

FROM: J DAVID COZZARELLI APEX APPRAISALS, INC 808 HADDON HALL APEX, NC 27502 Telephone Number: 919-342-0737 Fax Number: 919-882-0929			INVOICE <table><tr><th colspan="2">INVOICE NUMBER</th></tr><tr><td colspan="2">100119</td></tr><tr><th colspan="2">DATE</th></tr><tr><td colspan="2">1/25/2010</td></tr><tr><th colspan="2">REFERENCE</th></tr><tr><td>Internal Order #:</td><td>100119</td></tr><tr><td>Lender Case #:</td><td></td></tr><tr><td>Client File #:</td><td></td></tr><tr><td>Main File # on form:</td><td>100119</td></tr><tr><td>Other File # on form:</td><td></td></tr><tr><td>Federal Tax ID:</td><td>26-1840249</td></tr><tr><td>Employer ID:</td><td></td></tr></table>		INVOICE NUMBER		100119		DATE		1/25/2010		REFERENCE		Internal Order #:	100119	Lender Case #:		Client File #:		Main File # on form:	100119	Other File # on form:		Federal Tax ID:	26-1840249	Employer ID:	
INVOICE NUMBER																												
100119																												
DATE																												
1/25/2010																												
REFERENCE																												
Internal Order #:	100119																											
Lender Case #:																												
Client File #:																												
Main File # on form:	100119																											
Other File # on form:																												
Federal Tax ID:	26-1840249																											
Employer ID:																												
TO: JUDY LUCAS JUDY LUCAS 1300 LAURA DUNCAN RD APEX, NC 27502 Telephone Number: 919-362-5191 Fax Number: Alternate Number: E-Mail:																												
PAYMENT RECEIVED AT SITE APEX APPRAISALS 808 HADDON HALL DR APEX, NC 27502 THANK YOU FOR YOUR ORDER. WE LOOK FORWARD TO ASSISTING YOU IN THE FUTURE.																												
DESCRIPTION																												
<div><div>Lender: JUDY LUCAS Purchaser/Borrower: LUCAS, RANDOLPH & JUDY R Property Address: 1300 LAURA DUNCAN RD City: APEX County: WAKE Legal Description: LO120 KNOLLWOOD EST SE5A</div><div>Client: JUDY LUCAS State: NC Zip: 27502-1536</div></div>																												
FEES			AMOUNT																									
FULL APPRAISAL			350.00																									
SUBTOTAL			350.00																									
PAYMENTS			AMOUNT																									
Check #: 8664	Date: 1/22/2010	Description: CHECK	350.00																									
Check #:	Date:	Description:																										
Check #:	Date:	Description:																										
SUBTOTAL			350.00																									
TOTAL DUE			\$	0																								

J. DAVID COZZARELLI
APEX APPRAISALS, INC
808 HADDON HALL DR
APEX, NC 27502

1/25/2009

JUDY LUCAS
1300 LAURA DUNCAN RD
APEX, NC 27502

Re: Property: 1300 LAURA DUNCAN RD
APEX, NC 27502-1536
Owner: LUCAS, RANDOLPH & JUDY R
File No.: 100119

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

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

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

The value conclusions reported are as of the effective date stated in the body of the report. It has been a pleasure to assist you. Please do not hesitate to contact Apex Appraisals if we can be of additional service to you.

This appraiser has not appraised or performed any other work in any other capacity for the subject in the past 36 months.

Sincerely,



J DAVID COZZARELLI
APEX APPRAISALS, INC.
919-342-0737

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he 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.

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

STATEMENT OF LIMITING CONDITIONS AND APPRAISER’S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:


1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

APPRAISER’S CERTIFICATION: The appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER’S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: 1300 LAURA DUNCAN RD, APEX, NC 27502-1536

APPRAISER:	SUPERVISORY APPRAISER (only if required):
Signature: 	Signature: _____
Name: J DAVID COZZARELLI	Name: _____
Date Signed: January 28, 2010	Date Signed: _____
State Certification #: A-5729	State Certification #: _____
or State License #: _____	or State License #: _____
State: NC	State: _____
Expiration Date of Certification or License: 6/30/2010	Expiration Date of Certification or License: _____
	<input type="checkbox"/> Did <input type="checkbox"/> Did Not Inspect Property

RESIDENTIAL APPRAISAL SUMMARY REPORT

File No.: 100119

SUBJECT

ASSIGNMENT

MARKET AREA DESCRIPTION

SITE DESCRIPTION

DESCRIPTION OF THE IMPROVEMENTS

Property Address: 1300 LAURA DUNCAN RDCity: APEXState: NCZip Code: 27502-1536

County: WAKELegal Description: LO120 KNOLLWOOD EST SE5A

Assessor's Parcel #: 0742851092

Tax Year: 2009R.E. Taxes: \$ 1,601.18Special Assessments: \$ NONEBorrower (if applicable): LUCAS, RANDOLPH & JUDY R

Current Owner of Record: LUCAS, RANDOLPH & JUDY ROccupant: ☒ Owner ☐ Tenant ☐ Vacant ☐ Manufactured Housing

Project Type: ☐ PUD ☐ Condominium ☐ Cooperative ☐ Other (describe)HOA: \$ ☐ per year ☐ per month

Market Area Name: KNOLLWOODMap Reference: 39580Census Tract: 0534.04

The purpose of this appraisal is to develop an opinion of: ☒ Market Value (as defined), or ☐ other type of value (describe)

This report reflects the following value (if not Current, see comments): ☒ Current (the Inspection Date is the Effective Date) ☐ Retrospective ☐ Prospective

Approaches developed for this appraisal: ☒ Sales Comparison Approach ☐ Cost Approach ☐ Income Approach (See Reconciliation Comments and Scope of Work)

Property Rights Appraised: ☒ Fee Simple ☐ Leasehold ☐ Leased Fee ☐ Other (describe)

Intended Use: TO BE USED BY CLIENT IN ORDER TO DETERMINE MARKET VALUE OF SUBJECT.

