL	SUFFIX
WILKESBORO, TOWN OF	370259	3867	J



MAP NUMBER
 3710386700J

MAP REVISED
 3/2/2009



\$60.00
Real Estate
Excise Tax

009428

Book 0919 Page 0176
FILED
WILKES COUNTY NC
REGISTERED 11:29 AM
RICHARD L. WOODRUFF
Register of Deeds
Deputy Ass't

NORTH CAROLINA GENERAL WARRANTY DEED

Excise Tax 60 Recording Time, Book and Page
Tax Lot No. _____ Parcel Identifier No. _____
Verified by _____ County on the _____ day of _____
by _____

Mail after recording to Grantee

*Deed Prep only - No Title Examination Performed

This instrument was prepared by McEhwee Firm, PLLC, 906 Main Street, North Wilkesboro, NC 28659

Brief description for the Index _____ 5.0 acres Cub Creek

THIS DEED made this _____ day of _____, 2003 by and between

GRANTOR

GRANTEE

Venture Properties I, LLC

Town of Wilkesboro
a North Carolina municipal corporation
203 W. Main Street
Wilkesboro, NC 28697

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

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

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that

certain lot or parcel of land situated in the City of Wilkesboro, Wilkesboro Township, Wilkes County, North Carolina and more particularly described as follows:

Exhibit A is attached hereto and incorporated herein by reference.

The Grantor does hereby reserve an easement over and across any and all roadways which may be constructed on the above described property.

The property hereinabove described was acquired by Grantor by instrument recorded in Portion of Deed Book 792, Page 589, Wilkes County Registry of Deeds.

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

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

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

Any and all easements, utilities and rights of way of record, if any.

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

Town of Wilkesboro
(Corporate Name)
By: Norman Call
Mayor President

ATTEST:
Josephine Cass
Town Clerk Secretary



(Corporate Name)
By: _____
President

ATTEST:

Secretary (Corporate Seal)

M.D. Koon (SEAL)
Martin D. Koon, Member

(SEAL)

(SEAL)

(SEAL)

(SEAL)

(SEAL)

(SEAL)

SEAL-STAMP NORTH CAROLINA, Wilkes County.
I, a Notary Public of the County and State aforesaid, certify that Martin D. Koon, Member of
Use Black Ink Venture Properties I, LLC, a North Carolina limited liability company, Grantor,
personally appeared before me this day and acknowledged the execution of the foregoing instrument.
Witness my hand and official stamp or seal, this 8th day of May, 2003
ORIGINAL NOTARY SEAL NOT CLERK My commission expires: December 3, 2006 Kevin L. Branton Notary Public

SEAL-STAMP NORTH CAROLINA, Wilkes County.
I, a Notary Public of the County and State aforesaid, certify that Josephine Cass Grantor,
personally appeared before me this day and acknowledged the execution of the foregoing instrument.
Witness my hand and official stamp or seal, this 14th day of May, 2003
My Commission Expires: October 9, 2006 Josephine Cass Notary Public



SEAL-STAMP NORTH CAROLINA, _____ County.
I, a Notary Public of the County and State aforesaid, certify that _____ Grantor,
Use Black Ink personally appeared before me this day and acknowledged the execution of the foregoing instrument.
Witness my hand and official stamp or seal, this _____ day of _____, 20____
My commission expires: _____ Notary Public

SEAL-STAMP NORTH CAROLINA, _____ County.
I, a Notary Public of the County and State aforesaid, certify that _____ Grantor,
Use Black Ink personally appeared before me this day and acknowledged the execution of the foregoing instrument.
Witness my hand and official stamp or seal, this _____ day of _____, 20____
My commission expires: _____ Notary Public

SEAL-STAMP NORTH CAROLINA, _____ County.
I, a Notary Public of the County and State aforesaid, certify that _____
Use Black Ink personally came before me this day and acknowledged that _____ he is _____ Secretary of
_____ a North Carolina corporation, and that by
authority duly given and as the act of the corporation, the foregoing instrument was signed in
its name by its _____ President, sealed with its corporate seal and attested by
_____ as its _____ Secretary.
Witness my hand and official stamp or seal, this _____ day of _____, 20____
My commission expires: _____ Notary Public

SEAL-STAMP NORTH CAROLINA, _____ County.
I, a Notary Public of the County and State aforesaid, certify that _____
Use Black Ink personally came before me this day and acknowledged that _____ he is _____ Secretary of
_____ a North Carolina corporation, and that by
authority duly given and as the act of the corporation, the foregoing instrument was signed in
its name by its _____ President, sealed with its corporate seal and attested by
_____ as its _____ Secretary.
Witness my hand and official stamp or seal, this _____ day of _____, 20____
My commission expires: _____ Notary Public

The foregoing Certificate(s) of Maren L Thornton + Linda Rogers Honeycutt

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

Richard L Woodruff REGISTER OF DEEDS FOR Willis COUNTY
By Richard L Woodruff Deputy/Assistant - Register of Deeds

EXHIBIT A

Lots
Subdivisions
Land Surveys
Topographical Maps

CURRENT SURVEYING AND MAPPING, P.A.

