

**Norman Jean Anderson Estate  
Improvements & 0.632± Acre**

640 Chestnut Street  
Berea, KY 40403



The following is a

Summary Appraisal Report

of

Norman Jean Andersons Estate

Office Building

& 0.632± Acres

640 Chestnut Street.

Berea, KY 40403

as of

April 05, 2012

**MIKE HUMFLEET  
APPRAISAL SERVICE**

325 Wildwood Ave.  
London, KY 40744

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April 19, 2012

Ms. Pamela Martin  
365 W. Main Street  
Mt. Vernon, KY 40456

RE: Appraisal Fee:  
Norman Jean Anderson Estate  
Office Building  
640 Chestnut Street  
Berea, KY 40743

Dear Ms. Martin,

As requested, I have personally examined the 0.632+ acres and improvements located at 640 Chestnut Street, Berea, KY 40743. The purpose of this appraisal is to estimate the market value of subject as is based on market conditions as of April 05, 2012. The Cost Approach, Income Capitalization Approach and Sales Comparison Approach will be considered in estimating the market value of the subject. The fixtures, furnishings, and equipment were not included in the final valuation of the subject property.

The appraisal will be used by Ms. Pamela Martin for decision making in determining a selling price of the subject property. It may not be distributed to or relied upon by other persons or entities without written permission of Mike Humfleet. However, Mike Humfleet Appraisal Service may provide only complete, final copies of the appraisal report in its entirety, but not component parts, to third parties who shall review such reports in connection with loan underwriting or securitization efforts. The appraisers are not required to explain or testify as to appraisal results other than to respond to the client for routine and customary questions.

This a Summary Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2 (b) of the Uniform Standards of Professional Appraisal practice for a Summary Appraisal Report. As such, it presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated in the appraisal reports. The appraiser is not responsible for unauthorized use of this report.

The appraisal sets forth the most pertinent data gathered, the techniques employed and the reasoning leading to the opinion of value. The analysis, opinions and conclusions were developed based on, and this report has been prepared in conformance with, our interpretation of the guidelines and recommendations set forth in the *Uniform Standards of Professional Appraisal Practice* (USPAP), The Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), Title XI Regulations and Mike Humfleet appraisal standards.

No responsibility is taken for any events, conditions, or circumstances affecting the market that exists subsequent to the effective date of this appraisal. This letter is invalid as an opinion of value if detached from the report, which contains the texts, exhibits and addenda.


In conclusion, the value of the subject property was estimated after analyzing the Sales Comparison and Cost Approach with the most consideration given the Sales Comparison Approach.

It is my opinion and conclusion that the value of the subject as of the effective date of April 05, 2012 is:

**TWO HUNDRED & FIVE THOUSAND DOLLARS  
(\$205,000)**

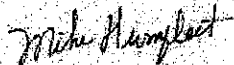
Please refer to the attached appraisal report, plus exhibits, for documentation of these value estimates contained herein. It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if Mike Humfleet Appraisal Service can be of further service, please contact use.

Respectfully submitted,



Betty Thomas, Appraiser  
April 19, 2012  
General Cert. #004349

Respectfully submitted,



Mike Humfleet, Appraiser  
April 19, 2012  
General Cert. #000642

- [REDACTED]
1. We have not knowingly withheld any significant information pertaining to this appraisal assignment and I believe, to the best of my knowledge, that all statements and information in the appraisal are true and correct.
  2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and omitting conditions and is personal, impartial and unbiased analyses, opinions and conclusions.
  3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved in the transaction. I did not base, either partially or completely, any of analysis and/or the estimate or opinion of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin or either the prospective owners of the subject property or the present owners or occupants of the properties in the vicinity of the subject property.
  4. We have no present or contemplated future interest in the subject property, and our engagement in this assignment was not contingent upon developing or reporting predetermined results.
  6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction of value that favors the cause of the client, or any related party, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of the subsequent event directly related to the intended use of this appraisal. We did not base the appraisal report on a requested minimum valuation, or specific valuation, or the need to approve a specific mortgage loan.
  7. My analyses, opinions and conclusions were developed and this report has been prepared, in conformity with our interpretation of the guidelines and recommendations set forth in the *Uniform Standards of Professional Appraisal Practice* (USPAP) that were in place as of the effective date of this appraisal with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of the market value and the estimate I have developed is consistent with the marketing time for commercial properties in the Market Area.
  8. Mike Humfleet made a personal inspection of the property that is the subject of this report on April 05, 2012.
  9. Betty Thomas, made an exterior only inspection of the property that is the subject of this report on April 17, 2012.
  10. This report does include public records obtained from PVA and County Court Clerk's Office.

11. Mike Humfleet Appraisal Service has not provided services to this property in the past three (3) years.

The Competency Provision of the Uniform Standards of Professional Appraisal Practice (USPAP) states in brief that prior to accepting an appraisal assignment, an appraiser must have the knowledge and experience to complete the assignment completely or disclose the lack thereof and take all necessary steps and describe in the appraisal report the steps taken to complete the assignment competently. We attest that we have the necessary appraisal experience and knowledge to perform the assignment in compliance with the Uniform Standards of Professional Appraisal Practice regulations. That we are familiar with the neighborhood and the region enough to perform this assignment and that we have researched sufficient information and verified and analyzed to produce the sales comparable or similar enough to determine a value for the subject property through the sales comparison approach. Also has massed enough rental data to determine if the market rents are in line and utilizing this information to determine a suitable capitalization rate from which a value can be determined using the Income Approach.

**FINAL ESTIMATED VALUE:**

Land Value:	\$125,000
Cost Approach:	\$200,000
Income Capitalization Approach:	\$N/A
Sales Comparison Approach:	\$205,000

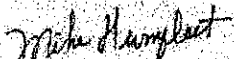
**TWO HUNDRED & FIVE THOUSAND DOLLARS**  
**\$205,000**

Respectfully submitted,



Betty Thomas, Appraiser  
April 19, 2012  
General Cert. #004349

Respectfully submitted,



Mike Humfleet, Appraiser  
April 19, 2012  
General Cert. #000642

## EXECUTIVE SUMMARY

### Subject Property



Anderson Estate  
 Improvements & 0.632 ± Acres  
 640 Chestnut Street  
 Berea, KY. 40403  
 Market Type: Commercial/Free Standing Office Building

### Location Information

Property Address: 640 Chesnut Street County: Madison  
 Berea, KY 40403  
 Development Name: N/A  
 Market Area Type: Commercial/Free Standing Office Building  
 Census Tract: 0112.00  
 Location Description: The office building is considered in an average commercial section of the City Limits of Berea. This area has had a steady buildup of commercial buildings within the last several years.

### Zoning

Zoning Code Commercial

### Assessment Information

Year	Tax ID/APN	Land Value	Improved Value	Total Value
2012	8001-0099-0014664	\$104,000		\$105,000
			Tax Liability	\$1,353.00

### Building information

Gross Building Area(SF): 2,010 sq. ft. Source: Site Visit/Owner  
 Year Built: 1911 Property Condition: Average  
 No. of Buildings: 1 No. of Stories: 1 Story  
 No. of Elevators: N/A Escalators: No  
 Construction Class: Office Construction Quality: Low  
 Building Class: C

### Land Information

Gross Land Area: 0.632+ acres Topography: Level to Low  
 Shape: Rectangular

### Comments

Property Rights Appraised: Fee Simple

### Land Valuation

Land Value:	\$ 125,000
Cost Approach:	\$ 200,000
Income Capitalization Approach:	\$ N/A
Sales Comparison Approach:	\$ 205,000
Final Estimate of Value:	\$ 205,000