



CITY OF OAK HILL

A G E N D A

City Council Special Meeting - April 26, 2022
April 26, 2022 - 5:30 PM

Call to Order

Roll Call

Business

1. Rescind the Appointment of Don Phillips to the Board of Zoning Appeals
2. Purchase of the Former BB&T Building.

Adjournment

AN APPRAISAL OF:



Former BB and T Bank Building
Corner of Central Avenue and Main Street
Oak Hill, WV, 25901

Commercial Appraisal
As of: October 5, 2021
File#: 2110101

Prepared for:

Mr. Bill Hannabass, City Manager
City of Oak Hill
100 Kelly Avenue
Oak Hill, WV 25901

PREPARED BY:

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October 5, 2021

City of Oak Hill
100 Kelly Avenue
Oak Hill, WV 25901

RE: Appraisal
Former BB and T Building
Corner Central Avenue and Main Street
Oak Hill, West Virginia, 25901
File #2110101

I have conducted the required investigation, gathered the necessary data, and made certain analysis that have enabled me to develop an opinion of the market value of the fee simple interest in the above referenced property. I am valuing the fee simple site in its "as is" condition. I have formed an opinion as of the effective date with regards to any assumptions and/or limiting conditions. The subject has the following opinion of market value:

FOUR HUNDRED FIFTY-FOUR THOUSAND DOLLARS

\$454,000.00

The original date of the inspection was August 23, 2021. The property was reinspected on October 5, 2021, the valuation, all data analysis, and conclusions are as of October 5, 2021. The report was completed on October 5, 2021.

The appraisal report that follows sets forth the identification of the property, the assumptions and limiting conditions, pertinent facts about the area and the subject property comparable data, the results of the investigations and analysis, and the reasoning leading to the aforesaid conclusion.

The components and contents of the provided report are such that they are bound by and satisfy the Uniform Standards of Professional Appraisal Practice (USPAP 2020~2022) definition of an appraisal report.

NOTE - please review Statements and Limiting Conditions section in the Addendum portion of this report item #43 as it relates to the Covid-19 Pandemic.

If I may be of further assistance, please do not hesitate to contact me.

Respectfully submitted,



Raynell Toler, ASA, SRA
WV Certified General
Real Estate Appraiser #CG017

TABLE OF CONTENTS

PART ONE – INTRODUCTION

Title Page	
Letter of Transmittal	2
Table of Contents.....	4
Certification of Value	5
Executive Summary	7

PART TWO- PREMISES OF THE APPRAISAL

Identification of appraisal report format	8
Intended User/Use of the Appraisal	8
Definition of Value(s)	8
Property Rights Appraised	9
Scope of Work	9

PART THREE- PRESENTATION OF DATA

Identification of Non-Realty Components (if any)	10
Identification of the Property - Site Data.....	10
Description of Improvements	14
Floor Plan	13
Photographs of Subject Property	14
Zoning.....	31
Taxes and Assessment Data.....	31
History of the Property (including prior sales and current listings)	31
Area Overview	32

PART FOUR- ANALYSIS OF DATA AND CONCLUSIONS

Highest and Best Use Analysis	35
Valuation Analysis	
Cost Approach.....	38
Sales Comparison Approach	39
Income Capitalization Approach	48
Reconciliation and Final Opinion Value.....	60
Estimate of Marketing and Exposure Time	61
Additional Comments and Value Conclusions.....	62

ADDENDA

Assumptions and Limiting Conditions, Qualifications of the Appraisers, Licenses, Tax/Flood Maps, Other Misc.	64
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CERTIFICATION

To the best of my knowledge and belief, the undersigned hereby certifies that except as otherwise noted in the body of this report:

The statements of fact contained in this report, upon which the analyses, opinions, and conclusions expressed herein are based, is true and correct.

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

I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved with this assignment.

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

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

My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.

Raynell D. Toler ASA, SRA has prepared the analyses, opinions, and conclusions concerning the real estate, which are included in this report.

The Appraiser has performed within the context of the competency provision of the Uniform Standards of Professional Appraisal Practice.

