

**RESTRICTED USE APPRAISAL REPORT OF
62,109 SQUARE FOOT INDUSTRIAL BUILDING
1772 NC HIGHWAY 124 WEST
MACCLESFIELD, EDGECOMBE COUNTY, NORTH CAROLINA 27852**



PREPARED FOR
CHUCK SPAHOS

DATE OF INSPECTION JANUARY 28, 2025

PREPARED BY
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February 21, 2026

Chuck Spahos

RE: RESTRICTED USE APPRAISAL OF A 62,109 SQUARE FOOT WAREHOUSE BUILDING, LOCATED AT 1772 NC HIGHWAY 124 WEST, MACCLESFIELD, EDGECOMBE COUNTY, NORTH CAROLINA, 27852

As requested, we have made an appraisal investigation of the above-referenced property. Based on the data and analyses referenced in the attached report, the indicated Market Value of the subject is as follows:

Market Value Conclusion			
Appraisal Premise	Appraisal Interest	Effective Date	Value Conclusion
As Is	Fee Simple	February 20, 2026	\$345,000

The value estimate is supported by the data and reasoning set forth in the attached report and reflects prevailing economic conditions as of the date of the valuation. Your attention is invited to the Assumptions and Limiting Conditions set forth in the attached report.

The following appraisal report presents the most pertinent data gathered, the analysis, and the reasoning that support our value conclusions. This report is for the exclusive use of *Chuck Spahos*, and their affiliates. It is not our intention for any other party to rely on this appraisal provided by Quincy Appraisal Services, Inc., without prior written consent.

The appraisal analysis, opinion and conclusions were developed, and this report has been prepared, in conformance with (and the use of this report is subject to) all regulations.

issued under Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) and the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation in Washington, DC. We certify that we have no present or contemplated future interest in the property appraised, and further, that this

appraisal assignment was not made, nor was the appraisal rendered on the basis of a requested minimum valuation, specific valuation, or an amount, which would result in approval of a loan.

Respectfully submitted,



Angel B Quincy
NC Certified General Appraiser
Certification No. A-8274



SUMMARY OF SALIENT FACTS

The appraisal revealed the following facts and conclusions:

PARCEL ID:	13793-91-3082
PROPERTY LOCATION:	1772 NC Highway West 124, Macclesfield, Edgecombe County, North Carolina
CURRENT USE:	62,109 Square Foot Light Warehouse Building
YEAR BUILT:	Various Years Built
HIGHEST AND BEST USE AS THOUGH VACANT: AS IMPROVED:	Light Industrial Warehouse
PROPERTY OWNER:	Helen Merle Overton, As Trustee Under the Kimberly O Spahos Revocable Trust Dated the 16 th Day of December 2022
NEIGHBORHOOD:	Rural
ZONING:	M1
LAND AREA:	10.3 Acres
FLOOD ZONE:	A portion of the property is located within flood hazard zones.
APPRAISAL INTEREST:	Fee Simple
APPRAISAL PREMISE:	As Is
DATE OF VALUATION:	January 28, 2026
MARKET VALUE:	\$345,000

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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 contingent and limiting conditions, and are my personal, unbiased professional analysis, opinions, and conclusions.
- I have no present or prospective interest or bias in the property that is the subject of this report and have no personal interest or bias with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation is not contingent upon the reporting or 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 result, or the occurrence of a subsequent event.
- This appraisal was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Foundation, and the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant professional assistance to the person signing this report.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the American Society of Farm Managers and Rural Appraisers.
- As of the date of this report, I have completed the requirements of the continuing education program of the American Society of Farm Managers and Rural Appraisers as an associate member.



Angel B Quincy
NC Certified General Appraiser
Certification No. A-8274



ASSUMPTIONS AND LIMITING CONDITIONS

- 1) No responsibility is assumed for legal or title considerations. Title to the property is assumed good and marketable unless otherwise stated in this report.
- 2) The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.
- 3) Responsible ownership and competent property management are assumed unless otherwise stated in this report.
- 4) The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
- 5) All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
- 6) It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
- 7) It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.
- 8) It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in this appraisal report.
- 9) It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.
- 10) Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.
- 11) It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
- 12) The appraisers are not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraisers that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-

formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The appraiser's 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 unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.

- 13) Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
- 14) Any proposed improvements are assumed to be completed in a good workmanlike manner in accordance with the submitted plans and specifications.
- 15) The distribution, if any, of the total valuation in this report between land and improvements applied only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
- 16) Possession of this report or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraisers, and in any event, only with proper written qualification and only in its entirety.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or the firm with which the appraisers are connected) shall be disseminated to the public through advertising, public relations, news sales, or other media without prior written consent and approval of the appraisers.

OVERVIEW OF THE APPRAISAL ASSIGNMENT

Client and Intended User

The intended user of this appraisal report is Ceccarelli Rental Properties LLC successors or assigns, for asset management purposes. This report is not intended for the use of anyone other than the named client and its affiliates.

Date of Inspection/Value

The subject was inspected on *January 28, 2026*, and this is intended to be the effective date of the *As Is Market Value* of the subject.

Date of Report

February 20, 2026

Scope of Work

The *scope of work* encompasses the level of detail and documentation required by the appraiser to satisfy the purpose and premise of the appraisal. As indicated by the client, this assignment is for collateral valuation and loan underwriting purposes. Therefore, the level of detail and documentation in this report has been tailored to meet the purpose of the assignment, including the type and definition of the value to be developed, and the credibility of the reported value conclusions.

