

*A Neighborhood Compatibility Study
concerning the proposed*

Ferrington Place Re-Zoning Affect upon Neighboring Values

located at:

The Northwest Corner
of
NC Hwy 15/501 & Morris Road
Pittsboro, North Carolina 27312

Prepared for:

Mr. Jesse Ferrington
Property Owner

Nicolas P. Robinson
Bradshaw & Robinson, LLP
128 Hillsboro Street
Pittsboro, NC 27312

To be presented to:

The Chatham County Board of Commissioners
The Chatham County Planning Department
representing the
People of Chatham County, North Carolina

Prepared by:

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as of the effective date being:

May 7, 2006

As written this:

May 10, 2006

May 10, 2006

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Mr. Jesse Fearington

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Chatham County Board of Commissioners
Chatham County Planning Department
representing the
People of Chatham County

Subject: Fearington Place Re-Zoning
Neighborhood Compatibility Study - Impact Upon Neighboring Property Values

Dear Sirs and Madames:

Per Mr. Nicolas P. Robinson's request, I have memorialized my opinions concerning the likely impact of the Fearington Place re-zoning and subsequent retail facility development on neighboring residential property values within the enclosed report.

Please note that my research and analyzes have focused upon matters identified under "Finding #3" of the Chatham County Zoning Ordinance. Specifically, the question is posed as to whether the proposed development would negatively impact the market values of neighboring and nearby residential properties.

Based upon the subject property being developed in accordance with the site plans and development specifications presented within the owner's re-zoning submission package, (utilizing alternate vehicular entry between out-lots 3 and 4), there is no evidence to conclude that neighboring and nearby residential property values will be adversely affected by the proposed development.

Such a conclusion is supported by; 1). numerous detailed appraisal studies of similar situations that are published in reputable appraisal journals; 2). contemporary urban planning and residential development design practices, and; 3). a Chatham County specific analysis of residential property values that are similarly located within proximity to a large-scale retail development.

The enclosed report presents an overview of the general information considered, as well as my location specific analyzes performed in developing my opinion.

Sincerely,

Nicholas E. S. Erpelding
NC Certified General Appraiser, License No.: A-5391

Summary of Important Facts and Conclusions

Ferrington Place Re-Zoning / Affect Upon Neighboring Values

Based upon the subject property being developed in accordance with the site plans and development specifications presented within the owner’s re-zoning submission package, (utilizing alternate vehicular entry between out-lots 3 and 4), there is no evidence to conclude that neighboring and nearby residential property values will be adversely affected by the proposed development.

Such a conclusion is supported by; 1). numerous detailed appraisal studies of similar situations that are published in reputable appraisal journals; 2). contemporary urban planning and residential development design practices, and; 3). a Chatham County specific analysis of residential property values that are similarly located within proximity to a large-scale retail development.

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Report Introduction**Identification of Problem:****General Problem:**

Finding #3 of the Chatham County Zoning Ordinance requires that "The requested permit will not impair the integrity or character of the surrounding or adjoining districts, and will not be detrimental to the health, safety, or welfare of the community."

General Question:

Would/will the development of the contemplated retail center impair the integrity or character of surrounding and/or adjoining districts?

Would/will the development of the contemplated retail center be detrimental to the health, safety, welfare of the community.

Specific Problem:

The analyzes performed are limited to include the economic impact of the proposed development upon neighboring residential properties. [Given the retail character of the proposed development, it is assumed that the subject will not pose a health or safety risk to nearby properties.]

Identification of Solution Sought:

Unlike an appraisal analysis, the solution sought is not a specific opinion of market value. As such, the analyzes performed, and this report in total, is not to be considered as an appraisal of the subject property or neighboring properties.

Concerning the problem at hand, the investigation and analyzes are limited to ascertaining the affect of the new retail center contemplated for development on the east portion of the ±29.6 acre site relative to surrounding residential property values.

Purpose of this Analysis:

The purpose of the analyzes performed is to arrive at an opinion concerning the likely impact of the retail development upon neighboring property values.

Intended User:**Immediate:**

The client is identified as Mr. Jesse Farrington, owner of the subject property, and his attorney Mr. Nicolas P. Robinson. Mr. Robinson is attorney and partner of the Bradshaw & Robinson, LLP law firm located in Pittsboro, NC.

Extended:

The extended intended user of this report includes the Chatham County Board of Commissioners, as well as the people of Chatham County.

Intended Use:

This report has been prepared to assist the Chatham County Board of Commissioners in considering the economic impact of the contemplated development upon neighboring properties within the subject's immediate vicinity. [Specific problem identified above.]

Effective Date of Analyzes:

Property and neighborhood have been observed on countless occasions over previous years. A drive through the neighborhoods was initially performed for this analysis by appraiser on Thursday, April 20, 2006.

The most recent observations were made during the afternoon of Sunday, May 7, 2006. Given that May 7, 2006 represents the most recent date of observation, May 7, 2006 is the effective date of this report.

Appraiser's Competence/ Independence: Nicholas Erpelding is certified as a certified general real estate appraiser in the State of North Carolina, License A-5391. An overview of experience and qualifications is presented near the end of this report.

The author of the analyzes and opinions presented herein are from a real estate appraiser serving in his capacity as an independent third party. He has not previously or presently served as a consultant. Payment for services rendered has not / will not be based upon arriving at a predetermined opinion or conclusion.

Definition of Market Value: Values considered in the analysis specifically concerns market value. Market value is defined as:

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

- 1). {Both} buyer and seller are typically motivated;
- 2). Both parties are well informed or well advised, and acting in what they consider their best interests;
- 3). A reasonable time is allowed for exposure in the open market;
- 4). Payment is made in terms of cash in United States Dollars or in terms of financial arrangements comparable thereto, and;
- 5). The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."¹

The above definition has been agreed upon by agencies that regulate federal financial institutions in the United States including the Resolution Trust Corporation. The above definition is utilized within all analyzes and conclusions presented herein.

Definition of Exposure Period: Condition number three stipulates that a reasonable "exposure period" is implicit within the definition of market value. The Appraisal Institute defines exposure period as:

"The estimated length of time the property interest would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market."²

¹ Definition is per Title XII, Code of Federal Regulations, (part of) 564.2.F. as published in the *Federal Register*, Vol. #55, No. 163, Thursday, August 23, 1990, pages 34,228 and 34,229; also noted in the Standards of Professional Appraisal Practice of the Appraisal Institute; also included within *The Appraisal of Real Estate*, Eleventh Edition, (Chicago, Appraisal Institute), p. 21.

² Appraisal Institute, *The Dictionary of Real Estate Appraisal*, Third Edition, (Chicago, Appraisal Institute, 1993), p. 126.

Assumed Property Interests:

The real property interests considered for all properties is the fee simple estate interest. It is defined 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."³

Fee simple estate is recognized as the highest state of ownership, an absolute fee; a fee unencumbered with restrictions; a fee without limitations of use or dispositions to any particular class of heirs; subject only to the aforementioned limitations.

Scope of the Analyzes:

The scope of the analyzes represents an organized collection and examination of data from a physical, economic, and legal perspective as they might affect market value. Specific actions performed are presented within the following Solutions Methodology sub-section. The following provides an overview of the properties studied from a highest and best use perspective:

Physical Analysis:

Residential properties located within three distinct neighborhoods are considered. These include; Forest Creek, (located north of the proposed development), Kentview, (located south of the subject property, and; Farrington Village, (located east of the subject property).

Legal Analysis:

Contemplated re-zoning proposes change from Chatham County "RA-40" to Chatham County "B-1," (with specific uses delineated in attorney's proposal). Surrounding residential properties are zoned RA-40, (north and south of subject property), and CUP-RA-40, (Farrington Village).

Feasibility Analyzes:

The appraiser's analysis has not included any test of feasibility for the subject property. It is assumed that the proposed retail facility will represent an economically viable property. After an appropriate absorption period, it is assumed that the subject will maintain vacancy rates consistent with similar retail developments in the area.

Solution Methodology:**General / Subject**

The initial focus of the analysis has included a thorough review of the proposed development. Specific to this analysis, it is assumed that Alternate Plan #2, (with vehicular ingress-egress located between outlots 3 and 4), represents the proposed development. Source of plans and data reviewed were obtained from applicant's submission package, (downloaded from Chatham Co. Dept. of Planning).

General / Neighborhood

Concurrently, the appraiser has familiarized himself with neighboring properties surrounding the proposed development. The investigation has included; 1). a physical observation of residences as can best be viewed from the street, as well as; 2). a market analysis of sales prices for these homes as can best be developed based upon sales available from the triangle MLS.

Specific Analysis

Presented in following section.

³

Ibid., p. 120.