This appraisal conforms to the Uniform Standards of Professional Appraisal Practice issued by the Appraisal Standards Board of the Appraisal Foundation, to the applicable provisions of Title XI of the Federal Financial Institution Reform, Recovery, and Enforcement Act of 1989, 12 U.S.C. 3310, 33313351, and to the applicable regulations of the Federal Reserve System, 12 CFR Parts 208 and 225.

Raynell D. Toler ASA, SRA holds the requisite license issued by the West Virginia Real Estate Appraiser Board to be able to perform this appraisal in compliance with West Virginia law and regulations.

I, Raynell D. Toler ASA, SRA certify to the best of my knowledge and belief, the reported analysis, opinions, and conclusions, were developed and this report was prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of

Professional Appraisal Practice of the Appraisal Institute (AI) and the American Society of Appraisers (ASA)

As of the date of this report, Raynell D. Toler ASA, SRA has completed the requirements of the continuing education program of the Appraisal Institute and the American Society of Appraisers for designated members.

I certify that the use of this report is subject to the requirements of the Appraisal Institute and the American Society of Appraisers relating to review by its duly authorized representation. In addition, this appraisal has been prepared in conformity with the Code of Ethics of the AI, the ASA and the Uniform Standards of Professional Appraisal practice as promulgated by the Appraisal Foundation.

The Appraiser hereby states he has not provided services to the subject property within the previous three years.

Based on a 'physical' inspection, the investigation and analysis undertaken, the opinion of market value as of the effective date of August 23, 2021. The subject has the following opinion of "as is" value of:

"AS IS VALUE"

FOUR HUNDRED FIFTY -FOUR THOUSAND DOLLARS

\$454,000.00

Respectfully submitted,



Raynell D. Toler ASA, SRA
WV Certified General
Real Estate Appraiser #CG017
Exp. 10/31/2021

EXECUTIVE SUMMARY

Client:	City of Oak Hill
Property Name:	Former BB and T Bank Building
Owner:	GrayMill Holdings, LLC
Tax Map/Parcel(s):	32/416 (Oak Hill Corp.)
Legal:	Surface of 0.90 acres Main Street & Central Avenue Recorded in Deed Book 770 at Page 196
FEMA Flood Map:	Zone X, 54019C0310D, dated 09/03/2010
Date of Inspection:	August 23, 2021, October 5, 2021
Date of Value:	October 5, 2021
Date of Report:	October 5, 2021
Property Rights:	Fee Simple
Site:	0.90 ac. Or 39,204 (sf)
Building(s):	(1) 2-story brick bank building
Basement:	(1) 100% Block and Brick Walk-Out
Unfinished Basement	Unfinished Accessibility is Limited
Zoning:	B-1 – Central Business District
Highest and Best Use:	
“As vacant”	Commercial – Develop for Commercial
“As improved”	Commercial – Office/Professional
Present Use:	Vacant – Bank Building
Extraordinary Assumptions:	None
Hypothetical Conditions:	There was evidence that there was previous dampness in the left front corner of the basement. It was reported to the appraiser that the dampness has been corrected. There was some evidence of some mold on the walls in this area. This also needs to be checked to make sure it has been remediated.
Disclosures:	None
Cost Approach:	NOT DEVELOPED
Sales Comparison Approach:	\$440,000.00
Income Approach:	\$475,000.00
Final Opinion of	
“AS IS” Market Value:	\$454,000.00

EXTRAORDINARY ASSUMPTIONS – “presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property”¹

NONE.

HYPOTHETICAL CONDITIONS – “assume conditions contrary to known facts about physical, legal or economic characteristics of the subject property”²

1. At the time of the inspection there was some minor dampness and mold in one area of the basement. The appraisal is completed on the hypothetical condition that the mold is remediated, and the dampness is corrected.

DISCLOSURES – Significant and/or non-typical items not fitting into either the extraordinary assumptions or hypothetical conditions categories; however, deemed necessary by the appraiser.