1353 Brushy Mountain Road
Wilkesboro, N.C. 28697
Richard C. Current, Reg. No. L-756

North Wilkesboro
(336) 838-3395
FAX (336) 838-1021



Venture Properties, I, LLC
Town of Wilkesboro, Wilkes County, N.C.
June 3, 2002

A certain tract or parcel of land containing 5.00 Acres lying in the Town of Wilkesboro, Wilkes County, N.C. and being more particularly described as follows:

Beginning on a 5/8" rebar found in place, said rebar being the Southwest corner of Blk. 739, Pg. 57, thence North 75 degrees 50 minutes 04 seconds East passing through a capped iron monument found in place at 44.00 feet and a 5/8" rebar found in place at 68.57 feet and a 5/8" rebar found in place at 68.63 feet a total distance of 185.27 feet to a point in the Western edge of a 16' Alley, thence with said alley South 07 degrees 00 minutes 00 seconds East 61.65 feet to a 5/8" rebar in the Southern edge of a 20' Alley, thence South 13 degrees 37 minutes 50 seconds East 116.01 feet to a 5/8" rebar, thence South 80 degrees 42 minutes 10 seconds East 469.47 feet to a 5/8" rebar, thence North 40 degrees 47 minutes 07 seconds East passing through a 5/8" rebar at 100.27 feet a total distance of 125.00 feet to a point in SR 1001, thence with said road the next two (2) calls and distances South 49 degrees 15 minutes 16 seconds East 321.16 feet to a point, thence South 47 degrees 14 minutes 18 seconds East 39.85 feet to a point in the center of the bridge over Cab Creek referenced by a 5/8" rebar at North 64 degrees 48 minutes 23 seconds West 74.28 feet, thence leaving said road South 29 degrees 40 minutes 17 seconds West 35.78 feet to a point in the bridge of the sidewalk over Cab Creek, thence with Cab Creek the next fifteen (15) calls and distance North 88 degrees 34 minutes 58 seconds West 85.19 feet to a point, thence North 34 degrees 19 minutes 46 seconds West 110.59 feet to a point, thence South 84 degrees 02 minutes 38 seconds West 111.97 feet to a point, thence South 29 degrees 59 minutes 02 seconds East 61.01 feet to a point, thence South 33 degrees 26 minutes 54 seconds West 62.01 feet to a point, thence North 60 degrees 46 minutes 37 seconds West 125.14 feet to a point, thence North 41 degrees 42 minutes 39 seconds West 91.54 feet to a point, thence North 87 degrees 22 minutes 31 seconds West 89.93 feet to a point, thence South 29 degrees 20 minutes 54 seconds West 62.54 feet to a point, thence North 39 degrees 27 minutes 30 seconds West 121.09 feet to a point, thence North 31 degrees 49 minutes 12 seconds East 83.82 feet to a point, thence South 81 degrees 21 minutes 23 seconds West 100.81 feet to a point, thence South 86 degrees 29 minutes 55 seconds West 105.73 feet to a point, thence South 57 degrees 32 minutes 02 seconds West 110.21 feet to a point, thence South 68 degrees 27 minutes 24 seconds West 111.64 feet to a point, thence leaving said creek North 05 degrees 01 minutes 44 seconds East passing through a 5/8" rebar at 44.12 feet a total distance of 358.42 feet to the point of Beginning. Containing 5.00 Acres by Coordinate Computation less Highway Right of Way and Sewer line Right of Ways. Actual field survey done under the direction and supervision of Richard C. Current, Reg. No. L-756. This description is subject to all Notes on the plat of Survey for Venture Properties dtd July 3, 2002 (Revised February 26, 2003) prepared by Current Surveying & Mapping, P.A.



FILED
WILKES COUNTY
RICHARD L. WOODRUFF
REGISTER OF DEEDS

FILED	Oct 04, 2012
AT	11:15:57 am
BOOK	01157
PAGE	0374
INSTRUMENT #	07128
EXCISE TAX	(None)

**DECLARATION OF COVENANTS, CONDITIONS, AND
RESTRICTIONS FOR RESTORATION PURPOSES
("RESTORATION DECLARATION")
Cub Creek Stream Restoration Phase 2- CWMTF 2010-437**

Prepared by: The Town of Wilkesboro
After Recording Return to: PO Box 1056 | Wilkesboro NC 28697

NORTH CAROLINA
CWMTF Project No.: CWMTF 2010-437

WILKES COUNTY
PIN: 3867-69-7974

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR RESTORATION PURPOSES ("Restoration Declaration") is made this 10th day of September, 2012, by The Town of Wilkesboro, a unit of local government (the "Declarant").

RECITALS AND CONSERVATION PURPOSES

A. The Declarant is a unit of local government and accepts responsibility for enforcing the terms of this Restoration Declaration and for upholding its conservation purposes forever.

B. The Declarant is the sole owner in fee simple of certain real property containing 5 acres more or less, located in Wilkesboro Township, Wilkes County, North Carolina, and more particularly described by metes and bounds on the attached Exhibit A which is incorporated by

reference as if fully set forth herein, and also referenced in book 919 and page 0176 of the Wilkes County Book of records (hereinafter the "Property").

C. The State of North Carolina ("State") enacted the Uniform North Carolina Conservation and Historic Preservation Agreements Act (the "Conservation Agreements Act"), Chapter 121, Article 4 of the North Carolina General Statutes ("NCGS"), which provides for enforceability of restrictions, easements, covenants, or conditions "appropriate for retaining in land or water areas predominantly in their natural, scenic, or open condition . . .".

D. This Restoration Declaration is intended to be a "conservation agreement" and/or a "preservation agreement" as defined and contemplated in the Conservation Agreements Act.

E. The North Carolina Clean Water Management Trust Fund (the "Fund"), an independent agency of the State with its address at 1651 Mail Service Center, Raleigh, North Carolina 27699-1651, is authorized by NCGS Chapter 113A, Article 18, to provide funding for projects and to acquire land and interests in land for riparian buffers for the purposes of protecting surface waters and urban drinking water supplies.

F. The Declarant is party to an agreement with the Fund through which it has received a grant from the Fund, identified as Grant Contract no. 2010-437 (the "Grant Contract"), entered into between the Declarant and the Fund effective until January 31st 2013, for improving water quality by restoring Cub Creek on or bordering the Property and restoring and/or protecting riparian buffers on the Property (the "Restoration Project").