Intended User(s) (by name or type): JUDY LUCAS AND ANYONE DIRECTED BY CLIENT.

Client: JUDY LUCASAddress: 1300 LAURA DUNCAN RD, APEX, NC 27502

Appraiser: J DAVID COZZARELLIAddress: 808 HADDON HALL DR, APEX, NC 27502

Location: ☐ Urban ☒ Suburban ☐ Rural

Built up: ☐ Over 75% ☒ 25-75% ☐ Under 25%

Growth rate: ☐ Rapid ☒ Stable ☐ Slow

Property values: ☐ Increasing ☒ Stable ☐ Declining

Demand/supply: ☐ Shortage ☒ In Balance ☐ Over Supply

Marketing time: ☐ Under 3 Mos. ☒ 3-6 Mos. ☐ Over 6 Mos.

Predominant Occupancy: ☒ Owner 95 ☐ Tenant ☒ Vacant (0-5%) ☐ Vacant (>5%)

One-Unit Housing PRICE AGE \$ (000) (yrs) 55 Low NEW 645 High 109 245 Pred 10

Present Land Use One-Unit 80 % 2-4 Unit 5 % Multi-Unit 5 % Comm'l 5 % VACANT 5 %

Change in Land Use ☒ Not Likely ☐ Likely * ☐ In Process * * To:

Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends): TYPICAL MARKETING TIME IS IN THE 90 DAY RANGE. CONVENTIONAL AND GOVERNMENT-BACKED FINANCING ARE COMMON, SELLER CONCESSIONS OF UP TO \$5,000 ARE COMMON AS WELL IN THIS MARKET SEGMENT. INTEREST RATES ARE AVAILABLE IN THE 5.0% TO 7.0% RANGE FOR QUALIFIED BUYERS. CURRENTLY THERE ARE 166 ACTIVE LISTINGS OR 5.2 MONTHS OF SUPPLY. RESEARCH OF DETCHADED HOMES IN AREA 15 IN PAST YEAR SHOWS 382 SALES, MEDIAN DOM IS 47, THE MEDIAN SALES TO LIST PRICE IS 97%, AND THE MEDIAN \$PSF IS \$117.71. GOING TO THE PRIOR YEAR, 467 SALES, THE MEDIAN DOM WAS 52, THE MEDIAN SALES TO LIST PRICE WAS 97%, AND THE MEDIAN \$PSF WAS \$122.77, OR -4.1%. HOME VALUES HAVE DEPRECIATED BY 4.1%, THE DAYS ON THE MARKET HAVE REMAINED STABLE, AND SELLERS ARE NEGOTIATING PRICE 3% FROM LIST PRICE.

Dimensions: SEE PLAT MAPSite Area: 0.26 AC /AVG

Zoning Classification: MDDescription: SINGLE FAMILY RESIDENTIAL

Zoning Compliance: ☒ Legal ☐ Legal nonconforming (grandfathered) ☐ Illegal ☐ No zoning

Are CC&Rs applicable? ☒ Yes ☐ No ☐ UnknownHave the documents been reviewed? ☐ Yes ☒ NoGround Rent (if applicable) \$ /

Highest & Best Use as improved: ☒ Present use, or ☐ Other use (explain)

Actual Use as of Effective Date: RESIDENTIALUse as appraised in this report: RESIDENTIAL

Summary of Highest & Best Use: SUBJECT IS IN AN AREA WITH ALL RESIDENTIAL PROPERTIES, THEREFORE THE HIGHEST AND BEST USE REMAINS AS RESIDENTIAL.

Utilities Public Other Provider/Description

Electricity ☒ ☐ PUBLIC

Gas ☒ ☐ PUBLIC

Water ☒ ☐ PUBLIC

Sanitary Sewer ☒ ☐ PUBLIC

Storm Sewer ☒ ☐ PUBLIC

Off-site Improvements Type Public Private

Street ASPHALT ☒ ☐

Curb/Gutter NONE ☒ ☐

Sidewalk YES ☒ ☐

Street Lights YES ☒ ☐

Alley NONE ☐ ☐

Topography RELATIVELY FLAT

Size 0.26 ACRES

Shape RECTANGULAR

Drainage ADEQUATE

View RESIDENTIAL

Other site elements: ☒ Inside Lot ☐ Corner Lot ☐ Cul de Sac ☐ Underground Utilities ☐ Other (describe)

FEMA Spec'l Flood Hazard Area ☐ Yes ☒ NoFEMA Flood Zone XFEMA Map # 3720074200JFEMA Map Date 4/16/2007

Site Comments: THERE ARE NO KNOWN ADVERSE EASEMENTS, ENCROACHMENTS, OR OTHER ADVERSE CONDITIONS APPARENT; SUBJECT TO A CURRENT SURVEY.

General Description

of Units 1 ☐ Acc.Unit

of Stories SPLIT LVL

Type ☒ Det. ☐ Att. ☐

Design (Style) SPLIT LVL

☒ Existing ☐ Proposed ☐ Und.Cons.