PART TWO – PREMISES OF THE MARKET ANALYSIS

TYPE OF APPRAISAL REPORT

Appraisal reports may be presented in two formats: an Appraisal or Restricted Appraisal I have developed an Appraisal Report which summarizes the Appraiser's analysis and rationale for the conclusions in the assignment in accordance with USPAP 2-2(a). All appropriate information is contained within the report or referenced to appraisal files.

INTENDED USE AND USER OF THE APPRAISAL

Intended Use/ User: The intended use is to assist the client in establishing an opinion of “market value” of the subject property. to estimate a value for the client to aid them in negotiations to purchase the property. The client/intended user is **The City of Oak Hill**.

DEFINITION OF MARKET VALUE

The term Market Value, as herein used, 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 are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) Buyer and seller are typically motivated
- (2) Both parties are well informed or well advised, and acting in what they consider their best interests
- (3) A reasonable time is allowed for exposure in the open market

¹ *The Dictionary of Real Estate Appraisal*, 6th Edition, 2015, pg 83-84

² *The Dictionary of Real Estate Appraisal*, 6th Edition, 2015, pg 113

- (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."³

PROPERTY RIGHTS APPRAISED – Fee Simple

Fee Simple 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.*"⁴

The subject is owner occupied; therefore, the fee-simple rights are deemed applicable.

SCOPE OF WORK

The appraiser has been engaged by the client to develop an opinion of market value for the subject as of the effective date. The subject is a free-standing commercial bank building of average quality and average cost appeal. The fee simple rights of the subject are appraised. The subject of this appraisal report is the land and the improvements located at the corner of Central Avenue and Main Street, Oak Hill, WV. In the preparation of this appraisal, the appraiser has made a site visit of the subject and physically inspected, measured, and taken sufficient photographs to adequately characterize the property appraised. The subject's neighborhood was also inspected to assist in the determination of the neighborhood characteristics. The information was analyzed in order to document the various environmental, social, governmental, and economic factors that influence value.

This report and the opinion of market value included the consideration of the Cost, Income, and Sales Comparison Approaches. The subject is an existing neighborhood bank building in an urban commercial neighborhood. The appraiser was not contracted to evaluate the subject on a regional basis nor did the agreed contract price include fees relating to such regional activities. Following the inspection, all approaches to value were deemed applicable. Local builders, Realtors and Appraisers were contacted for information concerning current sales and rental information.

In conclusion, the appraiser thoroughly evaluated the subject, the comparable sales and income data in this report. This report was developed with limited funds, therefore, specific items requiring 3rd party inspections, unique costs to cure or a properly licensed professional to quote, is encumbersome upon the client to obtain and is outside the Scope of Work. The reconciliation section of the report summarizes all the data, its development, and conclusions.

³ (Federal Register, vol. 55, no. 163, August 22, 1990, pages 34228 and 34229 and *The Appraisal of Real Estate*, 14th Edition, by The Appraisal Institute, 2013, pg. 59.

⁴ *The Dictionary of Real Estate Appraisal*, 6th Ed., The Appraisal Institute, 2015, Pg. 90

PART THREE- PRESENTATION OF DATA

IDENTIFICATION OF NON-REALTY COMPONENTS

Non-realty components of value include personal, business concerns, or other items that do not constitute real property but are either included in the sale price of the comparable property or the ownership interest in the subject property. In this assignment, we are valuing the real property only. No items of a business operation or personal property are included in the opinion of value.