G. The Declarant and the Fund have determined that water quality will benefit by implementation of the Restoration Project and subsequent protection and maintenance of riparian resources and other natural values on the Property (the "Conservation Values").

H. In order to protect and maintain the Conservation Values, the Declarant wishes to restrict and limit in perpetuity activities on and uses of the Property that could conflict with the Conservation Values.

NOW, THEREFORE, the Declarant hereby unconditionally and irrevocably declares that the Protection Area will be held and subject to the following restrictions, covenants and conditions as set out herein, to run with the subject real property and be binding on all parties that have or may have any right, title, or interest in said property.

ARTICLE I. DURATION OF RESTORATION DECLARATION

The covenants, conditions, and restrictions contained in this Restoration Declaration are permanent and perpetual, run with the land, and are be binding on the Declarant and its successors and assigns as owner of the Property and on all those claiming by, through, or under each such owner, in perpetuity.

ARTICLE II. ACTIVITIES AND USES EXPRESSLY RESTRICTED OR PROHIBITED AND EXCEPTIONS THERETO

A. Prohibited Activities and Uses. The Protection Area will be maintained in a manner and will not be developed or used in any manner that would impair or interfere with the purposes of this Restoration Declaration. Without limiting the generality of the foregoing, the following activities and uses are expressly prohibited, except as expressly identified herein as exceptions:

(1) Industrial, Residential and Commercial Uses. Industrial, residential and commercial activities and the rights of passage for such purposes.

(2) Agricultural, Grazing and Horticultural Use. Agriculture, grazing, horticultural and animal husbandry operations.

(3) New Construction. Buildings, facilities, mobile homes, antennas, utility poles, towers, and other structures.

(4) Dumping or Storing. Dumping or storage of soil, trash, ashes, garbage, waste, abandoned vehicles, appliances or machinery, or other material.

(5) Mitigation. Neither the Protection Area nor any portion thereof may be used to satisfy compensatory mitigation requirements under 33 USC Section 1344 or NCGS §143-214.11 or any successor or replacement provision of the foregoing.

(6) Open Space Requirements. The Protection Area may not be used to satisfy open space requirements of any cluster or other development scheme.

(7) Development Rights. All development rights are extinguished from the Protection Area and may not be transferred to any other lands pursuant to a transfer of development rights scheme or cluster development arrangement or otherwise.

B. Activities and Uses Restricted in the Easement Area. Without limiting the generality of the foregoing, the following activities and uses are expressly restricted, except as expressly identified herein as exceptions:

(1) Cutting of Vegetation inside the 50 foot streamside buffer. Except as related to removal of non-native plants, diseased or damaged trees, and vegetation that obstructs, destabilizes or renders unsafe the Protection Area to persons or natural habitat or as necessitated by the activities described in Article III, above, all cutting, removal, mowing, harming, or destruction of any trees and vegetation in the 50 foot streamside buffer (each side) is prohibited.

(2) Stream Crossings and Roads. New stream crossings for livestock and access to adjacent property are prohibited, with the understanding that any crossing may not impede flow of water or aquatic life. Existing roads, trails, or paths may be maintained with loose gravel or permanent vegetation to stabilize or cover the surfaces.

(3) Signs. Signs are prohibited, except interpretive signs describing activities and the purpose and function of the Protection Area, signs identifying the owner of the Property, signs giving directions, and signs prescribing rules and regulations for the use of the Protection Area.

(4) Grading, Mineral Use, Excavation, Dredging. Grading, filling, excavation, dredging, mining, drilling, and removal of topsoil, sand, gravel, rock, peat, minerals, and other materials are prohibited, except as necessitated by activities described in Article III.

(5) Water Quality and Drainage Patterns. Except as necessitated by activities described in Article III, diking, draining, dredging, channeling, filling, leveling, pumping, impounding or diverting, causing, allowing or permitting the diversion of surface or underground water; altering or tampering with water control structures or devices; disruption or alteration of the restored, enhanced, or created drainage patterns; and removal of wetlands, polluting or discharging into waters, springs, seeps, or wetlands, or use of pesticide or biocides are prohibited.

(6) Subdivision and Conveyance. The Protection Area may not be subdivided, partitioned nor conveyed, except in its current configuration as an entity or block of property.

ARTICLE III. ACTIVITIES AND USES EXPRESSLY ALLOWED

Any activity on or use of the Protection Area not consistent with the purposes of this Restoration Declaration or that could interfere with maintenance of the Protection Area in its natural or restored condition is prohibited. Without limiting the generality of the foregoing, the following activities and uses are expressly allowed on the Protection Area:

A. Passive Recreational Uses. The Declarant may engage in undeveloped recreational uses, including hiking, bird watching, hunting and fishing, and access to the Protection Area for the purposes thereof. Motorized vehicles may be used on trails, paths, and roads existing on the date hereof and only for managing, maintaining, and stewarding the Protection Area.

B. Educational Uses. The Declarant may engage in and permit others to engage in educational uses on the Protection Area consistent with this Restoration Declaration and the right of access to the Protection Area for such purposes, including organized educational activities such as site visits and observations. Educational uses of the Protection Area may not alter vegetation, hydrology, or topography.

C. Restoration. The Declarant and its representatives may engage in the Restoration Project. All activity associated with the Restoration Project will be conducted according to the requirements hereof and those incorporated herein from the Grant Contract and pursuant to all applicable laws, rules, regulations, and permits.