Actual Age (Yrs.) 37 YRS

Effective Age (Yrs.) 10-12 YRS

Exterior Description

Foundation BKL & BK / AVG

Exterior Walls BK & VI / AVG

Roof Surface COMP S / AVG

Gutters & Dwnspts. ALUM / AVG

Window Type DH / VI / AVG

Storm/Screens SCRN / AVG

WINDOWS INS

Foundation Slab NO

Crawl Space YES

Basement NONE

Sump Pump ☐ NONE

Dampness ☐ NONE

Settlement NONE

Infestation NONE

Basement Area Sq. Ft. ☒ None

% Finished

Ceiling

Walls

Floor

Outside Entry

Heating Type FWA

Fuel GAS

Cooling Central CAC

Other HEAT PUMP

Interior Description

Floors HWD,CAR,CT / AVG

Walls DRYWALL / AVG

Trim/Finish PNT WD / AVG

Bath Floor CT / AVG

Bath Wainscot CT / AVG

Doors WD / AVG

Appliances

Refrigerator ☒ P

Range/Oven ☒ X

Disposal ☒ X

Dishwasher ☒ X

Fan/Hood ☐

Microwave ☒ X

Washer/Dryer ☒ P

Attic ☐ None

Stairs ☐

Drop Stair ☐ X

Scuttle ☒ X

Doorway ☐

Floor ☐

Heated ☒ X

Finished ☐

Amenities

Fireplace(s) #

Woodstove(s) #

Patio NONE

Deck WOOD

Porch FRONT

Fence CHAIN LINK

Pool

Other WORKSHOP

Car Storage ☐ None

Garage # of cars (Tot.)

Attach.

Detach.

Blt.-In

Carport X 1 CAR

Driveway X 2 CAR

Surface CONC

Finished area above grade contains: 7 Rooms 4 Bedrooms 2 Bath(s) 1,953 Square Feet of Gross Living Area Above Grade

Additional features: BRICK & VINYL SIDING, HARDWOODS IN FOYER & DINING, CARPET IN BEDROOMS & REC ROOM, KITCHEN, NOOK, & BATHS ARE CERAMIC TILE, GRANITE COUNTER TOP, FRONT STOOP, DECK, FENCE, WORKSHOP, AND 1 CARPORT.

Describe the condition of the property (including physical, functional and external obsolescence): SUBJECT IS IN AVERAGE CONDITION, THERE IS NO PHYSICAL, FUNCTIONAL, OR EXTERNAL OBSOLESCENCE NOTED. FLOOR PLAN MODERN AND FUNCTIONAL. CURRENT OWNERS HAVE ADDED FRESH PAINT TO INTERIOR, UPDATED THE KITCHEN AND BATHS WITH CERAMIC TILE, NEW HARDWARE, FIXTURES, AND APPLIANCES, NEW CARPET, AND NEW ENERGY EFFICIENT WINDOWS.







GPRESIDENTIAL

Copyright© 2007 by a la mode, inc. This form may be reproduced unmodified without written permission, however, a la mode, inc. must be acknowledged and credited.
Form GPRES2 — "WinTOTAL" appraisal software by a la mode, inc. — 1-800-ALAMODE