Identification of Subject Property

Subject, "As-Is"	Subject property represents a ±29.6 acre portion of a larger ±59.58 acre tract located at the northwest corner of NC Hwy 15/501 and Morris Road. The property is located in Baldwin Township in the northeast quadrant of Chatham County, North Carolina.								
Subject, "As-Proposed"	Request for re-zoning to accommodate contemplated development of a ±81,200 ft ² retail facility and four out-lots. Development to be anchored by a grocery enterprise.								
Character of Development:	Proposed development is characterized as a contemporary retail development. Vehicular traffic plan utilizes internal traffic controls, (i.e., accessed from central parking area). Lighting plan specifies compliance with as-yet to be adopted lighting ordinance for Chatham County. Overall design of retail facility (and out-buildings), calls for an above average appearance that ought be consistent with development's competition.								
Development Timing:	<table border="0" style="margin-left: 20px;"> <tr> <td style="vertical-align: top;">2006</td> <td>Preliminary Planning and Conditional Use Approvals</td> </tr> <tr> <td style="vertical-align: top;">2007</td> <td>Commence construction.</td> </tr> <tr> <td style="vertical-align: top;">2008</td> <td>Complete construction of retail facility / Commence out-parcel development.</td> </tr> <tr> <td style="vertical-align: top;">2009</td> <td>Complete construction of out-lot parcels.</td> </tr> </table>	2006	Preliminary Planning and Conditional Use Approvals	2007	Commence construction.	2008	Complete construction of retail facility / Commence out-parcel development.	2009	Complete construction of out-lot parcels.
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Development Context / Identification of Adjoining Neighborhoods

Overview	From an urban design perspective, the subject property is located at a development "node," (intersection). This node is located along what is anticipated to develop as the Hwy 15/501 commercial-use corridor.
Non-Residential Uses:	Uses developed at the subject's intersection include; a noteworthy retail facility, (Farrington Village); a special-use property, (fire department facility); cell-phone tower; and three distinct and identifiable residential neighborhoods. The subject is anticipated to benefit from linkage with competing and alternate commercial and retail uses that are developing along the Hwy 15/501 corridor.
Residential Uses:	Three distinct residential neighborhoods are located near to the subject property. These include the following;
Farrington Village	Located across Hwy 15/501 from the subject, nearby homes include those developed along Benchmark Drive. Home sales price ranges from ±\$170,000 to \$195,000 over 2005 and 2006.
Forest Creek:	Located across to north of subject property, these homes include those developed along Prestonwood Drive. Home sales price ranges from ±\$48,000 to \$140,000 from 2004 to present.
Kentview:	Located to south of subject, (some homes adjacent to development, others are located across Morris Road), these homes are located along Kentview and Donald Road. Home sales price ranges from ±\$257,000 to \$355,000 from 2004 to present.
Market Value Survey:	A survey of residential home sales for each neighborhood - which includes all home sales occurring from 2000 to present - is presented on the following page.

Survey of Home Sales - Ferrington Village, Forest Creek, and Kentview

D-o-M	Sales Date	RES	MLS No.	St	Address	Subdivision	Liv Sq Ft	YB	BR	FB	HB	Typ	Design	List Price	Disc.	Sales Price	\$ / S.F.	\$ / Bedroom
54	July 1, 2000	1	A-637020 A	Ch.	Benchmark	Ferrington Vil.	1,720	1978	3	2	0	0	Det.	1.5 Story	-0.5%	\$183,950	\$106.4	\$71,000
108	July 21, 2000	2	A-546096 A	Ch.	Benchmark	Ferrington Vil.	1,380	1978	2	2	0	0	Det.	1.0 Story	-2.3%	\$149,500	\$106.8	\$61,000
34	April 12, 2001	3	A-584674 A	Ch.	Benchmark	Ferrington Vil.	1,854	1978	3	2	0	0	Det.	1.5 Story	-0.0%	\$164,500	\$87.9	\$55,333
7	August 30, 2001	4	A-507293 A	Ch.	Benchmark	Ferrington Vil.	1,790	1977	3	2	0	0	Det.	1.5 Story	-1.5%	\$185,000	\$103.6	\$61,833
45	July 30, 2003	5	A-683041 A	Ch.	Benchmark	Ferrington Vil.	1,440	1977	3	2	0	0	Det.	1.0 Story	-1.7%	\$172,500	\$114.9	\$55,167
190	May 4, 2004	6	A-728223 A	Ch.	Benchmark	Ferrington Vil.	1,623	1979	2	2	0	0	Det.	1.0 Story	-1.5%	\$195,000	\$120.1	\$91,500
30	March 31, 2005	7	A-765097 A	Ch.	Benchmark	Ferrington Vil.	1,733	1978	3	2	0	0	Det.	1.0 Story	-2.3%	\$177,250	\$102.3	\$70,083
4	April 8, 2005	8	A-791057 A	Ch.	Benchmark	Ferrington Vil.	1,710	1979	2	2	0	0	Det.	1.5 Story	0.0%	\$194,500	\$113.7	\$97,250
20	July 14, 2005	9	A-801263 A	Ch.	Benchmark	Ferrington Vil.	1,478	1979	3	2	0	0	Det.	1.5 Story	-0.8%	\$178,500	\$115.0	\$56,667
Sales Price 2005, 2006																		
			\$194,500		Max		1,854	1979	3.0	2.0	0.0	0.0		\$195,000	0.0%	\$195,000	\$120.1	\$97,500
			\$185,721		Avg+ 1/2 STD		1,715	1978	2.9	2.0	0.0	0.0		\$186,136	-1.2%	\$183,087	\$112.3	\$76,583
			\$180,583		Average		1,636	1978	2.7	2.0	0.0	0.0		\$178,994	-2.0%	\$175,528	\$107.8	\$68,426
			\$175,445		Avg- 1/2 STD		1,558	1978	2.4	2.0	0.0	0.0		\$171,853	-2.7%	\$167,968	\$103.2	\$60,268
			\$170,000		Min		1,380	1977	2.0	2.0	0.0	0.0		\$149,500	-4.8%	\$146,000	\$87.9	\$54,333
			\$10,276		Standard Deviation		157	1	0.5	0.0	0.0	0.0		\$14,283	1.5%	\$15,119	\$9.1	\$16,315.06

D-o-M	Sales Date	RES	MLS No.	St	Address	Subdivision	Liv Sq Ft	YB	BR	FB	HB	Typ	Design	List Price	Disc.	Sales Price	\$ / S.F.	\$ / Bedroom
226	May 23, 2000	1	A-528332 A	Ch.	Forest Creek	Forest Creek	1,444	1988	3	2	0	0	Manf.	1.0 Story	-9.3%	\$112,800	\$70.6	\$34,000
88	August 1, 2000	2	A-547324 A	Ch.	Woodbine	Forest Creek	1,304	1993	3	2	0	0	Manf.	1.0 Story	0.0%	\$102,000	\$78.2	\$34,000
306	June 29, 2001	3	A-561137 A	Ch.	Prestonwood	Forest Creek	1,898	1993	4	3	0	0	Manf.	1.0 Story	0.0%	\$116,900	\$61.6	\$39,225
171	May 22, 2002	4	A-614805 A	Ch.	Prestonwood	Forest Creek	1,520	1992	3	2	0	0	Det.	1.0 Story	0.0%	\$115,900	\$76.3	\$38,633
32	December 5, 2003	5	A-712620 A	Ch.	Prestonwood	Forest Creek	1,512	1994	3	2	0	0	Manf.	1.0 Story	-2.2%	\$89,000	\$57.5	\$29,000
177	April 29, 2004	6	A-711714 A	Ch.	Prestonwood	Forest Creek	1,090	1990	3	2	0	0	Manf.	1.0 Story	-0.8%	\$109,900	\$73.2	\$36,333
5	June 7, 2004	7	A-742903 A	Ch.	Prestonwood	Forest Creek	1,674	2000	3	3	0	0	Manf.	1.0 Story	7.0%	\$100,000	\$60.9	\$26,667
60	August 10, 2004	8	A-742801 A	Ch.	Glendale	Forest Creek	1,035	2000	3	2	0	0	Manf.	1.0 Story	0.0%	\$48,600	\$47.0	\$16,250
144	July 6, 2005	9	A-780872 A	Ch.	Woodbine	Forest Creek	1,944	1993	3	2	0	0	Det.	1.0 Story	-2.3%	\$142,000	\$71.4	\$46,250
95	May 2, 2006	10	A-839452 A	RFD	Prestonwood	Forest Creek	1,512	1993	3	2	0	0	Chst.	1.0 Story	0.0%	\$78,700	\$52.1	\$26,233
Sales Price 2004, 2005, 2006																		
			\$138,750		Max		1,944	2000	4.0	3.0	0.0	0.0		\$142,000	7.0%	\$138,750	\$78.2	\$46,250
			\$111,679		Avg+ 1/2 STD		1,659	1994	3.3	2.4	0.0	0.0		\$113,543	-1.1%	\$112,246	\$70.2	\$36,375
			\$96,410		Average		1,533	1993	3.1	2.2	0.0	0.0		\$101,550	-0.8%	\$100,585	\$65.2	\$32,554
			\$81,141		Avg- 1/2 STD		1,407	1991	3.0	2.0	0.0	0.0		\$89,557	-2.6%	\$88,924	\$60.2	\$28,734
			\$68,600		Min		1,035	1988	3.0	2.0	0.0	0.0		\$48,600	-9.3%	\$48,600	\$47.0	\$16,200
			\$30,538		Standard Deviation		252	3	0.3	0.4	0.0	0.0		\$23,986	3.8%	\$23,322	\$10.0	\$7,641