This report reflects all necessary information about the subject, market conditions, and market data available for analysis and conclusions. The data obtained came from normal sources that include the County Tax Assessor's offices, Court House records, physical inspections, real estate brokers and agents, property owners, and parties familiar with the various properties and transactions. In addition, use was made of local MLS data as well as our extensive market research stored within our files and reference materials. Additional information about this assignment has also been retained in our file memoranda.

Purpose of the Appraisal

The purpose of this appraisal is to report the *As Is Market Value* of the *Fee Simple Estate* of the subject property.

Intended Use

This appraisal was prepared for Chuck Spahos to assist with asset management decisions. It is our intention for this report to comply with the Uniform Standards of Appraisal Practice (USPAP) and Title XI of the Financial Institutions Reform and Recovery, and Enforcement Act of 1989 as currently amended (2006). This report is for the exclusive use by the named client and assigns. Quincy Appraisal Services, Inc., does not warrant any unauthorized use, nor is it our intention for another party to rely on this appraisal without prior written consent.

Competency Provision

The appraisers' specific qualifications are included within the Addenda of this report. These qualifications serve as evidence of my competence for the completion of this appraisal assignment in compliance with the competency provision contained within the Uniform Standards of Professional Appraisal Practice, as promulgated by the Appraisal Standards Board of the Appraisal Foundation. The appraiser's knowledge and experience, combined with their professional qualifications, are commensurate with the complexity of this assignment, based on the following:

- Professional experience
- Educational background and training
- Business, professional, academic affiliations and activities.

The Appraisal Process

The appraisal process is a systematic procedure by which the problem is defined; the work necessary to solve the problem is planned; and the data is collected, classified and analyzed to estimate a defined value. In defining the problem, this process must

- Identify the property to be appraised
- Identify the property rights to be appraised
- Determine the date of the value estimate
- Understand the intended use of the report
- Define the value to be estimated
- Apply the appropriate methodology
- Analyze the comparable data to arrive at a probable range of value via each approach to value used in this report
- Reconcile the results of each approach into a reasonable and defensible final estimate of value for the subject, as defined herein
- Estimate a reasonable exposure and marketing time associated with the property
- State all other contingent and limiting conditions

This appraisal and value conclusion reflect all pertinent known information about the subject, market conditions, and available data. The data obtained came from normal sources that include the County Tax Assessor's offices, Court House records, physical inspections, real estate brokers and agents, property owners, and parties familiar with the various properties and transactions. In addition, use was made of national and regional publications, as well as, my extensive market research stored within my files and reference materials.

Appraisal Report

According to the Uniform Standards of Professional Appraisal Practice, Standard Rule 2-2, each written real property appraisal report must be prepared as an Appraisal Report or Restricted Use Appraisal Report.

This is a *Restricted Use Appraisal Report*.

Restricted Appraisal Report

According to the Uniform Standards of Professional Appraisal Practice, Standard Rule 2-2, an appraisal report must be prepared under one of the following two options: Appraisal Reports, or Restricted Use Appraisal Reports. This is a Restricted Use Appraisal Report, which is intended to

comply with the reporting requirements set forth under Standards Rule 2-2(b) as noted below. The depth of discussion contained in this report is specific to the needs of the client and for the intended stated use. The appraisers are not responsible for unauthorized use of this report.

Restricted Use Appraisal Report presents only restricted discussions of the data, reasoning, and analyses that are used in the appraisal process to develop the appraisers' opinion of value. Supporting documentation concerning the data, reasoning, and analyses is contained in the appraisers' work files. The depth of discussion included in this report is specific to the needs of the client and for the intended use stated above.

Confidentiality Agreement

Acceptance and use of this appraisal is an implied confidentiality agreement with Quincy Appraisal Services, Inc. and the intended user and or named clients. Due to the nature of the appraisal industry, and most importantly, client and USPAP confidentiality requirements, the contents of this appraisal are considered confidential. In addition, the contents of this appraisal are also the intellectual property of Quincy Appraisal Services, Inc. not to be distributed without prior written agreement.

Property Rights Appraised

This appraisal is for the *Fee Simple Interest* and will be valued accordingly.

Hypothetical Conditions

A Hypothetical Condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

There are no Hypothetical Conditions in this report.

Extraordinary Assumptions

An Extraordinary Assumption is an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.

There are no Extraordinary Assumptions in this report.

DEFINITIONS

Market Value

Market value¹ as defined by the federal financial institutions' regulatory agencies is as follows:

Market value means the most probable price, which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as a specified date and the passing of title from seller to buyer under conditions whereby:

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

Market value does not account for the unpredictable buyer who pays a price in excess of that which is reasonable, supportable, or sales which are made under atypical market conditions.

Fee Simple Interest

The Dictionary of Real Estate Appraisal 5th Edition defines Fee Simple Interest as: "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

Highest and Best Use

The Dictionary of Real Estate Appraisal 5th Edition defines Highest and Best Use as: "The reasonably probable and legal use of vacant land or an improved property which is physically possible, appropriately supported, financially feasible, and results in the highest value. The four criteria the highest and best use must meet are: legal permissibility, physical possibility, financial feasibility, and maximum productivity."