3/2007

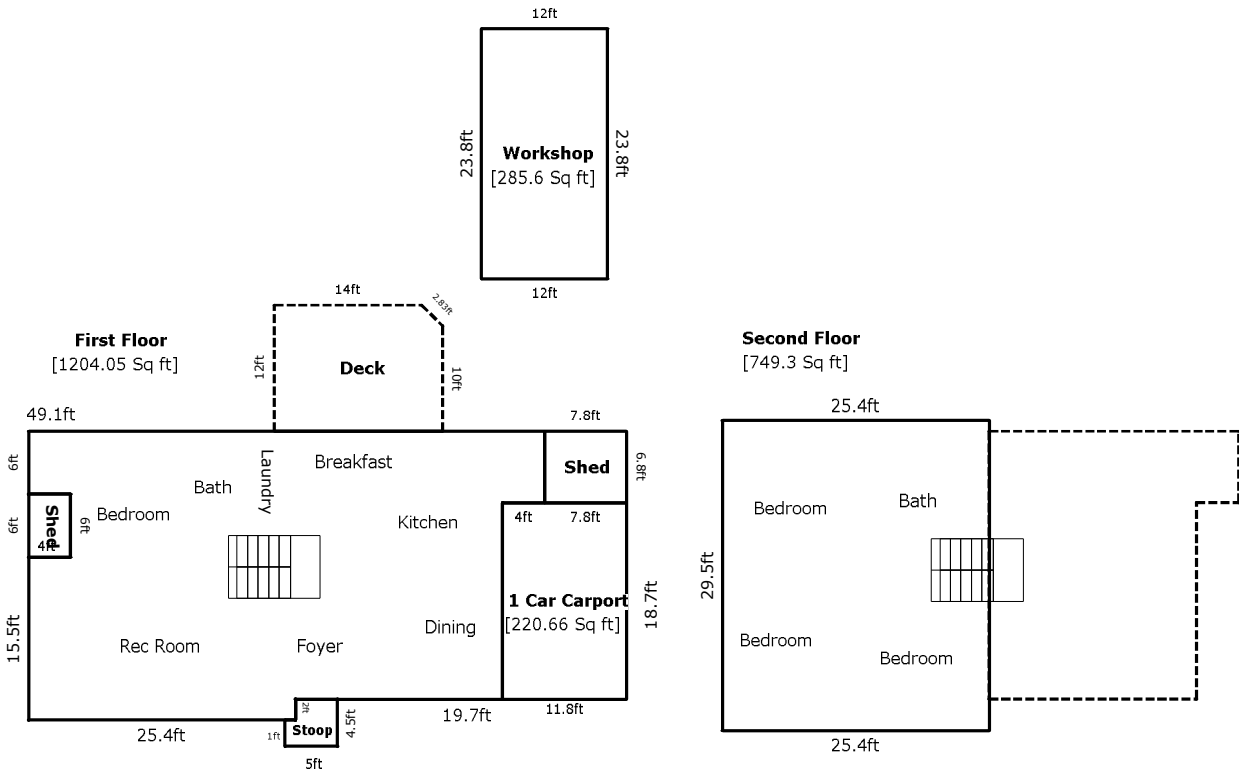
RESIDENTIAL APPRAISAL SUMMARY REPORT

File No.: 100119

COST APPROACH TO VALUE (if developed) <input checked="" type="checkbox"/> The Cost Approach was not developed for this appraisal.																															
Provide adequate information for replication of the following cost figures and calculations.																															
Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value):																															
COST APPROACH	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW</td> <td>OPINION OF SITE VALUE = \$</td> </tr> <tr> <td>Source of cost data:</td> <td>DWELLING Sq.Ft. @ \$ = \$</td> </tr> <tr> <td>Quality rating from cost service: Effective date of cost data:</td> <td> Sq.Ft. @ \$ = \$</td> </tr> <tr> <td rowspan="5">Comments on Cost Approach (gross living area calculations, depreciation, etc.):</td> <td> Sq.Ft. @ \$ = \$</td> </tr> <tr> <td> Sq.Ft. @ \$ = \$</td> </tr> <tr> <td> Sq.Ft. @ \$ = \$</td> </tr> <tr> <td> Sq.Ft. @ \$ = \$</td> </tr> <tr> <td> Sq.Ft. @ \$ = \$</td> </tr> <tr> <td>Garage/Carport Sq.Ft. @ \$ = \$</td> <td></td> </tr> <tr> <td>Total Estimate of Cost-New</td> <td>..... = \$</td> </tr> <tr> <td>Less Physical Functional External</td> <td></td> </tr> <tr> <td>Depreciation 0</td> <td>..... = \$()</td> </tr> <tr> <td>Depreciated Cost of Improvements</td> <td>..... = \$</td> </tr> <tr> <td>"As-is" Value of Site Improvements</td> <td>..... = \$</td> </tr> <tr> <td></td> <td>..... = \$</td> </tr> <tr> <td></td> <td>..... = \$</td> </tr> <tr> <td>Estimated Remaining Economic Life (if required): Years</td> <td>INDICATED VALUE BY COST APPROACH = \$</td> </tr> </table>	ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE = \$	Source of cost data:	DWELLING Sq.Ft. @ \$ = \$	Quality rating from cost service: Effective date of cost data:	Sq.Ft. @ \$ = \$	Comments on Cost Approach (gross living area calculations, depreciation, etc.):	Sq.Ft. @ \$ = \$	Sq.Ft. @ \$ = \$	Sq.Ft. @ \$ = \$	Sq.Ft. @ \$ = \$	Sq.Ft. @ \$ = \$	Garage/Carport Sq.Ft. @ \$ = \$		Total Estimate of Cost-New = \$	Less Physical Functional External		Depreciation 0 = \$()	Depreciated Cost of Improvements = \$	"As-is" Value of Site Improvements = \$	 = \$	 = \$	Estimated Remaining Economic Life (if required): Years	INDICATED VALUE BY COST APPROACH = \$
ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE = \$																														
Source of cost data:	DWELLING Sq.Ft. @ \$ = \$																														
Quality rating from cost service: Effective date of cost data:	Sq.Ft. @ \$ = \$																														
Comments on Cost Approach (gross living area calculations, depreciation, etc.):	Sq.Ft. @ \$ = \$																														
	Sq.Ft. @ \$ = \$																														
	Sq.Ft. @ \$ = \$																														
	Sq.Ft. @ \$ = \$																														
	Sq.Ft. @ \$ = \$																														
Garage/Carport Sq.Ft. @ \$ = \$																															
Total Estimate of Cost-New = \$																														
Less Physical Functional External																															
Depreciation 0 = \$()																														
Depreciated Cost of Improvements = \$																														
"As-is" Value of Site Improvements = \$																														
 = \$																														
 = \$																														
Estimated Remaining Economic Life (if required): Years	INDICATED VALUE BY COST APPROACH = \$																														
INCOME APPROACH	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">INCOME APPROACH TO VALUE (if developed) <input checked="" type="checkbox"/> The Income Approach was not developed for this appraisal.</td> </tr> <tr> <td>Estimated Monthly Market Rent \$ X Gross Rent Multiplier</td> <td>= \$ Indicated Value by Income Approach</td> </tr> <tr> <td colspan="2">Summary of Income Approach (including support for market rent and GRM):</td> </tr> <tr><td colspan="2"> </td></tr> <tr><td colspan="2"> </td></tr> <tr><td colspan="2"> </td></tr> <tr><td colspan="2"> </td></tr> </table>	INCOME APPROACH TO VALUE (if developed) <input checked="" type="checkbox"/> The Income Approach was not developed for this appraisal.		Estimated Monthly Market Rent \$ X Gross Rent Multiplier	= \$ Indicated Value by Income Approach	Summary of Income Approach (including support for market rent and GRM):																									
INCOME APPROACH TO VALUE (if developed) <input checked="" type="checkbox"/> The Income Approach was not developed for this appraisal.																															
Estimated Monthly Market Rent \$ X Gross Rent Multiplier	= \$ Indicated Value by Income Approach																														
Summary of Income Approach (including support for market rent and GRM):																															
PUD	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>PROJECT INFORMATION FOR PUDs (if applicable) <input type="checkbox"/> The Subject is part of a Planned Unit Development.</td> </tr> <tr> <td>Legal Name of Project:</td> </tr> <tr> <td>Describe common elements and recreational facilities:</td> </tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> </table>	PROJECT INFORMATION FOR PUDs (if applicable) <input type="checkbox"/> The Subject is part of a Planned Unit Development.	Legal Name of Project:	Describe common elements and recreational facilities:																											
PROJECT INFORMATION FOR PUDs (if applicable) <input type="checkbox"/> The Subject is part of a Planned Unit Development.																															
Legal Name of Project:																															
Describe common elements and recreational facilities:																															