D-o-M	Sales Date	RES	MLS No.	St	Address	Subdivision	Liv Sq Ft	YB	BR	FB	HB	Typ	Design	List Price	Disc.	Sales Price	\$ / S.F.	\$ / Bedroom
265	March 20, 2000	1	A-534051 A	Ch.	Kentview	Kentview	2,145	1997	3	2	1	0	Det.	1.0 Story	-3.6%	\$275,000	\$128.3	\$88,333
252	December 29, 2000	2	A-549714 A	Ch.	Donald	Kentview	2,700	2000	4	3	1	0	Det.	2.0 Story	0.0%	\$319,000	\$118.1	\$79,750
277	December 27, 2001	3	A-586367 A	Ch.	Donald	Kentview	2,380	2001	3	3	1	0	Det.	2.5 Story	-2.9%	\$274,900	\$112.2	\$89,000
215	April 18, 2002	4	A-603516 A	Ch.	Kentview	Kentview	2,921	1990	5	4	1	0	Det.	1.0 Story	-7.2%	\$272,000	\$94.8	\$92,333
169	July 3, 2002	5	A-612246 A	Ch.	Donald	Kentview	2,700	2002	4	3	1	0	Det.	1.5 Story	-0.2%	\$298,500	\$110.2	\$99,500
192	February 17, 2003	6	A-648775 A	Ch.	Donald	Kentview	3,099	2000	3	3	0	0	Det.	2.0 Story	-3.2%	\$318,000	\$117.8	\$99,500
13	July 28, 2003	7	A-693513 A	Ch.	Donald	Kentview	2,709	2000	3	3	1	0	Det.	1.5 Story	-0.6%	\$347,000	\$126.1	\$99,967
200	June 3, 2004	8	A-690991 A	Ch.	Donald	Kentview	2,400	2004	3	2	1	0	Det.	1.5 Story	-1.4%	\$347,000	\$143.8	\$115,667
407	July 9, 2004	9	A-680013 A	Ch.	Donald	Kentview	2,690	2004	3	2	1	0	Det.	1.5 Story	0.0%	\$355,800	\$131.5	\$118,333
147	March 4, 2005	10	A-766921 A	Ch.	Kentview	Kentview	2,212	1988	4	3	0	0	Det.	2.0 Story	0.0%	\$257,000	\$115.267	\$84,250
22	January 5, 2006	11	A-829788 A	Ch.	Kentview	Kentview	2,450	1995	3	2	1	0	Det.	1.5 Story	0.0%	\$312,000	\$127.3	\$104,000
5	April 4, 2006	12	A-812338 A	Ch.	Kentview	Kentview	3,200	1998	4	3	1	0	Det.	2.0 Story	-3.1%	\$335,500	\$101.6	\$81,250
9	May 3, 2006	13	A-838602 A	Ch.	Kentview	Kentview	2,070	1999	3	2	0	0	Det.	1.0 Story	-1.3%	\$309,000	\$147.3	\$101,667
Sales Price 2004, 2005, 2006																		
			\$355,000		Max		3,200	2004	4.0	3.0	1.0	1.0		\$359,900	0.0%	\$355,000	\$118.333	\$102,438
			\$332,583		Avg+ 1/2 STD		2,767	2001	3.5	2.6	1.0	1.0		\$327,429	-0.8%	\$322,846	\$127.1	\$102,438
			\$316,633		Average		2,598	1998	3.3	2.4	0.8	0.8		\$312,615	-1.8%	\$307,131	\$119.5	\$94,563
			\$300,683		Avg- 1/2 STD		2,430	1996	3.1	2.1	0.6	0.6		\$297,802	-2.8%	\$291,416	\$112.0	\$86,688
			\$257,000		Min		2,070	1988	3.0	2.0	0.0	0.0		\$257,000	-7.2%	\$257,000	\$94.8	\$64,250
			\$31,900		Standard Deviation		337	5	0.5	0.5	0.4	0.4		\$29,627	2.1%	\$31,430	\$15.1	\$15,750

Noteworthy Publications

Several noteworthy research projects and articles that addressed the matter of proximate detrimental influence of different property types have been published in the Appraisal Institute's "Appraisal Journal." The following provides an overview of the various articles considered germane to the subject property. Photocopies are retained within the appraiser's work-file. Such photocopies can be furnished upon request.

Henniker, NH Analysis Considered most germane to the matter at hand, Mr. John Crafts, MAI, SRA performed an in-depth study at request of the Town of Henniker's Planning Board to assess how a retail and commercial project might influence the values of neighboring residential properties. The analyzes resulted in the development of two empirical models that can be employed to ascertain the affect of retail development on residential property values. The result of the analysis was demonstrable evidence that - in Henniker, NH - the development of an average quality commercial development did not have a measurable impact on abutting residential properties. [Appraisal Journal, January , 1998, Page 6.

Impact of Cell-Phone Towers This recent study, (Appraisal Journal, Summer, 2005), examined whether proximity to cell-phone towers has an impact on residential property values. Study included; 1). a survey of the perceived affect of cell phone towers, as well as a multiple regression analysis in a hedonic pricing framework to measure the impact of proximity to cell phone base towers. Both the survey and the market sales analysis found that cell phone base towers have a negative impact on residential sales prices in the study area. (Study area is Christchurch City, NZ).

Proximity Stigma Study Twelve-year study published in Summer, 2004 - performed by Albert R. Wilson, CRE, of Woodland Park, CO - that tested affect / presence of proximity stigma and potential detrimental conditions that might be present on residential property values. Contrary to Mr. Wilson's initial hypotheses, no adverse impact was identified. *Anecdotal interviews with market participants suggest that as long as the use and enjoyment of the homes were not impaired by the conditions, the number of market participants who would require or accept a discount were insufficient to determine the market.*

No recent studies or analyzes were located that discussed diminution of residential property value caused by proximity to a retail and/or commercial development.

It is generally accepted that upper end retail and commercial office developments tend to elevate both residential and commercial values. Such owes to the positive economic affect of creating new economic nodes where there once was none. Such is corroborated by numerous studies performed by the appraisal profession's finest mind's, and is corroborated by rank and file appraiser's in their respective appraisal practice.

Evidence in support of such is actually on file within the Chatham County Planning Department's records for the Williams Corner re-zoning. Specifically, Mr. Paul Snow, State Certified General Appraiser, (NC -A4499), states:

"Generally speaking, high-end office and retail developments increase residential and commercial property values in the immediate area as they help provide places for employment and retail services, which drive residential growth. This impact should remain positive as Northern Chatham County continues to develop with residential uses."

Mixed Use Development Planning Trend

Lastly, there is evidence that the planning community now recognizes the benefit of having mixed use developments in lieu of solely single family residential subdivision developments. An excellent example of such is located literally across the street from the subject property at Farrington Village. Albeit not planned as such, the subject property and neighboring residential neighborhoods could be viewed as a defacto mixed-use development.

Case Study - Home Sales at Governor's Park Development

The preceding discussion serves well in providing a context for the generally accepted premise that upper-end retail and commercial development is not generally considered a detrimental condition to neighboring residential property values.

The next logical step is to test the generally accepted premise in the subject properties market. In an ideal world, the test would include several established single family neighborhoods that are located around an undeveloped pocket of land that was subsequently built for retail use. In such a case, one could study home sales prior to the retail development against homes sales after the development.

Regrettably, no such ideally similar situation was located within the subject's trade area. However, a reasonably similar situation is known to have existed at the Governor's Park single family residential development, located at the intersection of Mount Carmel Road and Governors Road in the northeast portion of the County. This property's development history is as follows:

- Governor's Park and Food Lion Grocery developed in 1998 and 1999.
- Single family residences built in 1998 through early 2000's. Residences developed with rear yards facing Mount Carmel Road are developed with 50' setbacks and significant burming.
- Two multi-tenant commercial use buildings developed in 2004, (finished in 2005).

The above design particulars are considered reasonably similar to the proposed development of the subject property. The next step includes an analysis of all available homes sales. The focus here is to locate any evidence that there is a diminution in value, (or even a less robust appreciation rate), for those properties located adjacent to, (or directly across the street from), the Food Lion grocery store.

Presented on the following two pages are all residential sales from Governor's Park that are available from the Triangle MLS. Noted in bold are properties that have sold two (and in one instance three) times since being built. These 13 pairs of sales are the basis for ascertaining appreciation rates for various locations around the subdivision.

Sets 1 through 4 - Located near the northeast corner of development, in nearest proximity to the retail development. The average appreciation rate for these sales is 4.5% per year. Noteworthy is that set 2 - which is located directly across from the Food Lion grocery's parking area - increased in value at an average annual rate of 5.27% per year.

Sets 5 through 13 - Located at other locations within the development that are not presumed to be affected by the retail center. Collectively, these properties appreciated at an average annual rate of 4.2% per year.

Case-Study - Conclusion

The fact that the average of the four properties located at the northeast corner of the development appreciated at a higher rate than the collective whole is not to be construed as evidence that proximity to retail enhances market value. Instead, the appreciation rates are considered to be so similar - and within the statistical range of the overall development - that there is no quantifiable difference between those properties adjacent to the retail and those that are removed.

Overall Analysis - Conclusion

While it is recognized that the Governor's park analysis does not reflect an identical development scenario relative to the subject, it is considered important in that it represents a study from the subject property's local area. The study is considered market-specific evidence of the well founded and accepted premise that upper-end retail and commercial do not adversely affect property values of adjacent or nearby residential properties.