ARTICLE IV. RIGHT OF ENFORCEMENT IN STATE

In the event that the Declarant fails to comply with the terms of this Restoration Declaration, pursuant to the terms of the Grant Contract between the Declarant and the State acting by and through the Fund, the State has the independent right to enforce the terms of this Restoration Declaration through any and all authorities available under State law. Any forbearance by the State to exercise this right of enforcement may not be deemed or construed to be a waiver by the State of such right in general or with respect to a specific violation of any of

the terms of this Restoration Declaration. The State and its agents and employees have such right of entry and access to the Protection Area as may be necessary to carry out the rights of enforcement set forth herein.

ARTICLE V. DECLARANT'S WARRANTY OF TITLE

The Declarant covenants, represents, and warrants that (i) the Declarant is the sole owner and is seized of the Protection Area in fee simple and has good right to grant and convey the aforesaid Restoration Declaration; (ii) there is legal access to the Property and the Protection Area; (iii) the Protection Area is free and clear of any and all encumbrances, except those exceptions of record, none of which would nullify, impair or limit in any way the terms or effect of this Restoration Declaration; and (iv) the Declarant will defend its title against the claims of all persons whomsoever.

ARTICLE VI. MISCELLANEOUS

A. Stewardship of the Protection Area. Pursuant to the terms of the Grant Contract, the Declarant hereby covenants and agrees that it will monitor and observe the Protection Area in perpetuity to assure compliance with the purposes and provisions of this Restoration Declaration and the provisions of the Grant Contract.

B. Subsequent Transfer of Fee. The Declarant may not convey the Property or any interest therein and may not incur, assume, or suffer to exist any lien upon or with respect to the Property without disclosing to the prospective buyer the Restoration Declaration, the obligations of an owner of the Property, and limitations on use of the Property hereunder. The Declarant further agrees to make any subsequent lease, deed, or other legal instrument by which any interest in the Property is conveyed subject to the Restoration Declaration herein created.

C. Transfer of the Restoration Declaration. The Declarant has have the right to transfer this Restoration Declaration to a "qualified conservation organization" under Section 170(h) of the Code, only if the agency or organization expressly agrees to assume the responsibility imposed on the Grantee by this declaration and if said transfer is approved by the State acting by and through the Fund or its successor agency.

D. Amendments. The Declarant or its successors in interest in the Protection Area is free to amend this Restoration Declaration to meet changing conditions, provided that no amendment will be allowed that is inconsistent with the purposes of this Restoration Declaration or affects the perpetual duration of this Restoration Declaration. Such amendment(s) require the written consent of both the Declarant and the Fund and will be effective upon recording in the public records of Wilkes County, North Carolina. The Declarant acknowledges that it has no right to agree to any activity that would result in the termination of this Restoration Declaration.

E. Interpretation. This Restoration Declaration will be construed and interpreted under the laws of the State, and any ambiguities herein will be resolved so as to give maximum effect to the purposes of this Restoration Declaration as stated herein. Further, this Restoration Declaration will be construed to promote the purposes of the Conservation Agreements Act,

which authorizes the creation of conservation agreements for purposes including those set forth herein, such conservation purposes as are defined in Section 170(h) (4) (A) of the Code and set forth in NCGS Chapter 113A, Article 18. If any provision of this Restoration Declaration is found to be invalid, the remainder of the provisions of this Restoration Declaration, and the application of such provision to persons or circumstances other than those as to which it is found to be invalid, will not be affected thereby.

[SEE FOLLOWING PAGES FOR SIGNATURES AND NOTARY]

IN WITNESS WHEREOF, Declarant, by authority duly given, has hereunto caused these presents to be executed by its respective officers and its seal affixed, to be effective the day and year first above written.

DECLARANT:
The Town of Wilkesboro

By: Mike Inscore (SEAL)

STATE OF NORTH CAROLINA
COUNTY OF Wilkes

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document:

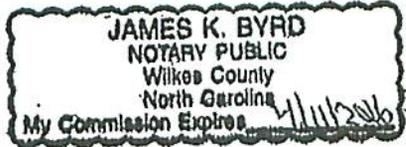
MIKE INSCORE
Name of Signatory

Date 8-3-12

James R Byrd
Official Signature of Notary

James R Byrd
Notary's printed or typed name

(Official Seal) My commission expires: 4/11/2016



APPROVED AS TO FORM:



TOWN ATTORNEY

ACCEPTED AS TO FORM:
NORTH CAROLINA CLEAN WATER MANAGEMENT TRUST FUND

BY: _____
RESTORATION/STORMWATER PROJECT MANAGER

EXHIBIT A.

Lots
Subdivisions
Land Surveys
Topographical Maps

CURRENT SURVEYING AND MAPPING, P.A.

1353 Brushy Mountain Road
Wilkesboro, N.C. 28697
Richard C. Current, Reg. No. L-750

North Wilkesboro
(336) 838-3395

FAX (336) 838-1021



Venture Properties, I, LLC
Town of Wilkesboro, Wilkes County, N.C.
June 3, 2002

A certain tract or parcel of land containing 5.00 Acres lying in the Town of Wilkesboro, Wilkes County, N.C. and being more particularly described as follows:

Beginning on a 5/8" rebar found in place, said rebar being the Southwest corner of Blk. 739, Pg. 87, thence North 75 degrees 50 minutes 04 seconds East passing through a capped iron monument found in place at 44.00 feet and a 5/8" rebar found in place at 68.67 feet and a 5/8" rebar found in place at 68.63 feet a total distance of 185.27 feet to a point in the Western edge of a 16' Alley, thence with said alley South 07 degrees 00 minutes 08 seconds East 61.65 feet to a 5/8" rebar in the Southern edge of a 20' Alley, thence South 13 degrees 37 minutes 50 seconds East 110.01 feet to a 5/8" rebar, thence South 80 degrees 42 minutes 10 seconds East 469.47 feet to a 5/8" rebar, thence North 40 degrees 07 minutes 07 seconds East passing through a 5/8" rebar at 100.27 feet a total distance of 125.00 feet to a point in SR 1001, thence with said road the next two (2) calls and distances South 49 degrees 15 minutes 16 seconds East 321.16 feet to a point, thence South 47 degrees 14 minutes 18 seconds East 39.85 feet to a point in the center of the bridge over Cub Creek referenced by a 5/8" rebar at North 64 degrees 48 minutes 23 seconds West 74.28 feet, thence leaving said road South 29 degrees 49 minutes 17 seconds West 35.78 feet to a point in the bridge of the sidewalk over Cub Creek, thence with Cub Creek the next fifteen (15) calls and distance North 88 degrees 34 minutes 58 seconds West 85.19 feet to a point, thence North 54 degrees 19 minutes 46 seconds West 110.59 feet to a point, thence South 84 degrees 02 minutes 38 seconds West 111.97 feet to a point, thence South 20 degrees 59 minutes 02 seconds East 61.01 feet to a point, thence South 33 degrees 26 minutes 04 seconds West 62.01 feet to a point, thence North 69 degrees 46 minutes 37 seconds West 125.34 feet to a point, thence North 41 degrees 42 minutes 39 seconds West 91.54 feet to a point, thence North 87 degrees 22 minutes 31 seconds West 89.93 feet to a point, thence South 29 degrees 29 minutes 54 seconds West 62.54 feet to a point, thence North 39 degrees 27 minutes 30 seconds West 121.99 feet to a point, thence North 31 degrees 49 minutes 12 seconds East 83.82 feet to a point, thence South 81 degrees 21 minutes 23 seconds West 100.01 feet to a point, thence South 86 degrees 29 minutes 55 seconds West 105.73 feet to a point, thence South 67 degrees 32 minutes 02 seconds West 110.21 feet to a point, thence South 68 degrees 27 minutes 24 seconds West 111.64 feet to a point, thence leaving said creek North 05 degrees 01 minutes 44 seconds East passing through a 5/8" rebar at 44.17 feet a total distance of 358.42 feet to the point of Beginning. Containing 5.00 Acres by Coordinate Computation less Highway Right of Way and Sewer line Right of Ways. Actual field survey done under the direction and supervision of Richard C. Current, Reg. No. L-750. This description is subject to all Notes on the plat of Survey for Venture Properties dtd July 3, 2002 (Revised February 24, 2003) prepared by Current Surveying & Mapping, P.A.

"RECORD OF POOR QUALITY DUE TO
CONDITION OF ORIGINAL DOCUMENT"



Supplemental Certification

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

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

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.

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My analysis, opinions and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.

No one provided significant real property appraisal assistance to the person signing this certification.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

I further certify that this appraisal conforms to the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation, except that the departure provision of the Uniform Standards of Professional Appraisal Practice does not apply; that the compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated results, or the occurrence of a subsequent event; that this appraisal was not based on a requested minimum valuation, a specific valuation or the approval of a loan.

As of the date of this report, I have completed the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.

I have performed no services, as an appraiser or in other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.



Robert H. Ball, Jr.
State Certified General Real Estate Appraiser
Certificate No. A-5546
Date Signed: February 16, 2015

Effective Date of the Appraisal
January 6, 2015

Supplemental Certification

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

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

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.

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My analysis, opinions and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.

No one provided significant real property appraisal assistance to the person signing this certification.

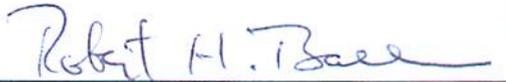
The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

I further certify that this appraisal conforms to the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation, except that the departure provision of the Uniform Standards of Professional Appraisal Practice does not apply; that the compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated results, or the occurrence of a subsequent event; that this appraisal was not based on a requested minimum valuation, a specific valuation or the approval of a loan.

As of the date of this report, I have completed the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.

I have performed no services, as an appraiser or in other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.





Robert H. Ball
State Certified General Real Estate Appraiser
Certificate No. A-4906
Date Signed: February 16, 2015

Effective Date of the Appraisal
January 6, 2015

State of North Carolina



North Carolina Appraisal Board

ROBERT H. BALL, JR.

having satisfied the North Carolina Appraisal Board regarding the qualifications to practice as a General Real Estate Appraiser in this State and having complied with the requirements prescribed by law, is hereby certified as a

State-Certified
General Real Estate Appraiser

Given under and by virtue of the provisions of Article 1 Chapter 93E of the General Statutes of North Carolina, I hereunto set my hand and seal of the North Carolina Appraisal Board at Raleigh on the date below shown:

This certificate shall expire on the 30th day of June following the date shown below unless renewed prior to expiration

July 22, 2004



Phillip W. Humphries
Executive Director

14-16-05

NORTH CAROLINA APPRAISAL BOARD		
APPRAISER QUALIFICATION CARD		
Expires June 30, 2015		
REGISTRATION	LICENSE / CERTIFICATE HOLDER	
14	ROBERT H BALL JR	
A5546	G	Y
APPRAISER NUMBER	TYPE	NATIONAL REGISTRY
APPRAISER'S SIGNATURE		EXECUTIVE DIRECTOR



UNDERDOWNBALL
Real Estate Services

Biographical Resume of
Robert H. Ball, Jr.
Commercial Real Estate Appraiser and Consultant

State Certification and Licensure

- North Carolina Real Estate Appraisal Board
- Certified General Real Estate Appraiser (A-5546)
- NC Real Estate Commission
- Licensed Real Estate Broker (184573)