RECONCILIATION	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>Indicated Value by: Sales Comparison Approach \$ 199,000 Cost Approach (if developed) \$ Income Approach (if developed) \$</td> </tr> <tr> <td>Final Reconciliation THE SUB-DIVISION IS PRIMARILY OWNER OCCUPIED, THUS THE INCOME WAS CONSIDERED, BUT THE COMPARISON APPROACH WAS DEEMED TO BE THE MOST APPROPRIATE APPROACH.</td> </tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr> <td>This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, <input type="checkbox"/> subject to the following required inspection based on the Extraordinary Assumption that the condition or deficiency does not require alteration or repair:</td> </tr> <tr><td> </td></tr> <tr> <td><input type="checkbox"/> This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.</td> </tr> <tr> <td>Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ 199,000 , as of: 1/22/2010 , which is the effective date of this appraisal. If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.</td> </tr> </table>	Indicated Value by: Sales Comparison Approach \$ 199,000 Cost Approach (if developed) \$ Income Approach (if developed) \$	Final Reconciliation THE SUB-DIVISION IS PRIMARILY OWNER OCCUPIED, THUS THE INCOME WAS CONSIDERED, BUT THE COMPARISON APPROACH WAS DEEMED TO BE THE MOST APPROPRIATE APPROACH.			This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, <input type="checkbox"/> subject to the following required inspection based on the Extraordinary Assumption that the condition or deficiency does not require alteration or repair:		<input type="checkbox"/> This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.	Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ 199,000 , as of: 1/22/2010 , which is the effective date of this appraisal. If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.																						
Indicated Value by: Sales Comparison Approach \$ 199,000 Cost Approach (if developed) \$ Income Approach (if developed) \$																															
Final Reconciliation THE SUB-DIVISION IS PRIMARILY OWNER OCCUPIED, THUS THE INCOME WAS CONSIDERED, BUT THE COMPARISON APPROACH WAS DEEMED TO BE THE MOST APPROPRIATE APPROACH.																															
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, <input type="checkbox"/> subject to the following required inspection based on the Extraordinary Assumption that the condition or deficiency does not require alteration or repair:																															
<input type="checkbox"/> This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.																															
Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ 199,000 , as of: 1/22/2010 , which is the effective date of this appraisal. If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.																															
ATTACHMENTS	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">A true and complete copy of this report contains <u>13</u> pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.</td> </tr> <tr> <td colspan="2">Attached Exhibits:</td> </tr> <tr> <td><input checked="" type="checkbox"/> Scope of Work <input checked="" type="checkbox"/> Limiting Cond./Certifications <input type="checkbox"/> Narrative Addendum <input checked="" type="checkbox"/> Photograph Addenda <input checked="" type="checkbox"/> Sketch Addendum</td> <td></td> </tr> <tr> <td><input checked="" type="checkbox"/> Map Addenda <input checked="" type="checkbox"/> Additional Sales <input type="checkbox"/> Cost Addendum <input checked="" type="checkbox"/> Flood Addendum <input type="checkbox"/> Manuf. House Addendum</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Hypothetical Conditions <input type="checkbox"/> Extraordinary Assumptions <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></td> <td></td> </tr> </table>	A true and complete copy of this report contains <u>13</u> pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.		Attached Exhibits:		<input checked="" type="checkbox"/> Scope of Work <input checked="" type="checkbox"/> Limiting Cond./Certifications <input type="checkbox"/> Narrative Addendum <input checked="" type="checkbox"/> Photograph Addenda <input checked="" type="checkbox"/> Sketch Addendum		<input checked="" type="checkbox"/> Map Addenda <input checked="" type="checkbox"/> Additional Sales <input type="checkbox"/> Cost Addendum <input checked="" type="checkbox"/> Flood Addendum <input type="checkbox"/> Manuf. House Addendum		<input type="checkbox"/> Hypothetical Conditions <input type="checkbox"/> Extraordinary Assumptions <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>																					
A true and complete copy of this report contains <u>13</u> pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.																															
Attached Exhibits:																															
<input checked="" type="checkbox"/> Scope of Work <input checked="" type="checkbox"/> Limiting Cond./Certifications <input type="checkbox"/> Narrative Addendum <input checked="" type="checkbox"/> Photograph Addenda <input checked="" type="checkbox"/> Sketch Addendum																															
<input checked="" type="checkbox"/> Map Addenda <input checked="" type="checkbox"/> Additional Sales <input type="checkbox"/> Cost Addendum <input checked="" type="checkbox"/> Flood Addendum <input type="checkbox"/> Manuf. House Addendum																															
<input type="checkbox"/> Hypothetical Conditions <input type="checkbox"/> Extraordinary Assumptions <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>																															