Survey of Home Sales - Governor's Park, (1998 - 2004)

D-to-M	1999	RES	MLS No.	St	Address	Liv Sqt Ft	YB	BR	J-B	HB	Typ.	Design	List Price	Disc.	Sales Price	\$ / S.F.	\$ / Bedroom	
1	88	December 1, 1998	1	A	485890 A	2,469	1998	4	4	0	Det.	1.5 Story	\$290,000	1.38%	\$294,000	\$119.08	\$73,500	
2	159	April 20, 1999	2	B	496094 A	2,238	1998	3	3	0	Det.	1.5 Story	\$281,900	-7.31%	\$261,300	\$116.76	\$87,100	
3	228	July 23, 1999	3	A	490991 A	2,584	1998	4	3	1	Det.	2.0 Story	\$281,900	-8.48%	\$258,000	\$99.85	\$64,500	
4	46	July 20, 1999	4	A	492728 A	2,481	1998	3	2	1	Det.	2.0 Story	\$284,300	3.42%	\$294,900	\$114.59	\$94,767	
5	182	August 19, 1999	5	A	496982 A	2,162	1998	3	2	0	Det.	1.0 Story	\$269,900	14.45%	\$308,900	\$142.88	\$102,967	
6	29	August 26, 1999	6	A	513700 A	2,150	1999	3	2	1	Det.	1.5 Story	\$289,900	11.00%	\$288,500	\$131.19	\$96,167	
7	39	October 20, 1999	7	A	515300 A	1,613	1999	3	3	0	Det.	2.0 Story	\$296,820	0.65%	\$296,820	\$184.02	\$98,940	
8	25	December 29, 1999	8	A	514980 A	2,575	1998	4	3	0	Det.	2.0 Story	\$262,500	-7.89%	\$242,500	\$101.94	\$65,625	
2000																		
1	134	March 14, 2000	9	B	530918 A	2,541	1998	3	3	0	Det.	2.0 Story	\$275,900	0.00%	\$275,900	\$108.58	\$91,967	
2	103	March 16, 2000	10	A	531409 A	2,734	1999	4	3	0	Det.	1.5 Story	\$319,000	-1.25%	\$315,000	\$115.22	\$78,750	
3	139	May 11, 2000	11	A	533857 A	2,623	1999	4	2	1	Det.	2.0 Story	\$294,900	1.73%	\$300,000	\$114.37	\$75,000	
4	160	August 15, 2000	12	A	533164 A	3,257	1999	3	4	0	Det.	2.0 Story	\$339,900	0.59%	\$341,900	\$104.97	\$113,967	
5	140	September 25, 2000	13	A	548891 A	2,932	2000	4	2	0	Det.	1.5 Story	\$341,560	-1.95%	\$334,900	\$114.22	\$83,725	
6	133	September 28, 2000	14	A	548876 A	2,386	2000	3	2	0	Det.	1.5 Story	\$275,900	-0.33%	\$275,000	\$115.26	\$91,667	
7	133	September 29, 2000	15	A	548977 A	3,034	2000	4	3	1	Det.	1.5 Story	\$347,900	0.57%	\$349,900	\$115.33	\$87,475	
8	177	October 12, 2000	16	A	548872 A	3,257	2000	3	4	0	Det.	2.0 Story	\$349,900	0.00%	\$349,900	\$107.43	\$116,633	
9	389	November 17, 2000	17	A	538421 A	2,767	1999	4	3	1	Det.	1.5 Story	\$339,900	-5.85%	\$320,000	\$115.65	\$80,000	
10	397	December 28, 2000	18	A	534552 A	2,761	1999	4	4	0	Det.	2.0 Story	\$334,900	-5.49%	\$316,500	\$114.63	\$79,125	
2001																		
1	422	February 11, 2001	19	B	546726 A	2,710	2000	3	3	1	Det.	1.5 Story	\$309,900	0.00%	\$309,900	\$114.35	\$103,300	
2	431	February 22, 2001	20	A	562662 A	2,588	2000	4	3	0	Det.	2.0 Story	\$309,900	-3.23%	\$299,900	\$115.88	\$74,975	
3	324	February 28, 2001	21	A	540722 A	3,044	2000	4	3	0	Det.	2.0 Story	\$349,900	-5.69%	\$330,000	\$108.41	\$82,500	
4	488	March 15, 2001	22	A	531718 A	2,807	1999	3	2	0	Det.	1.5 Story	\$309,900	0.00%	\$309,900	\$110.40	\$103,300	
5	171	March 28, 2001	23	A	562125 A	2,623	2000	3	2	1	Det.	1.5 Story	\$299,900	-1.97%	\$294,000	\$112.09	\$98,000	
6	323	April 2, 2001	24	A	510425 A	2,665	2000	4	4	0	Det.	2.0 Story	\$308,900	0.57%	\$309,600	\$112.80	\$75,150	
7	0	April 26, 2001	25	A	586289 A	2,576	2000	4	3	0	Det.	2.0 Story	\$339,900	0.00%	\$339,900	\$131.95	\$84,975	
8	88	April 27, 2001	26	A	525539 A	2,763	2000	3	3	0	Det.	1.5 Story	\$309,900	0.00%	\$309,900	\$112.16	\$103,300	
9	108	May 13, 2001	27	A	526479 A	2,700	2001	3	0	0	Det.	2.0 Story	\$318,900	-0.31%	\$317,900	\$117.74	\$79,475	
10	437	June 20, 2001	28	A	517246 A	2,660	2000	3	2	0	Det.	1.5 Story	\$299,900	-5.64%	\$283,333	\$106.39	\$94,333	
11	288	October 20, 2001	29	A	581371 A	3,415	2001	4	3	1	Det.	1.5 Story	\$327,650	-0.89%	\$324,730	\$95.09	\$84,183	
12	267	December 28, 2001	30	A	583324 A	2,616	2001	4	3	0	Det.	2.0 Story	\$295,175	1.63%	\$300,000	\$114.68	\$75,000	
2002																		
1	40	March 11, 2002	31	B	624088 A	3,200	2002	3	2	1	Det.	2.0 Story	\$318,515	-0.58%	\$316,675	\$98.96	\$105,588	
2	76	March 22, 2002	32	A	620712 A	3,180	1999	4	2	1	Det.	2.5 Story	\$327,500	-2.29%	\$320,000	\$101.36	\$80,000	
3	231	April 30, 2002	33	A	604829 A	3,034	2000	4	3	1	Det.	1.5 Story	\$319,900	2.47%	\$312,000	\$102.83	\$78,000	
4	96	July 15, 2002	34	A	631415 A	3,180	2000	4	4	0	Det.	2.0 Story	\$359,900	-1.36%	\$355,000	\$111.64	\$88,750	
5	124	October 14, 2002	35	A	633642 A	3,762	2002	4	3	1	Det.	2.0 Story	\$358,300	0.78%	\$358,065	\$95.18	\$89,516	
6	153	October 25, 2002	36	B	633178 A	2,584	1998	4	3	0	Det.	2.0 Story	\$317,900	-0.06%	\$305,000	\$118.03	\$76,250	
7	36	November 19, 2002	37	A	633597 A	3,145	2001	4	3	1	Det.	2.0 Story	\$369,900	-1.32%	\$365,000	\$116.06	\$91,250	
8	244	December 2, 2002	38	A	629771 A	2,616	2002	4	3	1	Det.	2.0 Story	\$305,315	-0.92%	\$302,500	\$115.63	\$75,625	
2003																		
1	83	June 2, 2003	39	B	675047 A	3,200	2002	3	2	1	Det.	2.0 Story	\$331,900	-3.01%	\$321,900	\$100.59	\$107,300	
2	113	June 13, 2003	40	B	674552 A	2,932	2002	3	3	0	Det.	1.0 Story	\$348,660	-1.15%	\$344,460	\$117.48	\$114,820	
3	89	July 31, 2003	41	A	668991 A	2,300	2003	3	3	0	Det.	1.0 Story	\$299,940	6.28%	\$318,765	\$138.59	\$106,255	
4	96	August 11, 2003	42	B	681920 A	3,300	1999	4	4	0	Det.	2.0 Story	\$357,500	0.00%	\$357,500	\$108.33	\$89,375	
5	84	November 20, 2003	43	A	694053 A	2,600	1999	5	3	0	Det.	2.0 Story	\$316,900	-3.12%	\$307,000	\$118.08	\$61,100	
6	5	November 25, 2003	44	A	712561 A	2,626	2002	4	3	0	Det.	2.0 Story	\$341,900	0.00%	\$341,900	\$119.92	\$78,725	
7	61	November 27, 2003	45	B	691402 A	3,200	2003	3	3	0	Det.	2.0 Story	\$333,250	0.62%	\$335,330	\$104.79	\$111,777	
8	61	November 27, 2003	46	B	741327 A	2,478	2000	3	2	1	Det.	1.5 Story	\$332,900	-3.57%	\$321,000	\$129.54	\$107,000	
2004																		
1	77	March 16, 2004	47	B	721790 A	2,778	1999	5	4	0	Det.	2.0 Story	\$367,000	-0.54%	\$365,000	\$131.39	\$73,000	
2	129	March 31, 2004	48	B	721800 A	2,755	1999	5	4	2	1	Det.	2.0 Story	\$345,000	-2.61%	\$336,000	\$121.96	\$84,000
3	68	May 3, 2004	49	B	729245 A	2,690	1999	5	3	0	Det.	2.0 Story	\$334,900	-1.49%	\$329,900	\$122.64	\$65,980	
4	228	May 28, 2004	50	B	700342 A	2,300	2003	3	3	0	Det.	1.0 Story	\$349,900	0.00%	\$349,900	\$152.17	\$116,663	
5	81	June 23, 2004	51	B	730318 A	2,969	2001	3	3	0	Det.	1.5 Story	\$389,900	-2.54%	\$380,000	\$127.99	\$126,667	
6	184	June 23, 2004	52	B	720488 A	3,225	1998	4	3	0	Det.	1.5 Story	\$364,900	0.03%	\$364,900	\$113.18	\$91,250	
7	9	July 27, 2004	53	B	745066 A	3,200	2001	4	3	0	Det.	2.0 Story	\$349,500	0.15%	\$349,000	\$106.25	\$85,000	
8	157	August 18, 2004	54	B	747537 A	3,345	2000	4	4	0	Det.	2.0 Story	\$365,000	-1.92%	\$358,000	\$107.03	\$89,500	
9	34	August 18, 2004	55	B	741900 A	2,616	2004	4	3	0	Det.	2.0 Story	\$312,675	2.96%	\$321,935	\$123.06	\$80,484	
10	34	August 30, 2004	56	B	742622 A	3,253	1999	4	3	0	Det.	2.0 Story	\$359,900	-1.08%	\$355,000	\$109.44	\$89,000	
11	53	November 31, 2004	57	B	757671 A	3,024	2000	4	3	1	Det.	1.5 Story	\$353,000	-0.56%	\$353,000	\$116.73	\$88,250	
12	147	November 31, 2004	58	B	741913 A	3,770	2004	4	3	1	Det.	2.0 Story	\$340,890	0.33%	\$342,070	\$96.04	\$90,518	