Experience

- October 2001 – March 2005: Appraiser with Jack A. Underdown, Inc.
- October 2001 – June 2006: Real Estate Salesman with Jack A. Underdown, Inc.
- July 2006 – May 2014: Real Estate Broker with Jack A. Underdown, Inc.
- March 2005: Founded Underdown, Ball & Associates, LLC
- March 2005 – Present: Appraiser with Underdown, Ball & Associates, LLC
- May 2014 – Broker In Charge with Underdown, Ball & Associates, LLC

Expert Witness Experience

- Watauga, Avery, Henderson, Wilkes County, NC

Education and Relevant Course Work

- Appalachian State University, Boone, NC - Bachelor of Science in Business Administration
- Central Piedmont Community College, Charlotte, NC
 - Introduction to Real Estate Appraisal (R-1)
 - Valuation Principles and Procedures (R-2)
 - Applied Residential Property Valuation (R-3)
- Forsyth Technical Community College, Winston-Salem, North Carolina
 - Introduction to Income Property Appraisal (G-1)
- Dan Mohr Real Estate School, Greensboro, North Carolina
 - Advanced Income Capitalization Procedures (G-2)
 - Applied Income Property Valuation (G-3)
- Business Practice & Ethics, Appraisal Institute
- 15-hour USPAP (Course 410), Appraisal Institute
- National USPAP Updates, 2010, 2008, 2006, NCDOT
- Situational Alternatives Impacting Market Value Appraisals, NCDOT
- Applying Assignment Conditions to Value, NCDOT
- Obsolescence-Impact on Value, NCDOT
- Tackling Highest and Best Use, NCDOT
- Condemnation Appraising: Principles and Applications, Appraisal Institute
- Introduction to Expert Witness Testimony, McKissock Appraisal School
- Evaluation Residential Construction, Appraisal Institute
- The Appraisal Board Speaks to You – Courtroom Etiquette, NC DOT
- Advanced Sales Comparison & Cost Approaches (Course 530), Appraisal Institute

Professional Affiliations

- Appraisal Institute
- Surry County Board of Realtors

Business Associations

- Co-Owner - Underdown, Ball & Associates, LLC
- Partner – 1612, LLC, Real Estate Investment Company
- Town of Elkin Planning Board Chairperson and Board of Adjustments
- Elkin Valley Trails Association
- Winston-Salem Foundation



UNDERDOWNBALL

Real Estate Services

Types of Appraisals Performed

Agricultural

Agribusiness-Trout farm
Permanent Crops-Vineyard
Agribusiness-Greenhouse/Nursery
Christmas Tree Farms
Boxwood Farms
Pasture/Ranch
Timberland
Agricultural

Assembly/Meeting Place

Religious Facility

Industrial

Truck Terminal/Transit Facility
Manufacturing-Light
Condominium Unit
Office Showroom
Condominium Building
Warehouse-Distribution Warehouse
Flex Space
Saw Mill/Lumberyard
Self Storage/Mini-Storage Facility
Storage Yard
Warehouse-Storage Warehouse

Land

Commercial
Multi-Family Apartment
Residential Land (1 to 4 Lots)
Subdivision-Residential (5+ Lots)
Avigation Easement
Multi-Family-Duplex & 3-4 Plex
Retail
Undeveloped Agricultural
Conservation/Preservation Easement
Multi-Family
Retail-Pad
Office
Subdivision-Land and Lots
Water Related-Flood Zone
Easement-Right-of-Way
Industrial
Mountain/Wilderness
Land Residential (Single Family 5+ Lots)
Planned Development (PUD)

Lodging/Hospitality

Luxury Inn
Bed & Breakfast
Motels/Hotels-Economy & Limited Service

Multi-Family

Condominium/PUD Bldg(s)
Mobile/Manufactured Home Park
Garden/Low-Rise Apartment
Student-Oriented Housing Apartment

Office

Condominium Bldg(s)
Mixed Use-Office-Industrial
Mixed-Use-Office-Retail-Multi-Family
Condominium Unit(s)
Mixed-Use-Office-Retail
Office Building Low-Rise
Office/Warehouse
Mixed Use Office-Retail-Industrial
Office Building-Mid-Rise
Medical Office

Retail-Commercial

Car Wash-Full Service
Service Station/Gas Station
Street Retail
Car Wash-Self-Service
Tavern, Bar, Nightclub
Historic Post Office
Restaurant-Fast Food
Vehicle Related-Dealership
Restaurant-Full Service
Vehicle Related-Lube Shop
Convenience Store/Gas Station
Mixed Use-Retail Office
Restaurant-Limited Service
Vehicle Related-Service & Repair Facility
Mixed Use-Retail Office-Residential
Restaurant-Sit Down
Mixed Use-Retail-Residential

Shopping Center

Community Center
Neighborhood Center
Convenience/Strip Center
Fashion/Specialty Center

Special Purpose

Airport/Airplane Hanger
Hospital-Veterinarian
Quarry
Kennel
Outdoor Sign
Funeral Home
Bowling Alley
Religious Facilities
Golf Courses

Other

Avigation Easement Appraisals
Conservation Easement Appraisals
Condemnation Appraisals
Leased Fee Interest
Leasehold Estate Interest



Appraisal Institute®

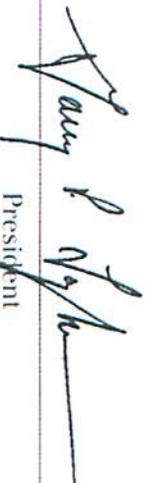
Professionals Providing Real Estate Solutions

This Certifies That

Robert H. Ball, Jr.