¹ This definition of market value is taken from: The Office of the Comptroller of the Currency under 12 CFR, Part 34, Subpart C-Appraisals, August 24, 1990



Exterior of Old School Building



Exterior



Exterior



Exterior (Damage to Rear of Building)



Exterior



Interior of 5,736 SF Building



Interior of 5,736 SF Building



Interior of 6,874 SF Brick Building



Interior of 6,874 SF Brick Building



Interior of 4,998 SF Metal Building



Interior of 4,998 SF Metal Building



Interior of 12,078 SF Brick Building



Interior of 12,078 SF Brick Building



Interior of 12,078 SF Brick Building



Interior of 18,000 SF Metal Building



Interior of 18,000 SF Metal Building



Interior of 18,000 SF Metal Building



Interior of 10,500 SF Metal Building



Interior of 10,500 SF Metal Building



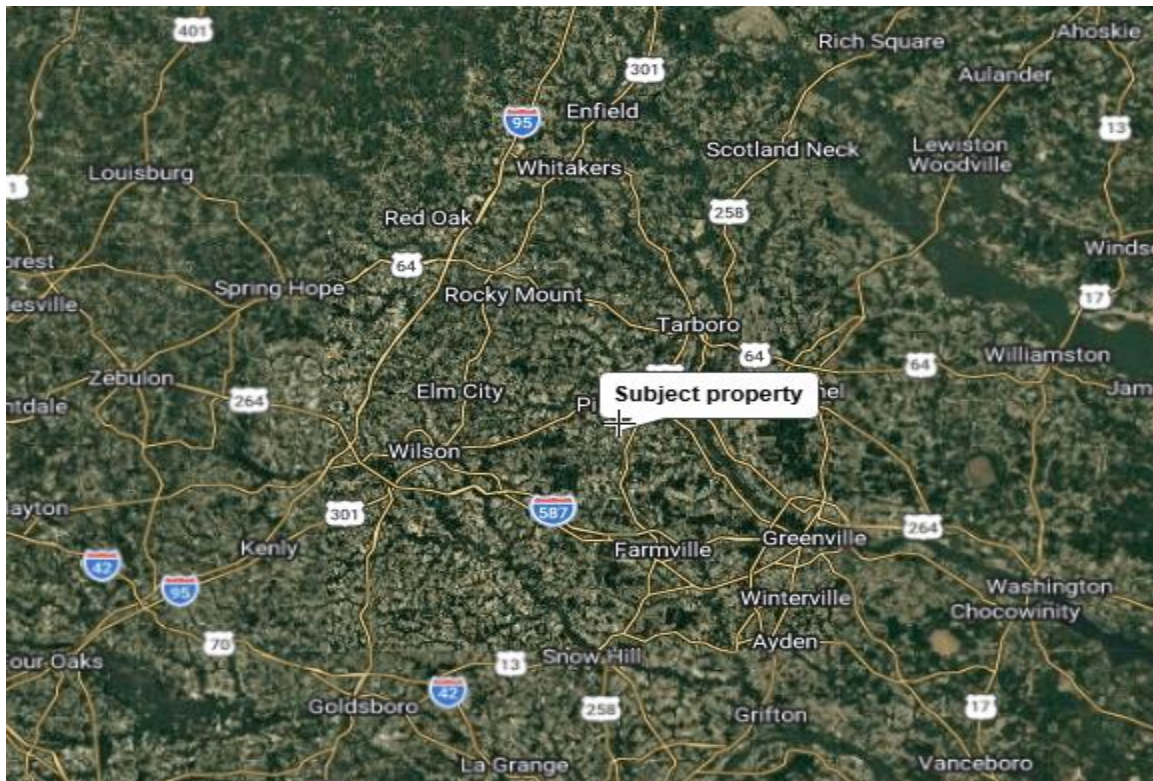
Surrounding Land



Surrounding Land



Subject Location Map – Neighborhood



Subject Location Map – Region

IDENTIFICATION OF THE PROPERTY

The subject property is a 62,109 square foot light industrial building constructed over multiple years located on 10.3 acres of land located on the northern side of NC Highway 124 just east of the town of Macclesfield in southern Edgecombe County, North Carolina.

The subject's physical address is 1772 NC Highway 124 West, Macclesfield, North Carolina 27852

It is identified by the Edgecombe County Tax Department as Parcel 3793813082

The site's legal description is recorded in Deed Book 1771 Page 934 of the Edgecombe County Registry.

HISTORY OF THE PROPERTY

The subject property was transferred from Richard and Helen Overton to Helen Merle Overton, As Trustee Under the Kimberly O Spahos Revocable Trust Dated the 16th Day of December 2022 on December 28, 2022. No deed stamps were recorded. The deed was recorded in Deed Book 1771 Page 934 of the Edgecombe County Register of Deeds.