Survey of Home Sales - Governor's Park, (2005 - 2006), and Biannual Statistical Overview

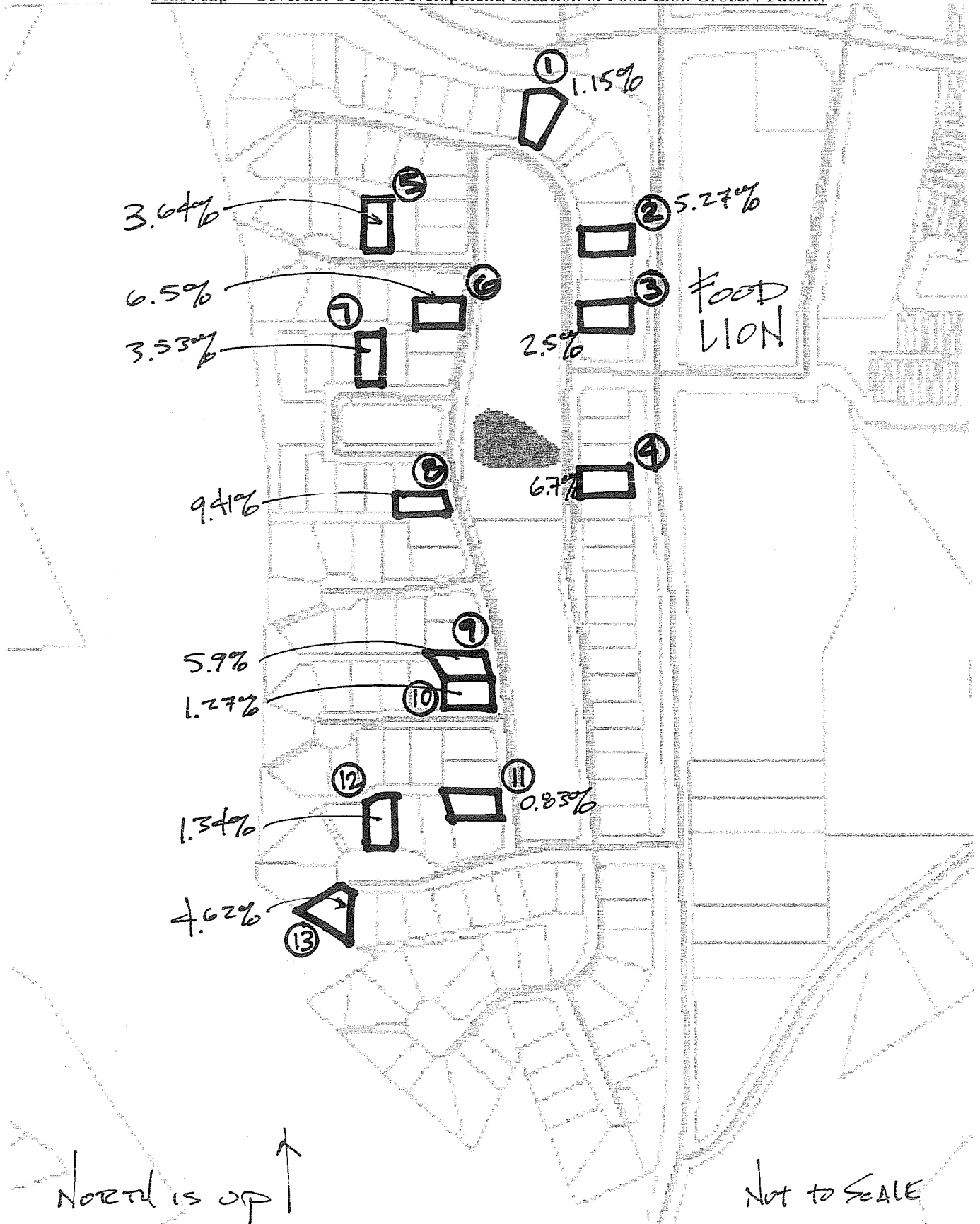
Governor's Park Home Sales - 2005 & 2006 YTD

Date-M	Sales Date	RES	MLS No.	St	Address	Liv SqFt	YB	BR	FB	HIB	Typ.	Design	List Price	Disc.	Sales Price	\$ / S.F.	\$ / Bedroom		
1	92	2005	January 4, 2005	59	Δ	749105 Δ													
2	85	2005	February 22, 2005	60	Δ	749161 Δ													
3	6	2005	May 4, 2005	61	Δ	79458 Δ													
4	5	2005	June 24, 2005	62	Δ	741985 Δ													
5	12	2005	June 27, 2005	63	Δ	803268 Δ													
6	11	2005	June 27, 2005	64	Δ	796321 Δ													
7	5	2005	October 24, 2005	65	Δ	802003 Δ													
8	5	2005	November 15, 2005	66	Δ	812066 Δ													
1	2	2006	January 6, 2006	67	Δ	830672 Δ													
2	44	2006	February 10, 2006	68	Δ	836579 Δ													
3	101	2006	March 16, 2006	69	Δ	834025 Δ													
4	11	2006	March 28, 2006	70	Δ	846915 Δ													
5	43	2006	April 7, 2006	71	Δ	842033 Δ													
6	4	2006	April 13, 2006	72	Δ	851980 Δ													
7	3	2006	April 18, 2006	73	Δ	853332 Δ													
488					All Data - Collectively														
180					Max	3,770	2004	5	4	2			\$449,900		\$448,000	\$184.02	\$135,000		
123					Avg+1/2 STD	3,079	2089	4	3	1			\$361,900		\$358,679	\$126.68	\$98,912		
66					Average	2,822	1973	4	3	0			\$333,445		\$330,641	\$116.74	\$89,612		
0					Avg-1/2 STD	2,565	1858	3	2	0			\$304,990		\$302,603	\$106.79	\$80,313		
0					Min	0	0	0	0	0			\$0		\$0	\$0.00	\$0		
114					Standard Deviation	515	231	1	1	1			\$56,909		\$56,076	\$19.89	\$18,599		
397					Max	3,257	2000	4	4	1			\$349,900		\$349,900	\$184.02	\$116,633		
201					Avg+1/2 STD	2,785	1999	4	3	1			\$318,335		\$316,365	\$128.16	\$95,011		
150					Average	2,587	1999	4	3	0			\$303,231		\$301,851	\$118.83	\$87,882		
99					Avg-1/2 STD	2,389	1999	3	2	0			\$288,127		\$287,337	\$109.50	\$80,753		
25					Min	1,613	1998	3	2	0			\$259,900		\$258,000	\$99.85	\$64,500		
102					Standard Deviation	395	1	1	1	0			\$30,207		\$29,028	\$8.66	\$14,258		
488					Max	3,762	2002	4	4	1			\$369,900		\$365,000	\$131.95	\$105,558		
272					Avg+1/2 STD	3,056	2001	4	3	1			\$332,890		\$328,453	\$114.85	\$92,340		
203					Average	2,928	2001	4	3	0			\$344,020		\$317,699	\$110.55	\$87,022		
134					Avg-1/2 STD	2,731	2000	3	2	0			\$311,516		\$306,944	\$106.24	\$81,704		
0					Min	2,576	1998	3	2	0			\$295,175		\$283,000	\$95.09	\$74,975		
139					Standard Deviation	325	1	0	1	1			\$21,374		\$21,510	\$8.61	\$10,636		
228					Max	3,770	2004	5	4	1			\$389,900		\$380,000	\$152.17	\$126,667		
117					Avg+1/2 STD	3,117	2002	4	3	0			\$354,862		\$351,740	\$124.85	\$101,367		
90					Average	2,928	2001	4	3	0			\$341,888		\$317,699	\$118.26	\$92,848		
62					Avg-1/2 STD	2,739	2000	3	3	0			\$333,178		\$332,035	\$111.67	\$84,330		
5					Min	2,300	1998	3	2	0			\$299,940		\$307,000	\$96.04	\$61,400		
56					Standard Deviation	377	2	1	1	0			\$21,684		\$19,705	\$13.19	\$17,037		
101					Max	3,580	2004	5	4	2			\$449,900		\$448,000	\$148.22	\$135,000		
50					Avg+1/2 STD	3,225	2002	4	3	1			\$410,817		\$407,020	\$133.31	\$105,624		
32					Average	3,055	2001	4	3	1			\$392,821		\$389,494	\$128.22	\$96,803		
14					Avg-1/2 STD	2,885	2000	4	2	0			\$374,825		\$371,968	\$123.14	\$87,982		
2					Min	2,231	1998	3	2	0			\$315,000		\$310,000	\$105.50	\$75,000		
36					Standard Deviation	340	2	1	1	1			\$35,992		\$35,052	\$10.17	\$17,642		