*was admitted to associate membership in the Appraisal Institute on the
31st day of August, 2004 and is entitled to all the rights and
privileges of associate membership subject only to the limiting conditions set forth
from time to time in the Bylaws and Regulations of the Appraisal Institute.*

*In Witness Whereof, the Board of Directors of the Appraisal Institute has
authorized this certificate to be signed in its behalf by the President.*



President

This certificate is the property of the Appraisal Institute and
must be returned to the Executive Vice-President upon termination of membership.

State of North Carolina



North Carolina Appraisal Board

ROBERT H. BALL

having satisfied the North Carolina Appraisal Board regarding the qualifications to practice as a General Real Estate Appraiser in this State and having complied with the requirements prescribed by law, is hereby certified as a

**State-Certified
General Real Estate Appraiser**

Given under and by virtue of the provisions of Article 1 Chapter 93E of the General Statutes of North Carolina, I hereunto set my hand and seal of the North Carolina Appraisal Board at Raleigh on the date below shown:

This certificate shall expire on the 30th day of June following the date shown below unless renewed prior to expiration.

December 12, 2001



A. Melton Black, Jr.
Executive Director

**NORTH CAROLINA APPRAISAL BOARD
APPRAISER QUALIFICATION CARD
Expires June 30, 2015**

REGISTRATION	LICENSE / CERTIFICATE HOLDER
14	ROBERT H BALL
A4906	G Y
APPRAISER NUMBER	NATIONAL REGISTRY

Robert H. Ball
APPRAISER'S SIGNATURE EXECUTIVE DIRECTOR



UNDERDOWNBALL
Real Estate Services

Biographical Resume of
Robert H. Ball
Commercial Real Estate Appraiser and Consultant

Certifications and Licensures

- North Carolina Real Estate Commission
- Licensed Real Estate Broker, Certificate No. 172315
- North Carolina Real Estate Appraisal Board
- North Carolina State Certified General Real Estate Appraiser, Certificate No. A4906

Experience

- May 1974 – October 1997: President, Elkin Valley Apparel Co., Inc.
- October 1999 – March 2005: Appraiser and Broker with Jack A. Underdown, Inc.
- March 2005: Founded Underdown, Ball & Associates, LLC
- March 2005-Present: Real Estate Broker with Jack A. Underdown, Inc.
- March 2005 – Present: Appraiser with Underdown, Ball & Associates
- June 2014 – Present: Real Estate Broker with Underdown, Ball & Associates

Education and Relevant Course Work

- North Carolina State University, Raleigh, North Carolina
 - Bachelor of Science, Engineering Operations
- Central Piedmont Community College, Charlotte, North Carolina
 - Introduction to Real Estate Appraisal (R-1)
 - Valuation Principles and Procedures (R-2)
 - Applied Residential Property Valuation (R-3)
- Dan Mohr Real Estate School, Greensboro, North Carolina
 - Introduction to Income Property Appraisal (G-1)
 - Advanced Income Capitalization Procedures (G-2)
 - Applied Income Property Valuation (G-3)
- North Carolina Appraisal Board
 - 2014 Perplexing Appraisal Issues
 - 2013 Applying Highest and Best Use to Transitional and Mixed Use Properties
 - 2013 You, The Court and The Other Side
 - 2012 Better Review Equal A Better Appraisal
 - 2011 Applying Assignment Condition to Value Situations
 - 2011 Obsolescence – Impact on Value
 - 2010 Under What Market Conditions Are We Appraising
 - 2009 Situational Alternatives Impacting Market Value Appraisals
 - 2009 Staying Out of Trouble
 - 2008 Elusive Comps and Complex Properties
 - 2007 Tackling Highest and Best Use in a Range of Situations
 - 2007 The Appraiser, Performing Ethically
 - 2007 Leasing & Value
 - 2006 Practicality of the Income Approach
 - 2005 Applying Marshall Swift And Valuation of Medical Offices & Assisted Living Facilities
 - 2005 Trending Via Demographics and/or Market Changes
 - 2004 Appraisal Board Speaks to You and Court Room Etiquette
 - 2003 Appraisal of Residue and Special Use Properties
 - 2003 Revisiting Cost Approach and Recurring Errors
- The Appraisal Foundation
 - Uniform Standards of Professional Appraisal Practice – 2000, 2001, 2004, 2006, 2008, 2010, 2012, 2014



UNDERDOWNBALL

Real Estate Services

Types of Appraisals Performed

Agricultural

Agribusiness-Trout arm
Permanent Crops-Vineyard
Agribusiness-Greenhouse/Nursery
Christmas Tree Farms
Boxwood Farms
Pasture/Ranch
Timberland
Agricultural

Assembly/Meeting Place

Religious Facility

Industrial

Truck Terminal/Transit Facility
Manufacturing-Light
Condominium Unit
Office Showroom
Condominium Building
Warehouse-Distribution Warehouse
Flex Space
Saw Mill/Lumberyard
Self Storage/Mini-Storage Facility
Storage Yard
Warehouse-Storage Warehouse

Land

Commercial
Multi-Family Apartment
Residential Land (1 to 4 Lots)
Subdivision-Residential (5+ Lots)
Avigation Easement
Multi-Family-Duplex & 3-4 Plex
Retail
Undeveloped Agricultural
Conservation/Preservation Easement
Multi-Family
Retail-Pad
Office
Subdivision-Land and Lots
Water Related-Flood Zone
Easement-Right-of-Way
Industrial
Mountain/Wilderness
Land Residential (Single Family 5+ Lots)
Planned Development (PUD)