SIGNATURES	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>Client Contact: JUDY LUCAS Client Name: JUDY LUCAS</td> </tr> <tr> <td>E-Mail: judy@lucasco.info Address: 1300 LAURA DUNCAN RD, APEX, NC 27502</td> </tr> <tr> <td> <table border="0" style="width:100%;"> <tr> <td style="width:50%; vertical-align: top;"> APPRAISER  Appraiser Name: J DAVID COZZARELLI Company: APEX APPRAISALS, INC Phone: (919) 342-0737 Fax: (919) 882-0929 E-Mail: dcozzarelli@apexappraisals.org Date of Report (Signature): January 28, 2010 License or Certification #: A-5729 State: NC Designation: CERTIFIED RESIDENTIAL Expiration Date of License or Certification: 6/30/2010 Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: 1/22/2010 </td> <td style="width:50%; vertical-align: top;"> SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable) Supervisory or Co-Appraiser Name: _____ Company: _____ Phone: _____ Fax: _____ E-Mail: _____ Date of Report (Signature): _____ License or Certification #: _____ State: _____ Designation: _____ Expiration Date of License or Certification: _____ Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: _____ </td> </tr> </table> </td> </tr> </table>	Client Contact: JUDY LUCAS Client Name: JUDY LUCAS	E-Mail: judy@lucasco.info Address: 1300 LAURA DUNCAN RD, APEX, NC 27502	<table border="0" style="width:100%;"> <tr> <td style="width:50%; vertical-align: top;"> APPRAISER  Appraiser Name: J DAVID COZZARELLI Company: APEX APPRAISALS, INC Phone: (919) 342-0737 Fax: (919) 882-0929 E-Mail: dcozzarelli@apexappraisals.org Date of Report (Signature): January 28, 2010 License or Certification #: A-5729 State: NC Designation: CERTIFIED RESIDENTIAL Expiration Date of License or Certification: 6/30/2010 Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: 1/22/2010 </td> <td style="width:50%; vertical-align: top;"> SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable) Supervisory or Co-Appraiser Name: _____ Company: _____ Phone: _____ Fax: _____ E-Mail: _____ Date of Report (Signature): _____ License or Certification #: _____ State: _____ Designation: _____ Expiration Date of License or Certification: _____ Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: _____ </td> </tr> </table>	APPRAISER  Appraiser Name: J DAVID COZZARELLI Company: APEX APPRAISALS, INC Phone: (919) 342-0737 Fax: (919) 882-0929 E-Mail: dcozzarelli@apexappraisals.org Date of Report (Signature): January 28, 2010 License or Certification #: A-5729 State: NC Designation: CERTIFIED RESIDENTIAL Expiration Date of License or Certification: 6/30/2010 Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: 1/22/2010	SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable) Supervisory or Co-Appraiser Name: _____ Company: _____ Phone: _____ Fax: _____ E-Mail: _____ Date of Report (Signature): _____ License or Certification #: _____ State: _____ Designation: _____ Expiration Date of License or Certification: _____ Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: _____																									
Client Contact: JUDY LUCAS Client Name: JUDY LUCAS																															
E-Mail: judy@lucasco.info Address: 1300 LAURA DUNCAN RD, APEX, NC 27502																															
<table border="0" style="width:100%;"> <tr> <td style="width:50%; vertical-align: top;"> APPRAISER  Appraiser Name: J DAVID COZZARELLI Company: APEX APPRAISALS, INC Phone: (919) 342-0737 Fax: (919) 882-0929 E-Mail: dcozzarelli@apexappraisals.org Date of Report (Signature): January 28, 2010 License or Certification #: A-5729 State: NC Designation: CERTIFIED RESIDENTIAL Expiration Date of License or Certification: 6/30/2010 Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: 1/22/2010 </td> <td style="width:50%; vertical-align: top;"> SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable) Supervisory or Co-Appraiser Name: _____ Company: _____ Phone: _____ Fax: _____ E-Mail: _____ Date of Report (Signature): _____ License or Certification #: _____ State: _____ Designation: _____ Expiration Date of License or Certification: _____ Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: _____ </td> </tr> </table>	APPRAISER  Appraiser Name: J DAVID COZZARELLI Company: APEX APPRAISALS, INC Phone: (919) 342-0737 Fax: (919) 882-0929 E-Mail: dcozzarelli@apexappraisals.org Date of Report (Signature): January 28, 2010 License or Certification #: A-5729 State: NC Designation: CERTIFIED RESIDENTIAL Expiration Date of License or Certification: 6/30/2010 Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: 1/22/2010	SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable) Supervisory or Co-Appraiser Name: _____ Company: _____ Phone: _____ Fax: _____ E-Mail: _____ Date of Report (Signature): _____ License or Certification #: _____ State: _____ Designation: _____ Expiration Date of License or Certification: _____ Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: _____																													
APPRAISER  Appraiser Name: J DAVID COZZARELLI Company: APEX APPRAISALS, INC Phone: (919) 342-0737 Fax: (919) 882-0929 E-Mail: dcozzarelli@apexappraisals.org Date of Report (Signature): January 28, 2010 License or Certification #: A-5729 State: NC Designation: CERTIFIED RESIDENTIAL Expiration Date of License or Certification: 6/30/2010 Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: 1/22/2010	SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable) Supervisory or Co-Appraiser Name: _____ Company: _____ Phone: _____ Fax: _____ E-Mail: _____ Date of Report (Signature): _____ License or Certification #: _____ State: _____ Designation: _____ Expiration Date of License or Certification: _____ Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: _____																														