PROPERTY DESCRIPTION - SITE DATA

Location:	Urban/Fringe - average, inside the corporate boundaries of the city bound to the north, south, east and west by incorporated areas of the City of Oak Hill, WV.
Site Size/Topography:	0.90+/- acres (39,204sf)/Level at grade with a cutout for the lower-level rear boundary.
Site Shape/Visibility:	Irregular/Good
Street Access:	Average – public paved ingress/egress
Zoning:	B-1 – Central Business District
Proximity to market/trade area:	Within the focal point of the market/trade area is the City of Oak Hill.
Easements and Encroachments:	Normal utility easements are present. Additional easements exist assuming to not affect the marketability of the site.
Drainage:	Average (assumed adequate)
Local linkages:	Commercial/Residential linkages to all central city venues.
Regional linkages:	Major state/national thoroughfares indirect to the by +/-15 miles.
Utilities:	Electric: Available – Connected
	Phone: Available – Not Connected
	Water: Available – Connected
	Sewer: Available – Connected
Telecommunications:	Available – Not Connected
Functionality of Site:	Average – ingress/egress and parking are via public streets and the subject's and adjacent properties.
Seismic/Flood zone:	The site is not located in an area of known seismic activity.
City/County's Plan:	Use and rehabilitation of commercial improvements along the major transportation arteries with residential improvements in support.
Site Improvements:	+/-14,830sf of asphalt paved parking
Street Improvements:	Main Street, Central Avenue, and Church Street are all public maintained asphalt streets that are maintained by city, county, and state government agencies. There is also public sidewalks and street lights.

Conclusion of Site Description

Considering the location, size and amenities available to the subject, the site is considered viable and appropriate for development. View and access is considered to be good. All municipal and public utilities are available to the site. The site has minimal landscaping on the exterior grounds. There does not appear to be any adverse easements, which would affect the marketability of the site; however, the ingress/egress and parking is via Main Street, Central Avenue and Church Street. The Appraiser did not perform a title search and cannot attest to any easements of record. No agreements of maintenance are known to exist; none are assumed.

DESCRIPTION OF IMPROVEMENTS

The following construction details have been identified in the subject. The most relevant items are included in this summary. Details about the property have been generated from a personal inspection of the subject property, the Site Contact and the Fayette County Assessor's office.

Average Cost Bank Building – an existing ca. 1977 frame and brick veneer 2-story bank having 5,937sf of GBA. There is also a 3,424 walk out basement (lower level and an attached drive-thru canopy plus a 11' x 11' supply building. The original design and components reflect its original bank use. The subject is of average-cost design and average quality with no signage. There is also a 3-floor elevator that services the building.

Exterior - The roof is a gable pitched structure that is covered by composition shingles. The roofing appears to be in average condition. It appears the roof is still sound and functional. The exterior is brick with insulated wood-framed fenestration and commercial-grade exterior entry doors.

Interior – The main floor of the building has a large lobby area, elevator, 3 private offices a bullpen area that has several workstations, a teller line, a vault for safe deposit boxes and a private rest room that is shared by 2 adjoining private offices.

The second floor consists of a waiting area, lobby area, a security vault, 5-private offices, 3 restrooms, and a lounge area for employees.

The top floor of the building is 20.5' wide and 72.4' in length of unfinished attic area. The attic area has a concrete slab floor and wood framing. The area has adequate height if someone wanted to finish the areas for some type of use or just use it for storage.

The basement (lower) level of the building has 2 restrooms, break room, drive-up window, large processing room, mechanical room, open area for workstations, 2 private offices and 2 vaults and an elevator.