Lodging/Hospitality

Luxury Inn
Bed & Breakfast
Motels/Hotels-Economy & Limited Service

Multi-Family

Condominium/PUD Bldg(s)
Mobile/Manufactured Home Park
Garden/Low-Rise Apartment
Student-Oriented Housing Apartment

Office

Condominium Bldg(s)
Mixed Use-Office-Industrial
Mixed-Use-Office-Retail-Multi-Family
Condominium Unit(s)
Mixed-Use-Office-Retail
Office Building Low-Rise
Office/Warehouse
Mixed Use Office-Retail-Industrial
Office Building-Mid-Rise
Medical Office

Retail-Commercial

Car Wash-Full Service
Service Station/Gas Station
Street Retail
Car Wash-Self-Service
Tavern, Bar, Nightclub
Historic Post Office
Restaurant-Fast Food
Vehicle Related-Dealership
Restaurant-Full Service
Vehicle Related-Lube Shop
Convenience Store/Gas Station
Mixed Use-Retail Office
Restaurant-Limited Service
Vehicle Related-Service & Repair Facility
Mixed Use-Retail Office-Residential
Restaurant-Sit Down
Mixed Use-Retail-Residential

Shopping Center

Community Center
Neighborhood Center
Convenience/Strip Center
Fashion/Specialty Center

Special Purpose

Airport/Airplane Hanger
Hospital-Veterinarian
Quarry
Kennel
Outdoor Sign
Funeral Home
Bowling Alley
Religious Facilities
Golf Courses

Other

Avigation Easement Appraisals
Conservation Easement Appraisals
Condemnation Appraisals
Leased Fee Interest
Leasehold Estate Interest



UNDERDOWNBALL

Real Estate Services

Business Associations

- UPB – Partner
- EVA Leasing Company – President
- Hugh Chatham Memorial Hospital – Trustee (Chairman)
- Surry Community College – Trustee (Past)
- BB&T Director (Past)
- Underdown, Ball & Associates, LLC (Partner)
- R.H. Ball, LLC (Partner)
- 1612, LLC, Real Estate Investment Company (Partner)

Professional/Civic Organizations

- Rotary Club – President (Past)
- American Institute of Industrial Engineers (Past)

920 North Bridge Street, Elkin, North Carolina 28621 underdownball.com Fax 336-835-8985 Phone 800-835-2476 · 336-835-2256

North Carolina Department of Transportation - Right of Way Unit
Certificate of Appraiser

TIP/Parcel No.: B-4676 004 WBS Element: 33831.2.FD1 County: Wilkes

Description: Oakwoods Road, Wilkesboro, NC 28697

Property Owner's Name: Town of Wilkesboro Fed Aid Project: BRZ-1001(28)

I HEREBY CERTIFY THAT:

I have , have not , performed AN appraisal and OR other services as an appraiser or any other capacity, regarding the property that is the subject of this appraisal within the three year period immediately preceding acceptance of this assignment. If "Have" box is marked, please see Scope of Appraisal Section for details.

I have personally inspected the property herein appraised and that I have also made a personal field inspection of the comparable sales/rentals relied upon in making said appraisal. The subject and the comparables relied upon in making said appraisal were as represented by the photographs contained in said appraisal.

I have given the owner or his designated representative the opportunity to accompany me during my inspection of the subject property.

Any decrease or increase in the "Market Value" of real property prior to the date of valuation caused by the public improvement for which such property is acquired or by the likelihood that the property would be acquired for such improvement, other than that due to physical deterioration within the reasonable control of the owner, is disregarded in determining the compensation for the property.

The statements of fact contained in this appraisal report are true and correct, and the reported analyses, opinions and conclusions, subject to the critical assumptions and limiting conditions herein set forth, are my personal, unbiased, professional analyses, opinions and conclusions.

I understand such appraisal may be used in connection with the acquisition of or disposal of right-of-way for a highway to be constructed by the **State of North Carolina**, and that such appraisal has been made in conformity with appropriate State laws, regulations, and policies and procedures applicable to appraisal of right-of-way for such purposes, and that to the best of my knowledge, no portion of the value assigned to such property consists of items which are "Non-Compensable" under established laws of the **State of North Carolina**.

My analyses, opinions, and conclusions were developed, and this report has been prepared, in compliance with NCDOT Real Estate Appraisal Standards and Legal Principles and the Uniform Standards of Professional Appraisal Practice. The appraisals in this assignment are to be made in accordance with all of the requirements set out in the NCDOT Real Estate Appraisal Standards and Legal Principles and the Uniform Standards of Professional Appraisal Practice and shall also comply with all applicable **Local, State, and Federal** laws, ordinances, regulations, restrictions and/or requirements; and any additions, revisions and/or supplements thereto.

Neither my employment nor my compensation for making this appraisal is in any way contingent on the values reported herein.

I have no direct or indirect, present or prospective interest in neither the subject property nor any benefit from the acquisition of this property nor any bias with respect to the parties involved.

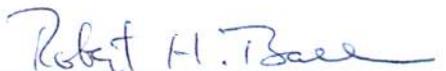
In addition to the undersigned, those persons duly noted in this report and under my direct supervision and responsibility, in so far as this particular appraisal is concerned, have contributed to the production of this appraisal. The analyses, conclusions or value estimates set forth in this appraisal are those of the undersigned.

I will not reveal the findings and results of such appraisal to anyone other than the proper officials of the **State of North Carolina** or officials of the **Federal Highway Administration** until authorized by State officials to do so, or until I am required to do so by **due process of law**, or until I am released from this obligation by having publicly testified as to such findings or to a duly authorized professional peer review committee.

My independent opinion of the difference in Market Value as of the 6th day of January, 20 15, is \$ 3,300 based upon my independent appraisal and the exercise of my professional judgment.



2-16-2015



2-16-2015