Building Sketch

Borrower/Client	LUCAS, RANDOLPH & JUDY R			
Property Address	1300 LAURA DUNCAN RD			
City	APEX	County	WAKE	State NC Zip Code 27502-1536
Lender	JUDY LUCAS			



Area Calculations Summary

Living Area	
First Floor	1204.1 Sq ft
Second Floor	749.3 Sq ft
Total Living Area (Rounded):	1953 Sq ft
Non-living Area	
1 Car Carport	220.7 Sq ft
Shed	53 Sq ft
Deck	190 Sq ft
Workshop	285.6 Sq ft
Shed	24 Sq ft
Stoop	20.5 Sq ft

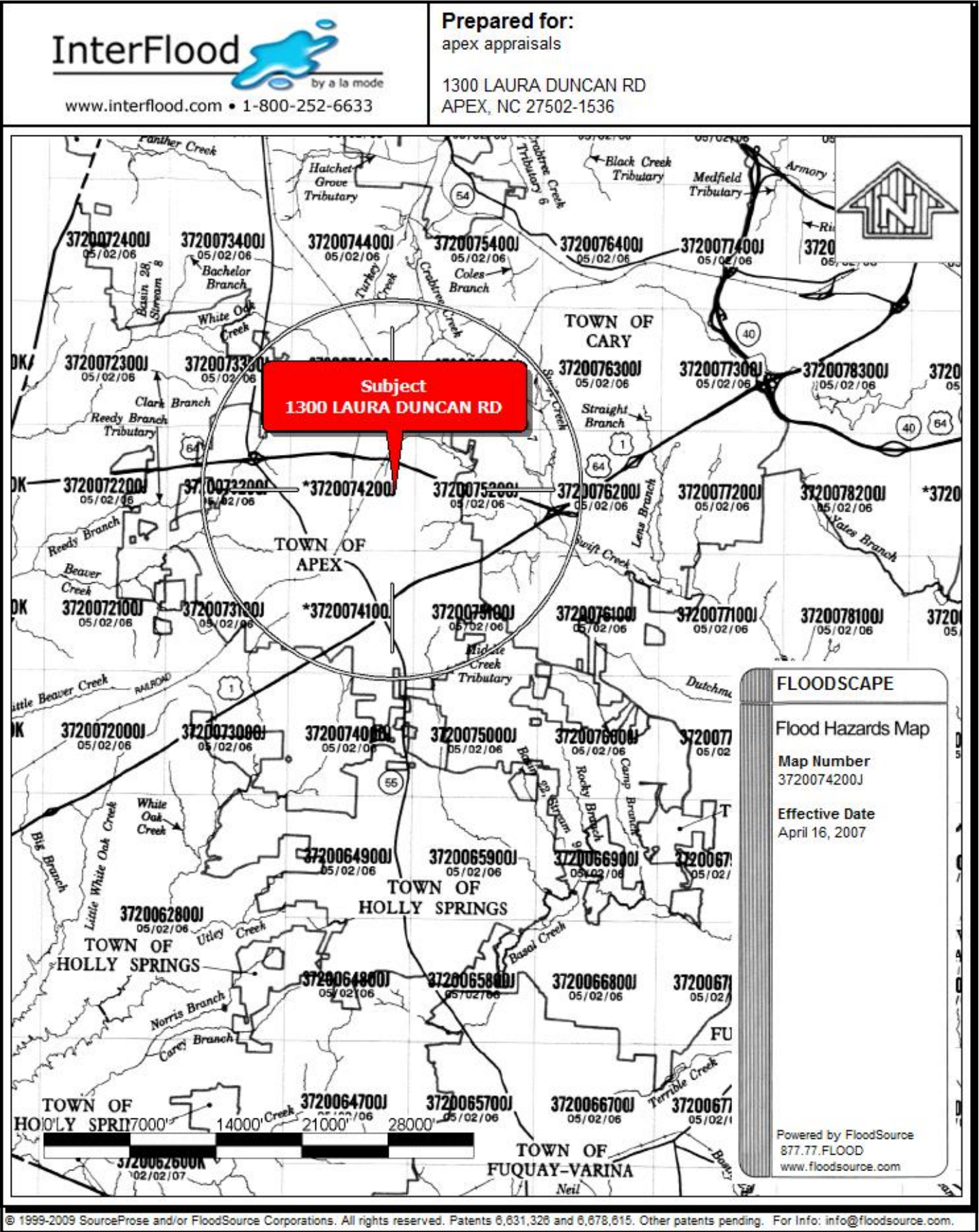
Plat Map

Borrower/Client	LUCAS, RANDOLPH & JUDY R			
Property Address	1300 LAURA DUNCAN RD			
City	APEX	County	WAKE	State NC Zip Code 27502-1536
Lender	JUDY LUCAS			