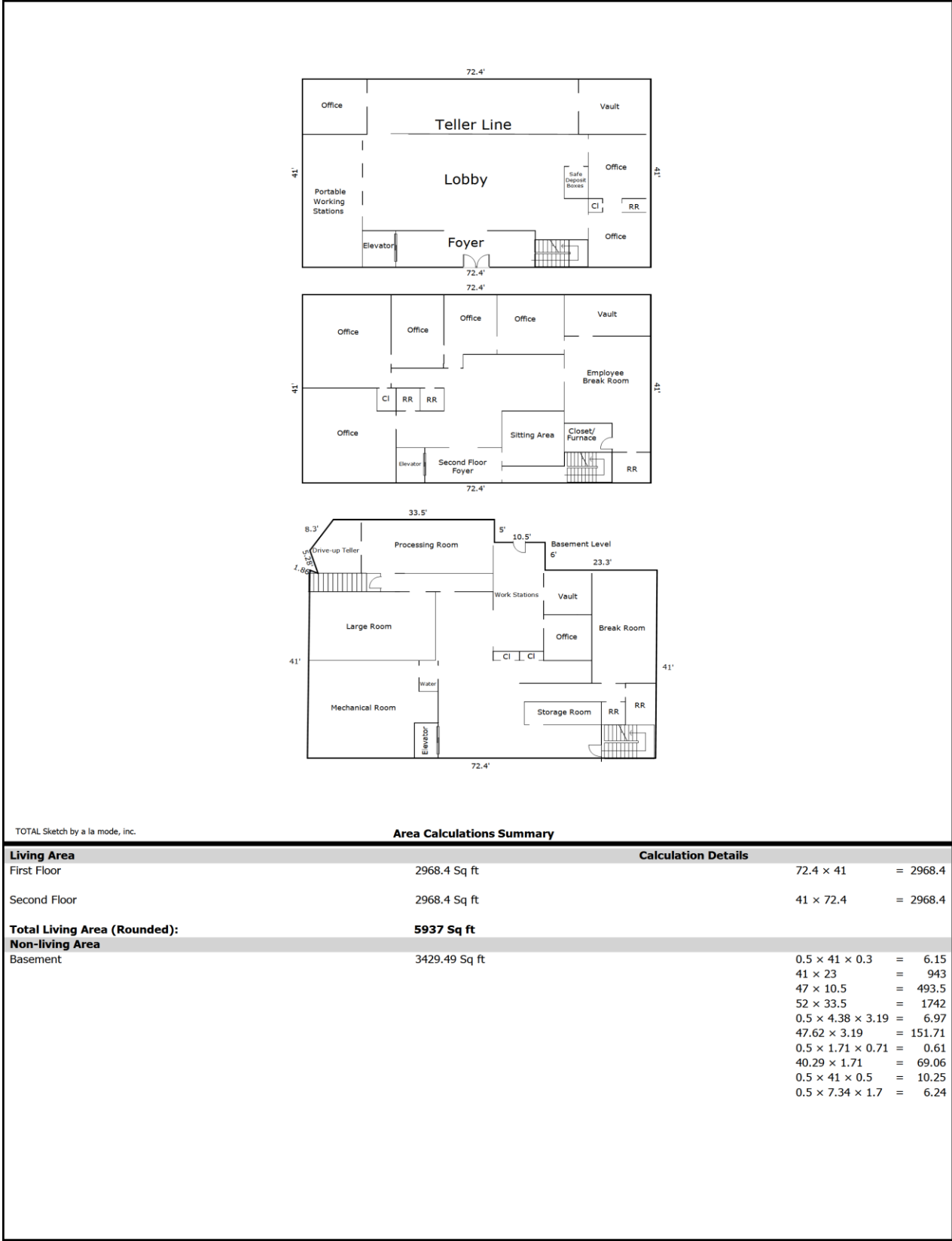
The unfinished basement area under the front porch and front concrete apron only has access from the exterior of the building. It is accessed by a set of concrete steps that are covered with a locked grated metal door. The unfinished basement has very little or no value because of its access.

All interior walls are either painted drywall with wood wainscoting or paneling board. The ceilings are metal-framed with lay-in ceiling panels and flush mounted fluorescent lighting.

The appraiser assumes that the elevator that serves each floor of the building was installed in 1977 when the building was constructed. The elevator landings access to the foyer area of each floor. The foyer area also has tile flooring, brick walls and metal-frame paneled ceilings.

Utilities/Mechanicals – The building is serviced by a public water supply, municipal sewer system, electricity, and available metered gas from a public utility source. The building has a dated but adequate electrical service that is sufficient to handle the needs of the building. Each floor is serviced by a typical residential grade electric heat-pump. There were also several electric baseboard heaters located in several areas of the building. The building also has had some of the heating systems upgraded in the recent past.