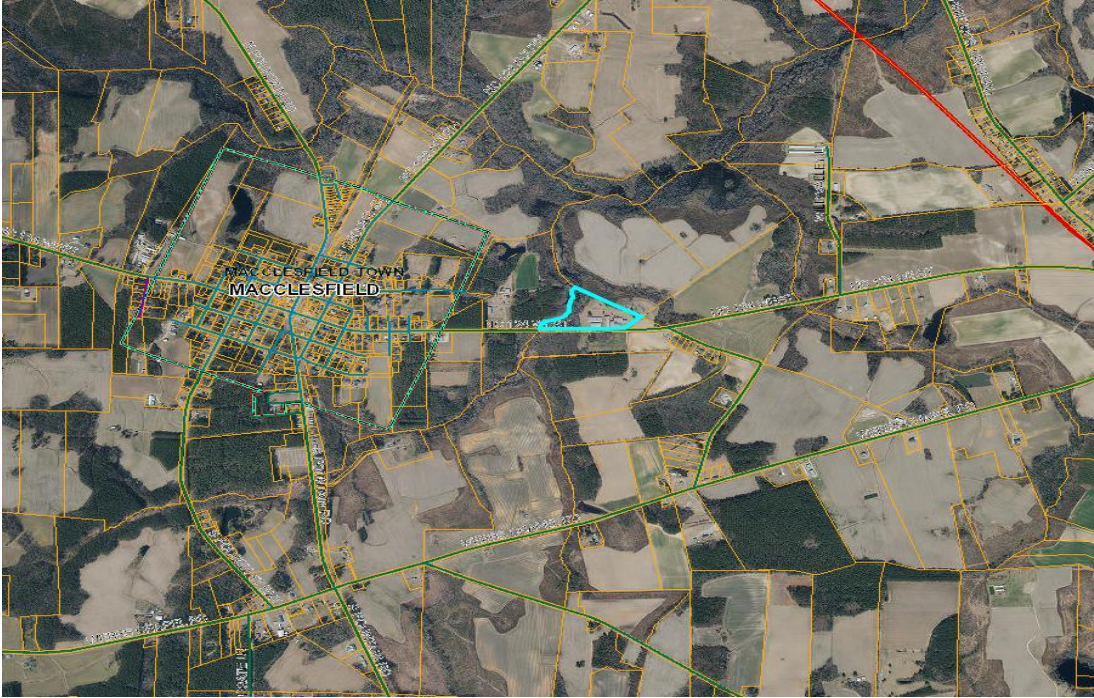
To the best of the appraiser's knowledge, there have been no 3rd party sales or transfers involving the subject property within the past 3 years.

Legal Description

BEGINNING at a point in the center of a bridge on N. C. Highway 124 (the Macclesfield and Crisp Road) approximately 0.5 mile east of Macclesfield, said point being the point at which the centerline of N. C. 124 crosses the center of the run of Briery Branch; from said point of beginning running thence along and with the centerline of N.C. Highway 124 S. 84 degrees 15 minutes E. 1142 feet to a point, cornering; thence N. 52 degrees 55 minutes E. to and through an iron pipe in the Northern right of way line of N. C. Highway 124 on or near the east side of a farm path, 336 feet to an iron pipe in or near said path, corner with the land of Wiley Mears; thence with the Mears' line N. 54 degrees 15 minutes W. 1034 feet to an iron pipe on the east side of Briery Branch; thence S. 9 degrees 43' W. 498.9 feet to an iron pipe; thence south 67 degrees 22' West 521 feet to the beginning, being described according to survey and map entitled "Map of Living Hope Elementary School, Edgecombe County Board of Education, No. 9 Township, April 21, 1965, By Dasher & Davis"

This being the same property conveyed to Grantor herein by deed of record in Book 1420, Page 54, Edgecombe County Registry.

NEIGHBORHOOD AND MARKET DESCRIPTIONS AND ANALYSES



Location

The subject property is located on the northern side of NC Highway 124 and is located just east of the town of Macclesfield.

Neighborhood Boundaries

- East:** NC Highway 258 - Approximately 1.0 Miles
- West:** Edgecombe/Wilson County Line – Approximately 4.0 Miles
- South:** Edgecombe/Pitt County Line- Approximately 4.5 Miles
- North:** NC Highway 42– Approximately 2.75 Miles

Land Use

The subject property is located just east of the town of Macclesfield in southern Edgecombe County. The area surrounding the subject property is primarily rural with limited commercial development within the neighborhood. Commercial and industrial development tends to be primarily located near the town of Tarboro or the city of Rocky Mount. The industrial development in the local market primarily consists of local owners and small businesses.

Macclesfield

The town of Macclesfield is a small town which was established in approximately 1900 along the East Carolina Railroad. The town has a population of approximately 471. The limited commercial businesses in the town consists of a Dollar General retail store and a Kwik Stop Convenience store.

Edgecombe County

Edgecombe County is a rural county situated approximately one hour's drive east of Raleigh and approximately a two hour's drive inland from the coast of North Carolina. The county has a population of approximately 56,000. The county maintains a primarily agricultural economic base.

Population	
Population estimates, July 1, 2023, (V2023)	NA
Population Estimates, July 1, 2022, (V2022)	10,668
Population estimates base, April 1, 2020, (V2023)	NA
Population estimates base, April 1, 2020, (V2022)	10,710
Population, percent change - April 1, 2020 (estimates base) to July 1, 2023, (V2023)	NA
Population, percent change - April 1, 2020 (estimates base) to July 1, 2022, (V2022)	-0.4%
Population, Census, April 1, 2020	10,721
Population, Census, April 1, 2010	11,415
Housing	
Housing units, July 1, 2022, (V2022)	X
Owner-occupied housing unit rate, 2018-2022	58.1%
Median value of owner-occupied housing units, 2018-2022	\$145,600
Median selected monthly owner costs -with a mortgage, 2018-2022	\$1,346
Median selected monthly owner costs -without a mortgage, 2018-2022	\$545
Median gross rent, 2018-2022	\$657
Building permits, 2022	X
Families & Living Arrangements	
Households, 2018-2022	4,776
Persons per household, 2018-2022	2.12
Income & Poverty	
Median household income (in 2022 dollars), 2018-2022	\$43,523
Per capita income in past 12 months (in 2022 dollars), 2018-2022	\$30,196
Persons in poverty, percent	24.0%
Geography	
Population per square mile, 2020	924.9
Population per square mile, 2010	1,025.3
Land area in square miles, 2020	11.59
Land area in square miles, 2010	11.13

SITE DESCRIPTION AND ANALYSIS



The subject property consists of approximately 10.3 acres of land located on the northern side of NC Highway 124, just east of the town of Macclesfield in southern Edgecombe County.