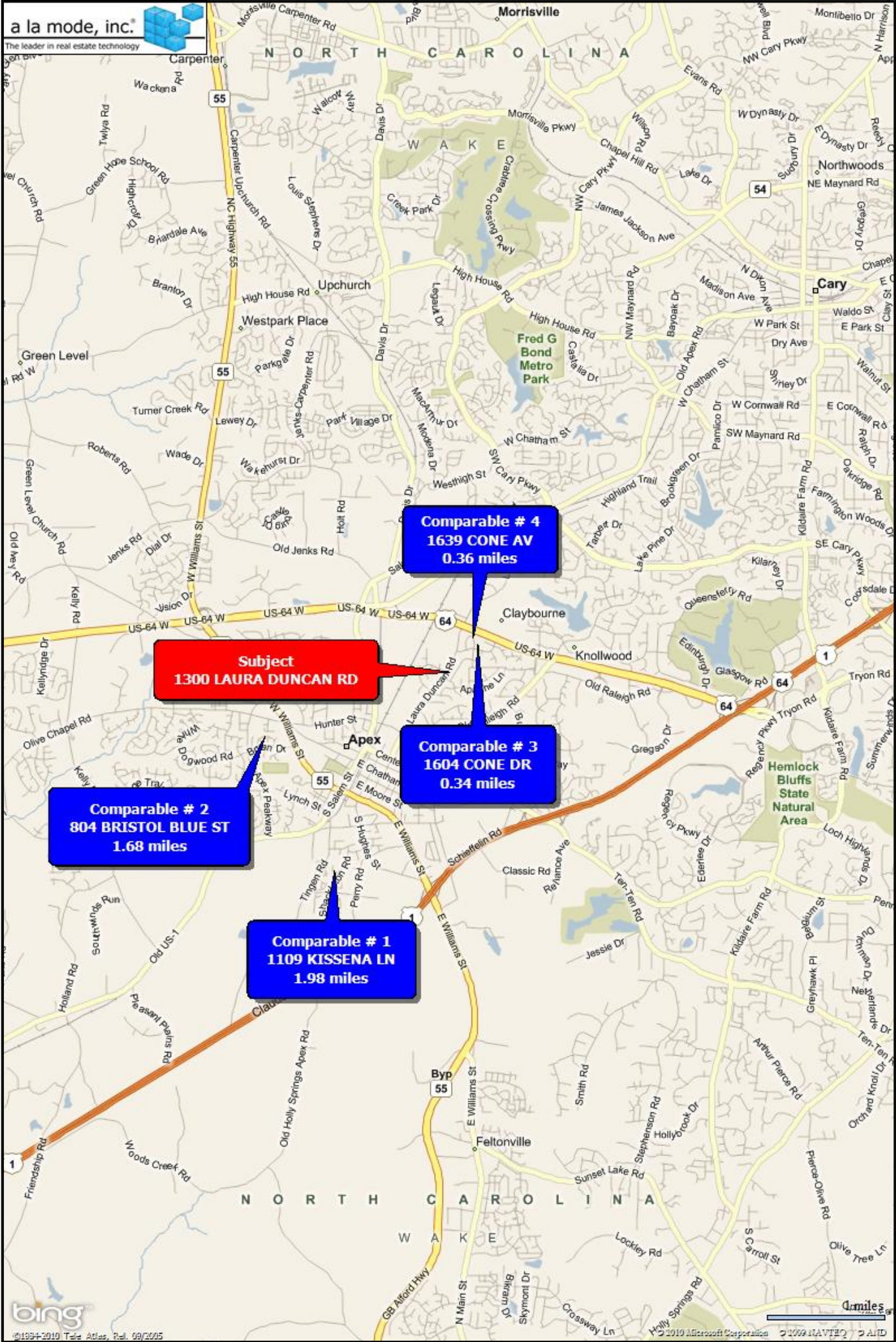
Flood Map

Borrower/Client	LUCAS, RANDOLPH & JUDY R			
Property Address	1300 LAURA DUNCAN RD			
City	APEX	County	WAKE	State NC Zip Code 27502-1536
Lender	JUDY LUCAS			



Location Map

Borrower/Client	LUCAS, RANDOLPH & JUDY R			
Property Address	1300 LAURA DUNCAN RD			
City	APEX	County	WAKE	State NC Zip Code 27502-1536
Lender	JUDY LUCAS			



Subject Photo Page

Borrower/Client	LUCAS, RANDOLPH & JUDY R				
Property Address	1300 LAURA DUNCAN RD				
City	APEX	County	WAKE	State	NC
Lender	JUDY LUCAS	Zip Code	27502-1536		



Subject Front

1300 LAURA DUNCAN RD
Sales Price N/A
Gross Living Area 1,953
Total Rooms 7
Total Bedrooms 4
Total Bathrooms 2
Location KNOLLWOOD
View RESIDENTIAL
Site 0.26 AC /AVG
Quality TYPICAL
Age 37 YRS E 10



Subject Rear



Subject Street

Comparable Photo Page

Borrower/Client	LUCAS, RANDOLPH & JUDY R				
Property Address	1300 LAURA DUNCAN RD				
City	APEX	County	WAKE	State	NC
Lender	JUDY LUCAS	Zip Code	27502-1536		



Comparable 1

1109 KISSENA LN
Prox. to Subject 1.98 miles SW
Sale Price 220,000
Gross Living Area 2,145
Total Rooms 8
Total Bedrooms 4
Total Bathrooms 2.5
Location PERRY FARMS
View RESIDENTIAL
Site 0.20 AC /AVG
Quality TYPICAL
Age 11 YRS



Comparable 2

804 BRISTOL BLUE ST
Prox. to Subject 1.68 miles W
Sale Price 195,000
Gross Living Area 1,723
Total Rooms 8
Total Bedrooms 3
Total Bathrooms 2.5
Location AMHERST
View RESIDENTIAL
Site 0.16 AC /AVG
Quality TYPICAL
Age 11 YRS

CONTINGENT



Comparable 3

1604 CONE DR
Prox. to Subject 0.34 miles NE
Sale Price 177,500
Gross Living Area 2,000
Total Rooms 8
Total Bedrooms 4
Total Bathrooms 2.5
Location KNOLLWOOD
View RESIDENTIAL
Site 0.50 AC /AVG
Quality TYPICAL / INF
Age 37 YRS E 20

HOME IS TOO FAR OFF
PUBLIC ROAD FOR
PICTURE TO CAPTURE.

Comparable Photo Page

Borrower/Client	LUCAS, RANDOLPH & JUDY R				
Property Address	1300 LAURA DUNCAN RD				
City	APEX	County	WAKE	State	NC
				Zip Code	27502-1536
Lender	JUDY LUCAS				



Comparable 4

1639 CONE AV	
Prox. to Subject	0.36 miles NE
Sales Price	175,000
Gross Living Area	1,875
Total Rooms	8
Total Bedrooms	4
Total Bathrooms	3
Location	KNOLLWOOD
View	RESIDENTIAL
Site	0.35 AC /AVG
Quality	TYPICAL / INF
Age	32 YRS E 20

Comparable 5

Prox. to Subject	
Sales Price	
Gross Living Area	
Total Rooms	
Total Bedrooms	
Total Bathrooms	
Location	
View	
Site	
Quality	
Age	



Subject Workshop 6

Prox. to Subject	
Sales Price	
Gross Living Area	
Total Rooms	
Total Bedrooms	
Total Bathrooms	
Location	
View	
Site	
Quality	
Age	