Conclusion – The building has average-cost design and average quality components. The interior of the building has a dated décor that is in overall average condition. There is evidence of water leaks on the 1st. and 2nd. Floors. There are several ceiling tiles that have water damage in various areas of the building. It's the opinion of the appraiser that the water damage is from faulty plumbing and condensation from the air-cooling systems. The building has concrete slabs floors on each level of the building. The Marshall Valuation Service cost handbook indicates that the building has a life expectancy of 45 years. The effective age of the building is estimated to be 20 years. The building is sound and functional. All systems appeared to be in working order at time of this inspection. The exterior sidewalks, retaining walls, and concrete steps are deteriorated and in need of repair. The interior needs upgraded with new carpet and interior paint. All the restrooms are old and dated and need to be upgraded. The appraiser assumes that all mechanical systems are in working order.



Photographs of Subject



Subject Front View



Subject Rear View



Subject Street - Looking North



Subject Street - Looking South



Additional Front View



Additional Rear View



Right Side View of Building



Rear View



Parking Lot



Parking Lot



Drive-Thru



Rear Entrance To Building



HVAC Compressors



Rear of Building



Old Garage Needs Torn Down



Deteriorated Roof on Garage Building



Damaged Retaining Wall



Damaged Retaining Wall



Retaining Wall



Deteriorated Steps and Retaining Wall



Retaining Wall



Retaining Wall Needs Repaired



HVAC Compressor



Attic Storage



Unfinished Basement



Unfinished Basement



Previous Dampness in Basement



Unfinished Basement Area



View of Teller Line



View of Teller Line



View of Teller Line



Teller Work Areas



Bullpen Work Areas



Bullpen Work Areas



View of Teller Line



View of Teller Line



View of Teller Line



Teller Work Areas



Bullpen Work Areas



Bullpen Work Areas



Free Standing Safe



Free Standing Safe



Lockbox Vault



Lockbox View Area



Second Floor Office



Second Floor Records Vault



Second Floor Foyer



Kitchenette



First Floor Office



First Floor Waiting Area



Basement Work Station Area



First Floor Lobby Area



Office



Office



Office



2nd. Floor Break Area



Office



Office



Office



Office



Drive-Up Window



Additional Drive Up Window View



Restroom



Lower Level Work Area



Elevator Lobby Area



Damaged Ceiling Tiles



Damaged Ceiling Tiles



Staircase



Restroom



2nd. Floor Lobby Area



Non Working Restroom



Restroom



Break Room Kitchen



Breaker Box



Communication Center



Open Work Area



Hallway To Office



Possible Mold



Possible Mold



Break Room - Possible Mold/Ceiling Damage



Lobby Area Near Elevator



Lobby Area



Lobby Area Near Elevator



Elevator Lobby Area



Office



Office



Office



Restroom



Break Room and Records Vault



Elevator Lobby



Communication Center



Communication Center



Communication Center



Mechanical Room



Mechanical Room



Furnace and Water Heater



Electrical Room



Electrical Room



Electrical and Furnace Room



Duct Work from Furnace

ZONING

“Zoning is easily the most significant legal technique in land-use control.” Zoning districts are geographic areas within the boundaries of which type, size, height, etc define land use.

City officials confirmed that the subject is zoned B-1 Central Business District.

The subject is a legal conforming use of its zoning classification. The previous use as a bank facility or future use as an office facility or some type of retail use would be permitted. It is reasonable to assume that in accordance with the current zoning ordinances that if the improvements were destroyed by fire or some other natural disaster it would be reasonable to assume it would be allowed to be rebuilt.

TAXES AND ASSESSMENT INFORMATION

The subject is currently listed on the Raleigh County Tax records as a commercially classified property. The real estate tax rate for Raleigh County and property designated as Class 4 commercial. At the time of inspection, the subject consists of a single building having the following assessments and taxes:

TM/Parcel	Acres	Land	Building	Land & Building Assessed Value	Total Assessment	Taxes
		Appraised Value	Appraised Value			
32/416	0.900	\$ 123,200	\$ 269,700	\$ 235,740	\$ 235,740	\$ 7,218.36

The subject’s estimated annual tax responsibility is identified as \$7,218 (rounded) for the 2021 tax year. This value may be considered within this report.