Size: 10.3 Acres

Frontage: +/- 1,166' on the north side of NC Highway 124

Parking: A gravel parking area is located at the front of the building with dirt parking areas surrounding the buildings.

Shape: Irregular

Easements and Encroachments: There are no known easements with the exception of typical utility and right-of-way easements. There are no adverse easements or encroachments noted.

Utilities: All city utilities are available to the site, including water, septic, electricity, natural gas, telephone service, and cable service.

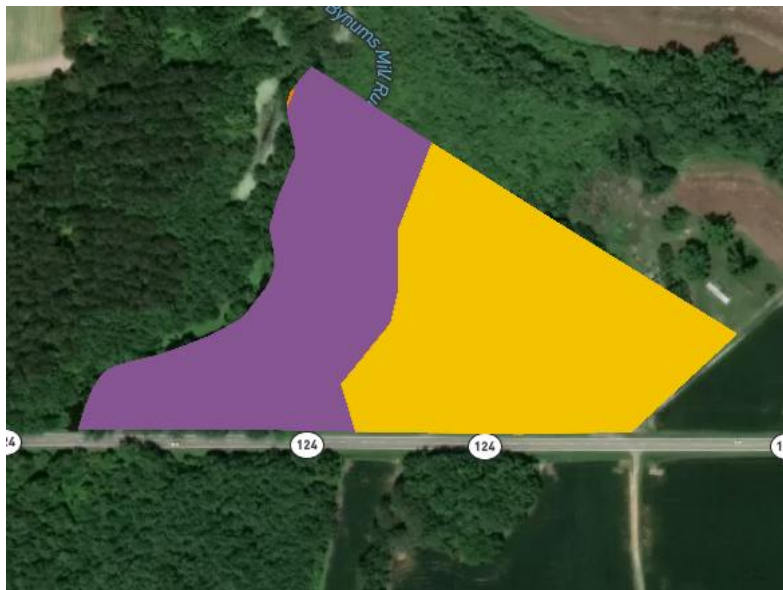
Topography: The subject site is level and at the grade of the surrounding city streets

Drainage:

The subject is partially located within the flood way and the 100-year hazard zones of Briery Branch as shown of FEMA Flood Map 3720379300K effective 6/2/2015.



Soil Conditions:



SOIL CODE	SOIL DESCRIPTION	ACRES	PERCENTAGE OF FIELD	SOIL CLASS ①	AVG NCCPI
■ NoB	Norfolk loamy sand, 2 to 6 percent slopes	6.43	55.1%	2	67.5
■ BB	Bibb soils	5.23	44.9%	5	54.1

Environmental

Quincy Appraisal Services is not qualified to detect potentially hazardous materials on or within the site. The existence of hazardous materials may have an effect on the value of the property. For the purpose of this assignment, it is specifically assumed that there are no hazardous materials that would cause a loss in value.

Zoning

The subject site is within the **M-1 – Light Industrial District**. The Light Industrial district is designed as an area primarily for industrial assembly, fabrication, and storage located on planned sites with access to major highways and with adequate utility facilities. Specific performance standards place limitations on the characteristics of uses located in this district.

C. M-1 DIMENSIONAL REQUIREMENTS	
STANDARD	ALLOWABLE DEVELOPMENT
Max. Residential Density (units/acre) [1]	
Non-Residential Use	N/A
Minimum Lot Area (sq. ft.) [1]	
Non-Residential Use	No minimum
Minimum Lot Width (linear ft.)	
Non-Residential Use	100
Maximum Lot Coverage (% of lot area) [1]	
Non-Residential Use	60
Minimum Street Setback (linear feet) [2] [3] [4]	
Non-Residential Use	35
Minimum Side Setback (linear feet) [2] [5]	
Non-Residential Use	10 [6]
Minimum Rear Yard Setback (linear feet) [2] [5]	
Non-Residential Use	20 [6]
Minimum Perimeter Setback (for multi-building development) [2] [5]	
Non-Residential Use	40 [6]
Maximum Building Height (feet)	
Non-Residential Uses	No Maximum

IMPROVEMENTS DESCRIPTIONS AND ANALYSES



The subject property is improved with approximately 62,109 square feet of light industrial space. The property is comprised of multiple buildings which have been constructed over multiple years.

The original brick structures on the property were built in approximately 1940. The buildings were built as the Living Hope Elementary School. The school was decommissioned over 30 years ago and sold by the Edgecombe County School Board. The additional buildings are steel frame light industrial buildings which were built in the mid 1980's. The newer steel frame buildings have been built adjoining the older brick buildings on the property with walkways connecting.