Paired Data-Set Analyzes - Governor's Park Sales and Resales

Set #	Do-M	Sales Date	RES	MLS No.	St	Address	Liv SqFt	YB	BR	FB	HB	Typ.	Design	List Price	Disc.	Sales Price	Years between Sales	Avg. Annl % Change / Yr.												
Set #1	157	August 18, 2004	56 B	727537A	Ch.	30052 Village Park Dr.	3,345	2000	4	4	0	Det.	2.0 Story	\$365,000		\$358,000														
	160	August 15, 2000	40 B	533104A	Ch.	30052 Village Park Dr.	3,257	1999	3	4	0	Det.	2.0 Story	\$339,900		\$341,900	4.0	1.2%												
Set #2	153	October 25, 2002	25 B	635178A	Ch.	30042 Village Park Dr.	2,584	1998	4	3	0	Det.	2.0 Story	\$317,900		\$305,000														
	228	July 23, 1999	6 B	496991A	Ch.	30042 Village Park Dr.	2,584	1998	4	3	1	Det.	2.0 Story	\$281,900		\$258,000	3.3	5.3%												
Set #3	77	March 16, 2004	57 B	721790A	Ch.	30036 Village Park Dr.	2,778	1999	5	4	0	Det.	2.0 Story	\$367,000		\$365,000														
	0	April 26, 2001	29 A	586289A	Ch.	30036 Village Park Dr.	2,576	1998	4	3	0	Det.	2.0 Story	\$339,900		\$339,900	2.9	2.5%												
Set #4	11	June 27, 2005	62 B	796371A	Ch.	30026 Village Park Dr.	3,225	1998	4	3	0	Det.	2.0 Story	\$394,900		\$390,000														
	184	June 23, 2004	55 B	729388A	Ch.	30026 Village Park Dr.	3,225	1998	4	3	0	Det.	2.0 Story	\$364,900		\$365,000														
	159	April 29, 1999	7 B	496994A	Ch.	30026 Village Park Dr.	2,238	1998	3	2	0	Det.	1.5 Story	\$281,900		\$261,300	5.2	6.7%												
Note: - Sets 1 - 4 are located at northeast quadrant of development. Sets 2 and 3 are located across from Grocery Store																														
Set #5	129	March 31, 2004	43 B	712389A	Ch.	30082 Britt Dr.	2,755	1999	4	2	1	Det.	2.0 Story	\$345,000		\$336,000														
	46	July 29, 1999	3 B	515278A	Ch.	30082 Britt Dr.	2,481	1999	3	2	1	Det.	2.0 Story	\$274,900		\$284,300	4.7	3.6%												
Set #6	231	November 15, 2005	64 B	817006A	Ch.	30090 Village Park Dr.	3,306	2000	5	3	2	Det.	1.5 Story	\$399,900		\$390,000														
		April 30, 2002	29 B	604829A	Ch.	30090 Village Park Dr.	3,034	2000	4	3	1	Det.	1.5 Story	\$319,900		\$312,000	3.5	6.5%												
Set #7	76	March 22, 2002	30 B	620712A	Ch.	30098 Baxter	3,180	1999	4	2	1	Det.	2.5 Story	\$527,500		\$520,000														
	139	May 11, 2000	10 B	535857A	Ch.	30098 Baxter	2,623	1999	4	2	1	Det.	2.0 Story	\$294,900		\$300,000	1.9	3.5%												
Set #8	44	February 10, 2006	59 B	836579A	Ch.	30106 Village Park Dr.	2,600	1999	5	3	0	Det.	2.0 Story	\$379,900		\$375,000														
	84	November 20, 2003	24 B	694053A	Ch.	30106 Village Park Dr.	2,600	1999	5	3	0	Det.	2.0 Story	\$316,900		\$307,000	2.2	9.4%												
Set #9	2	January 6, 2006	63 B	830672A	Ch.	30122 Village Park Dr.	2,665	2001	4	4	0	Det.	2.0 Story	\$395,000		\$395,000														
	323	April 2, 2001	12 B	519455A	Ch.	30122 Village Park Dr.	2,665	2000	4	4	0	Det.	2.0 Story	\$298,900		\$300,600	4.8	5.9%												
Set #10	53	November 24, 2004	49 B	757071A	Ch.	30124 Porter Dr.	3,024	2000	4	3	1	Det.	1.5 Story	\$355,000		\$355,000														
	140	September 25, 2000	41 B	548891A	Ch.	30124 Porter Dr.	2,932	2000	4	2	0	Det.	1.5 Story	\$341,560		\$334,900	4.2	1.3%												
Set #11	96	July 15, 2002	52 B	631415A	Ch.	30138 Village Park Dr.	3,180	2000	4	4	0	Det.	2.0 Story	\$359,900		\$355,000														
	177	October 12, 2000	47 B	548872A	Ch.	30138 Village Park Dr.	3,257	2000	3	4	0	Det.	2.0 Story	\$349,900		\$349,900	1.8	0.8%												
Set #12	83	June 2, 2003	32 B	675047A	Ch.	30146 Walsler Dr.	3,200	2002	3	2	1	Det.	2.0 Story	\$331,900		\$321,900														
	40	March 11, 2002	26 B	624068A	Ch.	30146 Walsler Dr.	3,200	2002	3	2	1	Det.	2.0 Story	\$318,515		\$316,675	1.2	1.3%												
Set #13	6	May 4, 2005	42 B	795458A	Ch.	30153 Walsler Dr.	2,707	2001	4	2	1	Det.	2.0 Story	\$342,500		\$340,000														
	267	December 28, 2001	11 B	583324A	Ch.	30153 Walsler Dr.	2,616	2001	4	3	0	Det.	2.0 Story	\$295,175		\$300,000	3.3	4.6%												
<table border="0" style="width: 100%;"> <tr> <td>Max</td> <td>6.8%</td> </tr> <tr> <td>Avg +/- 1/2 STD</td> <td>5.6%</td> </tr> <tr> <td>Average</td> <td>4.5%</td> </tr> <tr> <td>Avg - 1/2 STD</td> <td>3.3%</td> </tr> <tr> <td>Min</td> <td>1.2%</td> </tr> <tr> <td>Standard Deviatr</td> <td>2.3%</td> </tr> </table>																		Max	6.8%	Avg +/- 1/2 STD	5.6%	Average	4.5%	Avg - 1/2 STD	3.3%	Min	1.2%	Standard Deviatr	2.3%	
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<table border="0" style="width: 100%;"> <tr> <td>Max</td> <td>9.4%</td> </tr> <tr> <td>Avg +/- 1/2 STD</td> <td>5.5%</td> </tr> <tr> <td>Average</td> <td>4.2%</td> </tr> <tr> <td>Avg - 1/2 STD</td> <td>3.0%</td> </tr> <tr> <td>Min</td> <td>0.8%</td> </tr> <tr> <td>Standard Deviatr</td> <td>2.5%</td> </tr> </table>																		Max	9.4%	Avg +/- 1/2 STD	5.5%	Average	4.2%	Avg - 1/2 STD	3.0%	Min	0.8%	Standard Deviatr	2.5%	
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Standard Deviatr	2.5%																													

Plat Map - Governor's Park Development, Location of Food Lion Grocery Facility



Plat Map of Governor's Park Single Family Residential Subdivision.
Food Lion parcel located at northeast corner of page.

Chronological Resume
Nicholas E. S. Erpelding

Certified General Real Estate Appraiser
P.O. Box 1153 Pittsboro, NC 27312

Tel.: 919. 708-6979 Fax: 919. 708-6949 e-mail: nick@erpelding.com www.erpelding.com

Experience Overview:

- o Proven success in the disciplines of commercial and residential real estate valuation, property development consulting, land planning and architectural design, construction project management, and catastrophic / large-loss insurance claim adjusting. Creative, resourceful, dedicated real estate problem solver.

Employment History:

- o 1996 - Present **Erpelding & Associates** Indianapolis, IN (1996-2004) / Pittsboro, NC (2004-Pres.)
Real estate appraisal, brokerage, and consulting. Combine programming, design, and project management skills with economic, demographic, financial analysis and costing skills to meet needs of diverse client-base. [Services summarized on opposite page.] Specialty developed in the valuation of; subdivision developments, (residential, commercial, industrial and mixed-use); golf course facilities; lodging and other recreation-use, and special-use properties. Additional services include golf-course and architectural photography.
- o 1992 - 2004 **Nick A. Tillema & Associates / Forrestal Group** Indianapolis, IN.
Independent fee commercial real estate appraiser. Focus on large-scale commercial-use property and eminent domain valuation assignments. Assignments included environmentally damaged property valuations, and real estate dispute resolution.
- o 1988 - 1992 **Mark Swanson Associates, Inc., Architecture & Construction** Carmel, IN.
Design Captain - Project Manager. Responsibilities included firm's conceptual, schematic, and final design-work. Encompassed land planning, architectural and interior design. Oversaw firm's cad-based construction document production, consultant coordination, and design-build project management. Two built-works recognized with various design honors.
- o 1986 - 1988 **MacDougall & Pierce Construction, Inc. (Design-Build Firm)** Carmel, IN.
Architectural and site design / CAD drafting (and implementation of) / cost estimating.
- o 1980 - 1986 **Co-Operative Experience** Indpls., IN; San Francisco, CA, and Newport Beach, CA.
±2½ years cumulative architectural design and construction management "co-op" experience.