The exteriors of the buildings are considered to be in various condition states. The brick buildings have broken windows and deterioration around the roof structure. The metal buildings have less exterior condition concerns. There are some areas of damage around some of the overhead doors and the roof trim.

A breakdown of the buildings are as follows:

- 3,923 Square Foot Brick building built in approx. 1940 – Used for Parts Storage – Poor Condition
- 6,874 Square Foot Brick building built in approx. 1950 – Used for Storage and office – Poor Condition
- 12,078 Square Foot Brick building built in approx. 1940 – Used for Parts Storage – Poor Condition
- 18,000 Square Foot Steel Frame Metal Building Built in 1985 – Light Industrial and Storage Use – Below Average Condition
- 5,736 Square Foot Steel Frame Metal Building Built in 1985 – Light Industrial and Storage Use – Below Average Condition

- 4,998 Square Foot Steel Frame Metal Building Built in 1985 – Light Industrial and Storage Use – Poor Condition
- 10,500 Square Foot Steel Frame Metal Building Built in 1988 – Light Industrial and Storage Use – Below Average Condition

The brick constructed buildings all have a brick façade and asphalt shingle roof structures. The buildings were formerly used as an elementary school and interior layout reflects this prior use. The flooring is ceramic tile. The buildings have significant deferred maintenance with noted ceiling structure failures and tile flooring which is broken and peeling off the subfloor. There are areas which have noted ceiling leaks and water damage. The front areas which were prior cafeteria and office spaces have most recently been used for storage as well as continued office space. The buildings are considered to be in poor condition. *Based on the age of the building, a lead paint test would be recommended.*

The steel frame metal structure buildings have smooth concrete flooring and exposed steel frame and exposed vinyl backed insulation along the walls and ceilings. There are noted deferred maintenance issues with these buildings such as the deterioration of the vinyl backed insulation in some areas. The rear wall of the 4,998 square foot metal building has collapsed with the interior exposed. The 18,000 square foot building is considered to be in the best condition of all of the buildings on the property. The building has ceiling mounted gas heaters, with an operational status unknown. Skylights run along the roof structure of the building. The building has lighting via strip fluorescent fixtures along the ceiling. All of the metal buildings include overhead doors for truck and drive in access.



Functional Obsolescence/Depreciation

There is no Functional Obsolescence/Depreciation associated with the subject property.

External Obsolescence/Depreciation

There is no External Obsolescence/Depreciation associated with the subject property.

Environmental Concerns

Quincy Appraisal Services is not qualified to detect potentially hazardous materials such as mold, lead paint, asbestos, urea formaldehyde foam insulation, or other potentially hazardous construction material, on or in the improvements. The existence of such substances may have an effect on the value of the property.

For the purpose of this assignment, it is specifically assumed that there are no hazardous materials that would cause a loss in value unless otherwise stated.

Deferred Maintenance

The buildings all have some varying degrees of deferred maintenance. The primary areas of concern are noted above. The older brick buildings suffer from the greater amount deferred maintenance primarily due to age and lack of use of the buildings.

Conclusion

The buildings have all been used for storage and for light industrial use. Even with the deferred maintenance issues, the buildings are still considered to be well suited for these uses.

REAL ESTATE TAXES AND ASSESSMENT DATA

Based on the Sampson County assessments and the estimated assessment, the subject's annual taxes are summarized below:

TAX ASSESSMENT INFORMATION	
Item	Assessment Info
Parcel Number	3793813082
Estimated Assessed Value	\$271,195
Building Area - Assessed Sq. Ft.	-
Tax Value / Building Sq. Ft.	\$0.00
Total Tax Rate	\$0.970
Estimated Annual Taxes	\$2,631
<i>Source, Edgecombe County Assessment</i>	

HIGHEST AND BEST USE

According to the Thirteenth Edition of The Appraisal of Real Estate, published by the Appraisal Institute, four common standards exist to help determine land or a site's highest and best use as vacant and improved. The highest and best use of land or a site must be:

1. **Legally Permissible:** What uses of the subject tract of land or site are permitted by zoning or deed restrictions?
2. **Physically Possible:** What uses of the subject tract of land or site are physically possible?
3. **Financially Feasible:** Which possible and permissible uses will produce the highest return to the owners of the subject tract of land or site?
4. **Maximally Productive:** The use that produces the highest price or value consistent with the rate of return warranted by the market; for that use is the highest and best use.

The prior four standards are applied in order to the subject property both as vacant and as improved when applicable. To test the highest and best use as vacant and/or improved, all logical feasible alternatives are analyzed. Each alternative use must first meet the tests of legally permissible and physically possible. The uses that meet the first two tests then are analyzed to establish how many financially feasible alternatives must be considered. One use may be physically possible, but then not legally permissible. Only when there is a reasonable possibility that one of the prior, unacceptable conditions can be changed is it appropriate to proceed with the analysis.

Since a complete feasibility study is not within the scope of this appraisal assignment, only those reasonable and logical neighborhood alternatives will be analyzed.

Highest and Best Use as though Vacant

The subject's Highest and Best Use as though Vacant is for light industrial development.

Legally Permissible: The subject's light industrial use allows for various light industrial and warehouse uses of the property.

Physically Possible: All legally permissible uses of the property are also physically possible.

Financially Feasible: The property is located in an area which includes primarily rural development. There is a demand for local light industrial businesses which tend to be owner occupied. This use is considered financially feasible for this location.

Maximally Productive: The maximally productive use of the subject site as vacant is to for light industrial development.

Highest and Best Use as Improved

The improvements are consistent with existing construction and land use patterns in the neighborhood. No other use is known that would warrant the wasting of the improvements and that would offer a higher return to the land. The existing improvements are the Highest and Best Use of the land as improved.

VALUATION – APPRAISAL METHODOLOGY

In the application of the various analytic appraisal methods, an approach to value is included or omitted based on its applicability to the property type being appraised and the quality and quantity of information available.

Cost Approach

The Cost Approach is based on the premise that the informed buyer would pay no more for the property than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves new and or 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 few sales or leases of comparable properties.

Also, the subject's original improvements are over 50 years old, the appropriate amount of physical depreciation is difficult to determine. The Cost Approach is most relevant when a property is relatively new and depreciation levels can be accurately calculated.

Sales Comparison Approach

The Sales Comparison Approach utilizes sales of comparable properties, adjusted for differences in characteristics, to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as a price per square foot, price per unit, per floor area, etc, or economic units of comparison such as gross rent or effective gross income multipliers. Adjustments are applied to the physical units of comparison derived from the comparable sales. The unit of comparison is then applied to the subject in the same manner as it was extracted from the comparables to estimate a total value.

Income Approach

The Income Approach reflects the subject's income-producing ability. This approach is based on the assumption that the value is created by the investor's expected benefits to be derived in the future. Specifically, the Income Approach estimates the value an investor would be willing to pay to receive an income stream plus the reversion over a specific period of time. The two principal techniques associated with the Income Capitalization Approach are Direct Capitalization and the Discounted Cash Flow (DCF) analysis.

Methodology Applicable to the Subject

For the scope of work for this appraisal report, the Sales Comparison Approach is developed.

VALUATION – APPRAISAL METHODOLOGY

In the application of the various analytic appraisal methods, an approach to value is included or omitted based on its applicability to the property type being appraised and the quality and quantity of information available.

Cost Approach

The Cost Approach is based on the premise that the informed buyer would pay no more for the property than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves new and or 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 few sales or leases of comparable properties.

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Methodology Applicable to the Subject

The sales comparison is the only applicable approach to value as determined by the scope of work of this report and is applied to the subject property.

Sale No. 1



Property Identification

Property Type	Industrial
Address	5887 West Blount Street, Fountain, Pitt County, North Carolina
Tax ID	31642

Sale Data

Grantor	Coyoc Real Estate USA LLC
Grantee	J&L Swart Enterprise Inc
Sale Date	February 29, 2024
Sale Price	\$255,000
Deed Reference	4498/741
Property Rights	Fee Simple
Conditions of Sale	Market / Arm's Length

Indicators

Sale Price/SF	\$9.54/sf
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Remarks

The property consists of three buildings with a total of 26,737 square feet. The property buildings include a 20,937 square foot steel frame metal light industrial building. The other buildings consist of former school building with an additional 5,800 square feet of storage space. The property was purchased by an automotive repair and parts store. The metal building was built in 1976. The old school building was built in 1930. The property is zoned LI. The building sits on 2.0 acres of land.

Improved Sale No. 2



Property Identification

Property Type Warehouse
Address 1805 Boone Street, Rocky Mount, Nash County, North Carolina
Tax ID 030349

Sale Data

Grantor Opportunities Industrialization Center Incorporation
Grantee 1805 Rocky Mount LLC
Sale Date December 23, 2024
Deed Book/Page 3388/94

Indicators

Sale Price \$375,000
Sale Price/SF \$7.11

Remarks

The property consists of a total of 52,000 square feet of warehouse space located in the city of Rocky Mount. The building has an original section built in the early 1900's which is brick construction and wood frame. The addition of the building is steel frame metal warehouse built in the 1970's. The property has a total of 3.41 acres. The building has been vacant for several years and is considered to be in below average condition.

Sale No. 3



Property Identification

Property Type Industrial
Address 215-219 Wright Avenue, Henderson, Vance County, North Carolina
Tax ID 0083 01010A, 0083, 01011

Sale Data

Grantor Universal Leaf
Grantee Lenora Street LLC
Sale Date February 14, 2025
Deed Reference 1457/529
Property Rights Fee Simple
Conditions of Sale Market / Arm's Length

Indicators

Sale Price/ \$400,000
Sale Price/SF \$4.18/ SF

Remarks

The property consists of 95,735 square feet of warehouse space in two buildings. The warehouses were built in 1950 and used for warehouse storage. The interior has a wood frame and wood columns. The flooring is smooth concrete with metal panel exterior. The buildings are considered to be in below average condition. The building sits on 5.05 acres of land.

Sale No. 4



Property Identification

Property Type	Industrial
Address	234 Battley Dairy Road, Hamlet, Richmond County, North Carolina
Tax ID	748103139764

Sale Data

Grantor	Mary and William Snider
Grantee	Company Store Properties LLC
Sale Date	December 19, 2025
Sale Price	\$342,000
Deed Reference	2055/182
Property Rights	Fee Simple
Conditions of Sale	Market / Arm's Length

Indicators

Sale Price/SF	\$7.62/sf
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Remarks

The property consists of a total of 44,908 square feet of warehouse space built in 1967. The property has been vacant for multiple years. The property is located on 8.30 acres. The building has a steel frame and metal exterior. The interior has concrete floors with vinyl-backed insulation walls. There are areas of damage to the insulation. There is also some office space at the front of the building. The buildings are considered to be in below average condition.