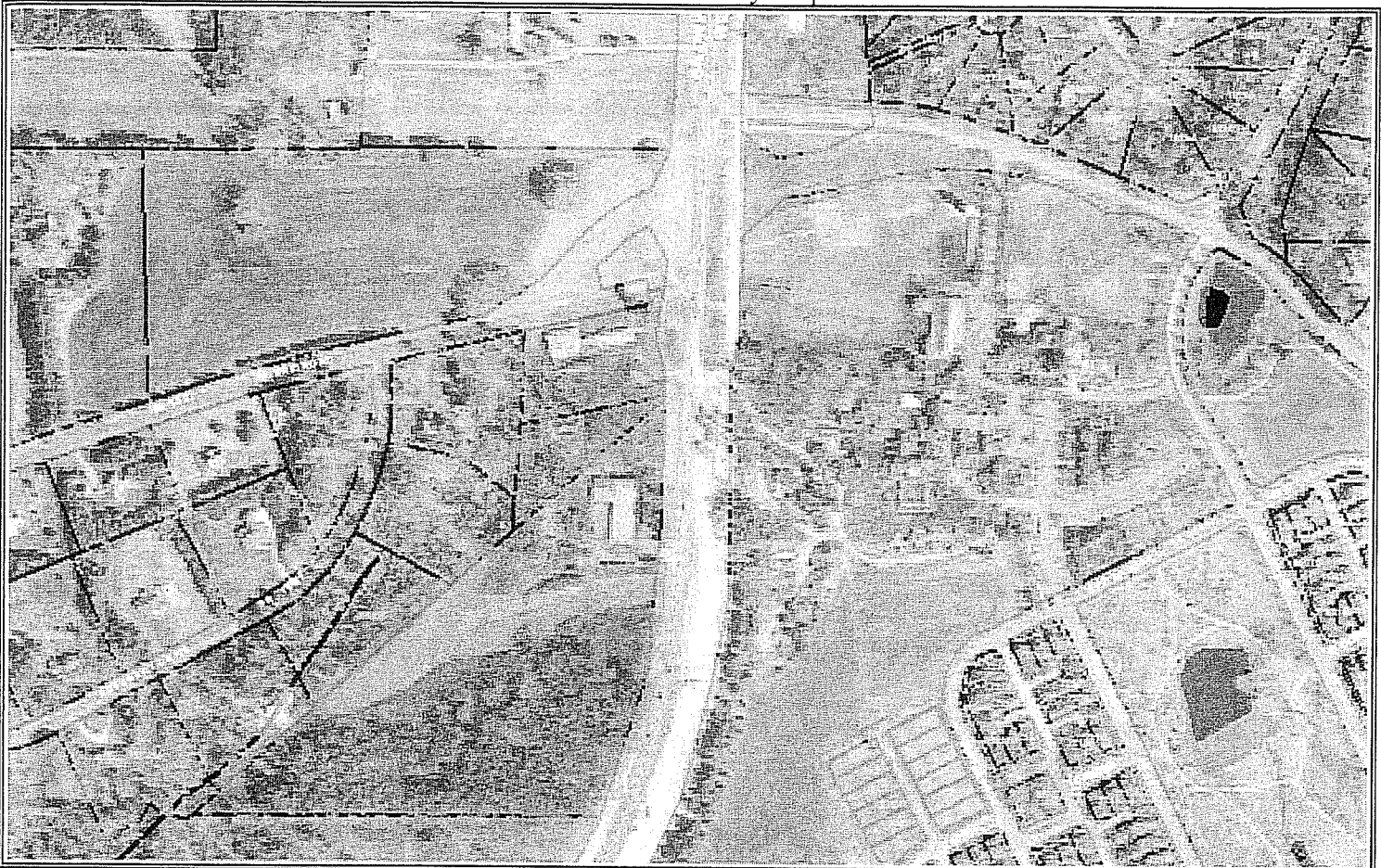
Real Estate & Formal Education:

- o **Appraisal Institute**, Urban Land Institute, IUPUI, Education Resource, and others 1991-present
Indiana 180 hr. certified general "core appraisal curriculum." Various appraisal and consulting continuing education courses. Various property and commercial liability insurance claim ce.
- o **University of Cincinnati**, Bachelors of Architecture, (BArch) 1986
College of Design, Architecture, Art, and Planning - School of Architecture.

Professional / Volunteer Organizations

- Raleigh Regional Assoc. of Realtors / Sanford Area Assoc. of Realtors / NCAR / NAR Member
- Dept. of Housing & Urban Development, Federal Housing Authority, (FHA) Roster Appr.
- NC Professional Appraiser's Coalition Member
- Chatham County United Chamber of Commerce Member
- Urban Land Institute Member
- Pittsboro Kiwanis Club, (Club Secretary) / Chatham County Beekeepers Association Member
- Alltech, Inc. - Parsons Brinckerhoff Certified FEMA Field Inspector
- State of Florida "All-lines" Independent Property Adjuster, (Non-Resident) (2000 - 2005)
- Appraisal Institute (1992 - 2005)

Chatham County Map

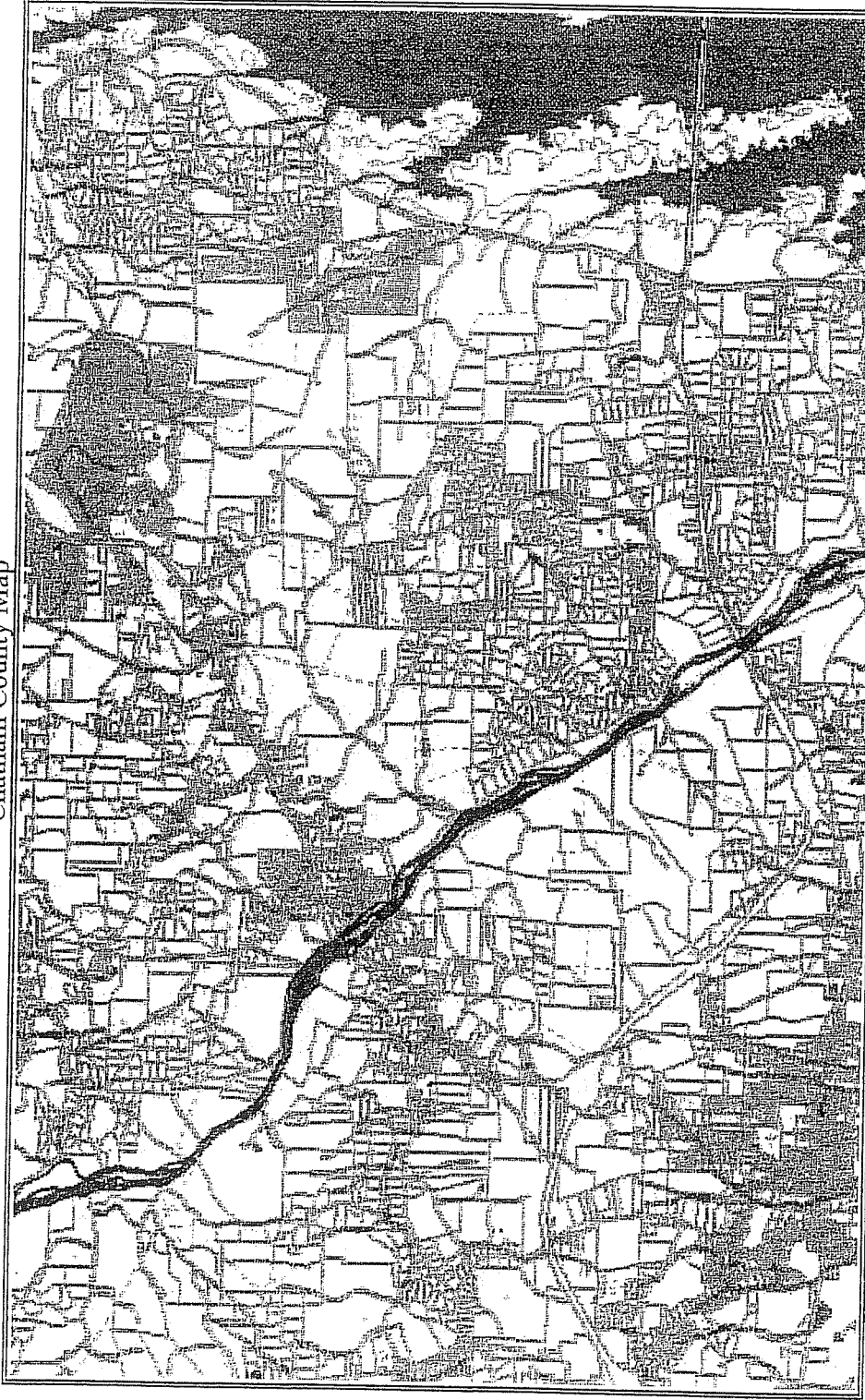


Disclaimer: This map is prepared for the inventory of real property found within this jurisdiction and is compiled from recorded deeds, plats, and other public records and data. Users of this map are hereby notified that the aforementioned public primary information sources should be consulted for verification of the information contained on this map. The County and the mapping companies assume no legal responsibilities for the information contained on this map.

Map Scale
1 inch = 525 feet
Grid based on the North
Carolina State Plane Coordinate
System, 1983 North American
Datum.



Chatham County Map



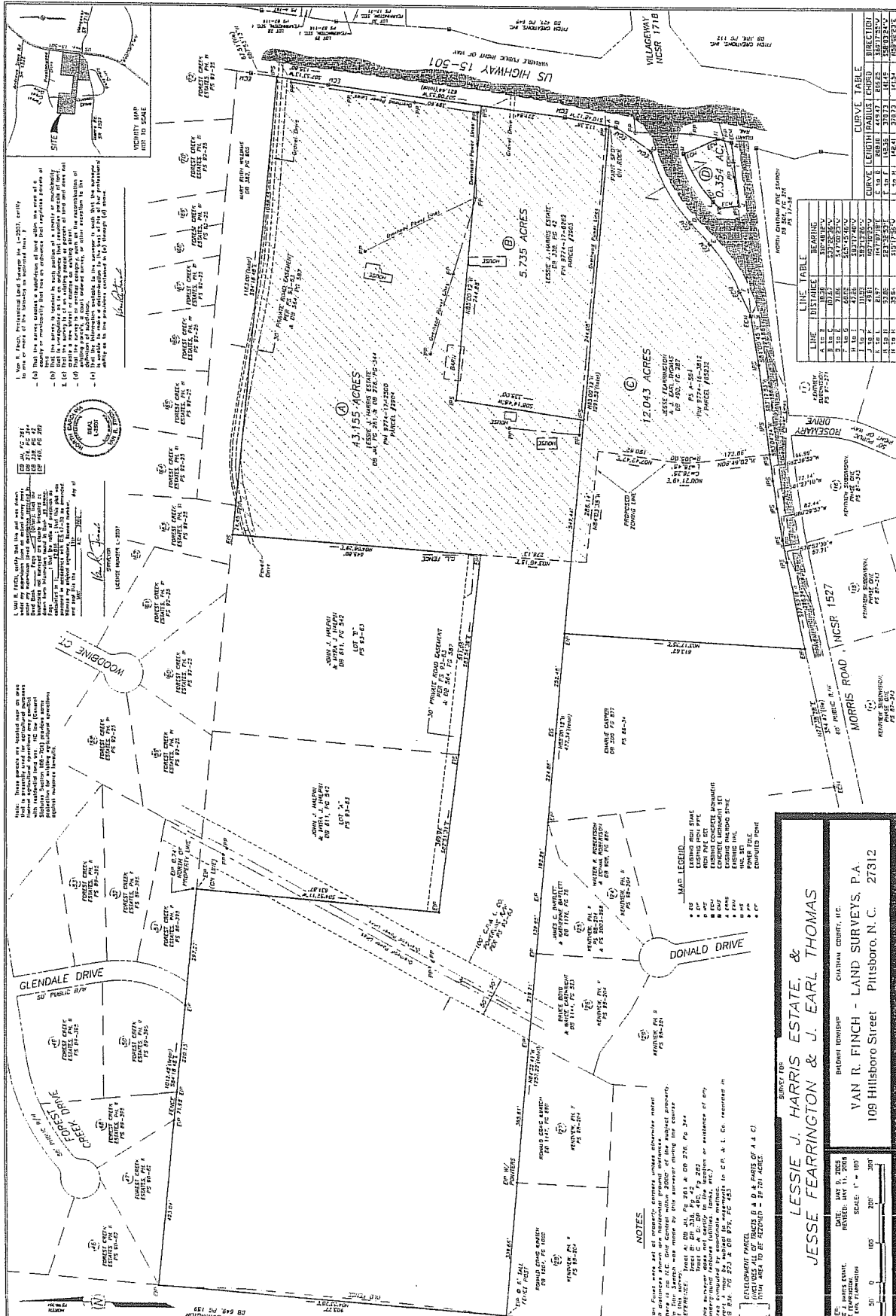
- * No traffic lights from Northwood High School to Farrington Village (approx. 5.2 miles)
- * Eleven median breaks between Northwood High School and Farrington Village

*EXAMPLES OF WHERE DIFFERENT KINDS OF DEVELOPMENT MAY OCCUR UNDER THE
CHATHAM COUNTY LAND CONSERVATION AND DEVELOPMENT PLAN*

ACTIVITY	LOCATION					
	Agricultural & Rural Development Areas	Compact Community Corridors	Economic Development Centers	Towns (including extra-territorial jurisdiction)	Natural Conservation Areas	Resource Protection Areas
Approximate area in the plan (square miles)	460	28	8	73	48	69
Farms	✓			✓		✓
Single family houses on large lots (e.g. 5 acres)	✓			✓		✓
Single family houses clustered together with significant land set aside for open space (e.g. 50% of land in the cluster community)	✓			✓		
Golf course/other recreational communities		*		✓		
Single family houses on 1.5 acre lots	◆			✓		
Single family houses on small lots (less than 1 acre)	◆	✓		✓		
Attached single-family houses (e.g. townhouses, condos)		✓		✓		
Apartments		✓		✓		
Home businesses	✓	*		*		
Convenience stores	❖	✓	✓	✓		✓
Schools and other public facilities	✓	✓		✓		
Offices and institutional uses	❖	✓	✓	✓		✓
Shopping centers		✓	✓	✓		
Auto, truck, and mobile home dealers			✓	✓		
Warehouses and light industrial operations			✓	✓		
Manufacturing plants			✓	✓		

NOTES

- ✓ = Use permitted in this location
- * = Use permitted in this location subject to design standards
- ◆ = Use permitted in this location subject to design standards, performance standards for water and wastewater and payment into mitigation fund
- ❖ = Use permitted only in designated cross-roads commercial locations and subject to design standards



NOTES:

1. The area shown on this plat is the result of a survey conducted by the undersigned on or about the date hereon.
2. The area shown on this plat is the result of a survey conducted by the undersigned on or about the date hereon.
3. The area shown on this plat is the result of a survey conducted by the undersigned on or about the date hereon.
4. The area shown on this plat is the result of a survey conducted by the undersigned on or about the date hereon.

PROPERTY MAP
 NOT TO SCALE

CURVE TABLE

LINE	DISTANCE	BEARING	CURVE LENGTH	RADIUS	CHORD	DIRECTION
A-1	10.25	S 89° 15' 00" W	10.25	10.25	0.00	CCW
A-2	10.25	S 89° 15' 00" W	10.25	10.25	0.00	CCW
A-3	10.25	S 89° 15' 00" W	10.25	10.25	0.00	CCW
A-4	10.25	S 89° 15' 00" W	10.25	10.25	0.00	CCW
A-5	10.25	S 89° 15' 00" W	10.25	10.25	0.00	CCW
A-6	10.25	S 89° 15' 00" W	10.25	10.25	0.00	CCW
A-7	10.25	S 89° 15' 00" W	10.25	10.25	0.00	CCW
A-8	10.25	S 89° 15' 00" W	10.25	10.25	0.00	CCW
A-9	10.25	S 89° 15' 00" W	10.25	10.25	0.00	CCW
A-10	10.25	S 89° 15' 00" W	10.25	10.25	0.00	CCW

LESSIE J. HARRIS ESTATE, & JESSE FEARRINGTON & J. EARL THOMAS
 CHATTAHOOCHEE COUNTY, GA.
 VAN R. FINCH - LAND SURVEYS, P.A.
 109 Hillsboro Street
 Pittsboro, N. C. 27312

NOTES:

1. This plat was prepared by the undersigned on or about the date hereon.
2. The area shown on this plat is the result of a survey conducted by the undersigned on or about the date hereon.
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DATE: MAY 11, 2006
PREPARED BY: VAN R. FINCH
SCALE: 1" = 100'

Mr. Nick Robinson
Bradshaw & Robinson
Hillsboro Street
Pittsboro, NC 27312

11May2006

Mr. Robinson:

I am a resident of Fearington Village and a practicing land planner and have to say that upon an initial view of Mr. Jesse Fearington's plan for a commercial development across the Village I had some concerns. Primarily I was concerned about the backs of buildings in the outparcels being against the highway. This condition frequently results in an unsightly presentation to the roadway and is also the first impression most people will have of the proposed center. The thought of seeing dumpsters, loading zones, and the various other things which frequently find their way behind buildings made me very uncomfortable. However, the assurances I received from you in a telephone conversation gave me a much greater level of comfort with the proposal. Restrictive covenants governing the appearance of that side of the buildings and assuring an attractive presentation leads me to feel that this project could be an asset to the area and would be a place I would want to frequent.

Sincerely,



David Monroe

308 Fearington Post
Pittsboro, NC 27312

May 15, 2006

TO: Chatham County Board of Commissioners
FROM: William Sommers, 1067 Fearington Post, Pittsboro, NC 27312
29 East Madison, Fearington Village
Subject: Written Statement Re Agenda Item #23 Regarding Briar Chapel

1. My name is William Sommers. I am a resident of Chatham County at 29 East Madison, Fearington Village. In this particular matter, involving an evidential hearing, I am representing the Fearington Home Owners Association (FHA). The latter represents in particular the abutting Fearington residential owners on that portion of Briar Chapel on the west side of Rt. 15-501. In addition, the FHA owns a portion of land, parcel 73722, which directly abuts parcel 18911 owned by Newlands and is part of the overall development area commonly known as Briar Chapel.
2. In summary, the FHA's position is that the proposed revision to the existing Community Conditional Use Permit be held in abeyance until such time as Newland Communities receives a) a Section 401 Water Quality Certification from the NC Division of Water Quality and b) a Section 404 Work Permit from US Corps of Army Engineers.
3. Since the Corp of Engineer's public notice of Newland's application was issued in June, 2005, the Corp held an informal discussion session regarding the application while the NCDWQ held its own public hearing in December, 2005. Many other concerns were expressed, especially at the DWQ public hearing. As a result of these meetings the FHA, together with the CCEC and the Haw River Assembly, have proposed a series of important recommendations aimed at mitigating potential problems with the proposed Briar Chapel Development. To this end detailed conditions have been recommended for inclusion in DWQ and Corp of Engineers authorizations.
4. If either the DWQ and/or the Corp of Engineers include one or more of the proposed conditions to the expected authorizations, they may involve inconsistencies or conflicts with actions now being proposed by Newland Communities and which are currently before the Chatham County Board of Commissioners.
5. Since the two agencies are still reviewing Newland's applications, it is, we believe, in the interest of all concerned that no further action on Agenda Item 23 be taken. This will not affect Newland's to any significant degree since they cannot generally proceed without the work permits. And it seems the essence of good planning to take all factors into consideration, including the current absence of the required permits, before acting on the proposals included in Agenda Item 23. Once the permits are issued, the items included in Agenda 23 can then be considered in the context of the official permits.
6. We appreciate your consideration.