Comparable Sales Summary Table

No.	Location	Sale Date	Price	Building Size (SF)	Price/SF
1.	5887 West Blount Street, Fountain, NC	February 29, 2024	\$255,000	26,737	\$9.54
2.	1805 Boone Street, Rocky Mount, NC	December 23, 2024	\$375,000	52,000	\$7.11
3.	215-219 Wright Avenue, Henderson, NC	February 14, 2025	\$400,000	95,735	\$4.18
4.	234 Battley Dairy Road, Hamlet, NC	December 19, 2025	\$342,000	44,908	\$7.62

Comparable Sales Location Map – All Sales



Reconciliation – Sales Comparison Approach

The subject property consists of a light industrial property which is made up of multiple buildings on 10.3 acres of land. The property was originally constructed as a public school in approximately 1940. The additional steel frame metal buildings were constructed in the mid 1980's. This is a unique building construction. The building has been used for automotive repair and parts storage. The condition of the buildings are considered to be poor to below average.

Comparable Sale 1 consists of a very similar construction with a steel framed light industrial building and an old school building used for the same automotive repair and parts storage. The property is located on a parcel within the town limits of Fountain. This sale has less square feet than the subject. Typically, smaller buildings have a higher sales price per square foot due to economies of scale.

Comparable Sale 2 consists of a former tobacco warehouse storage building inside of the city limits of Rocky Mount. The building consists of two combined buildings with one being built in the early 1900's and a second newer building. The building is basic with open storage areas throughout.

Comparable Sale 3 is a former tobacco warehouse building built in the mid 1900's on the southern side of the city of Henderson. The building has a wooden frame and wood columns throughout. The flooring is concrete with minimal office areas. The building is larger than the subject property. As mentioned above, larger buildings have a lower price per square foot due to economies of scale.

Comparable Sale 4 is a former light industrial and distribution warehouse built in the mid 1960's. The building has a steel frame structure with concrete flooring. The building has been vacant for several years. There are some office space areas.

Based on the above sales, there is a market for older warehouse and storage buildings in the area with deferred maintenance and conditional issues. The subject property is located in a rural area in southern Edgecombe County. The property would be suited for light industrial use or warehouse space. Comparable Sale 1 is considered to be on the high end of the range of values, this property is smaller than the subject property and would be adjusted downward. Comparable Sale 3 is a much larger property and is considered to be on the lower end and would be adjusted upward. The Sales 2 and 4 are considered to be in slightly better condition. Comparable Sale 4 also has a greater amount of functional office space.

Based on the above analysis. The subject property is considered to be on the lower end of the range of values due to the building conditions and amount of potential repairs needed to the buildings. A value of \$5 per square foot is concluded.

Market Value of Subject Property by Sales Comparison Approach

69,102 Square Feet x \$5 per Square Foot = \$346,000

MARKETING AND EXPOSURE TIME

The *Marketing Time* is the anticipated time required to sell the property, as of the date of the appraisal, should the property be placed on the market. This appraisal assumes a marketing time of approximately 12 months.

The *Exposure Time* is the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. The exposure time prior to the date of valuation would likely have been 12 months.

ADDENDA

ENGAGEMENT LETTER.....A
APPRAISERS' QUALIFICATIONSB

Angel B. Quincy

3160 Harts Mill Run Road, Tarboro, NC 27886

Telephone: (252) 903-3695

Email: Quincyappraisal@gmail.com

Employment History

Quincy Appraisal Services, Tarboro, North Carolina, 2020 – Present

Stronach Commercial Appraisal Services, Wilson, North Carolina 2013 – 2021

Edgecombe County Local Government, Tarboro, North Carolina, 2004-2013

First South Bank, Rocky Mount, North Carolina, 2002-2004

Education - Certifications

North Carolina Certified General Real Estate Appraiser, Certification No. A8274

Member American Society of Farm Managers and Rural Appraisers

Member National Association of Realtors

North Carolina State University, BS – Agricultural Business Management – 2002

Education – Recent Specialized Coursework

Timberland Valuation – American Society of Farm Managers and Rural Appraisers - 2021

Valuation of Conservation Easements – American Society of Farm Managers and Rural Appraisers – 2020

Analyzing Swine Comp Sales – American Society of Farm Managers and Rural Appraisers - 2020

Property Rights – American Society of Farm Managers and Rural Appraisers -2019

Appraisal Experience

Rural Residential

Agricultural Land

Hog Farms

Poultry Farms

Vacant Land

Office Buildings

Restaurants and Retail Buildings

Retail Centers

Industrial and Warehouse Property

Multi-unit Residential Property

Religious Facilities

Clientele

Truist Bank

PNC Bank

First Citizens Bank

United Bank

Providence Bank

Select Bank and Trust

Anchor Bank

Southern Bank



**NORTH CAROLINA
APPRAISAL BOARD**

APPRAISER QUALIFICATION CARD

REGISTRATION / LICENSE / CERTIFICATE HOLDER		
ANGEL B QUINCY		
25		26
A8274	G	Y
APPRAISER NUMBER	TYPE	NATIONAL REGISTRY

Angel Quincy
Appraiser's Signature

[Signature]
Executive Director

EXPIRES JUNE 30, 2026