SALES HISTORY OF THE PROPERTY

County records identify the subject last transferring October 10, 2018 for the stated consideration of \$300,000 between known, however, unrelated parties. No other transfers were noted within the previous 3 years.

CURRENT LISTING/SALES CONTRACT – No current Listing of the property. No current sales contract known or noted on the property.

Area Overview – Oak Hill, Fayette County⁵

Oak Hill, WV is an incorporated sparsely populated area outside of Oak Hill, WV. The subject is located outside (to the west of) the corporate limits of the city of Oak Hill, West Virginia. An incorporated area located in the middle of Fayette County.

Climate

The climate for Oak Hill is seasonal. See beautiful fall colors in late September to the end of October with the best viewing during the first two weeks of October. The average winter temperature is 31 degrees F. The average summer temperature is +/- 75 degrees F. Oak Hill typically has above precipitation in rain and snow.

History

The town's downtown section remains virtually the same as it did during the 1920's, the decade when the town was one of the most important communities in the vast coal fields of the region. The City was settled in 1820. Although many of the town's buildings and structures have faded from their former glory, these unique relics from the past offer a glimpse back in time to America's Industrial Age.



Population

The population of Oak Hill is estimated at +/-8,179 (ca. 2020), slightly down from the ca. 2019 and down from 8,878 (ca. 2010) for a continued decrease of -7.9%. The amount of land area for Oak Hill is +/-4.88 square miles.⁶

Households

There were 3,517 units (ca. 2019) static from the previous period; still a significant increase from 3,165 households (ca. 2010~2014) with an average household size was 2.36 people, lower than previous years.

Income

The county per capita income (PCI) was \$21,018 (ca. 2018) above the \$20,441 (ca. 2015) and above the \$19,249 (ca. 2014) slightly above the \$20,517 (of ca. 2010.) The median household income is \$37,567 (ca. 2019) below the \$39,316 (ca. 2015) versus \$38,253 (ca. 2014). Population below the poverty line is 20.9% is a minor change from the previous period and still higher than the 17.6% (ca. 2015) of the population below the poverty line and 17.0% (ca. 2014.)

⁵ 2021 US Census Bureau

⁶ 2021 US Census Bureau

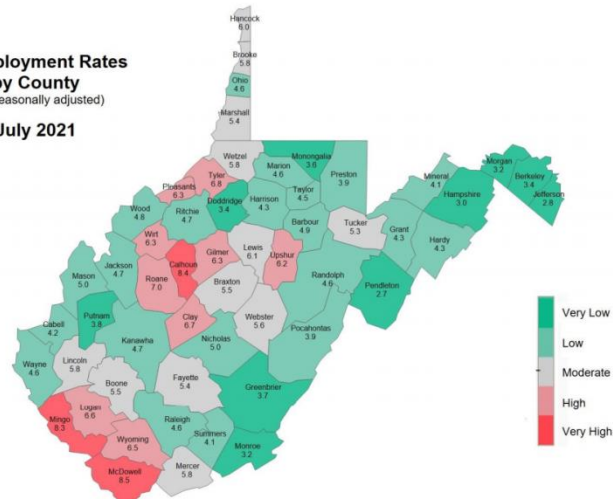
Employment

The unemployment rate for the Fayette County area was identified at 5.4% decreasing from the previous period. This may or may not be an influence from the current Covid-19 event. The state average is 5.0% also a slight decrease. Industries providing significant employment are: Educational, healthcare, recreational, retail and social services and minimal area manufacturing.⁷

Government

The City of Oak Hill is governed by a 7-member council with a Mayor and City Administrator. Fayette County is governed by a three (3) member council. The County has comprehensive zoning. Several other incorporated towns exist within the county.

**Unemployment Rates
by County**
(not seasonally adjusted)
July 2021



Hospital/medical centers in the Oak Hill area:

PLATEAU MEDICAL CENTER exists within the corporate borders; **SUMMERSVILLE Regional Medical Center** (to the north) and **Appalachian Regional and Raleigh General Hospitals** to the south.

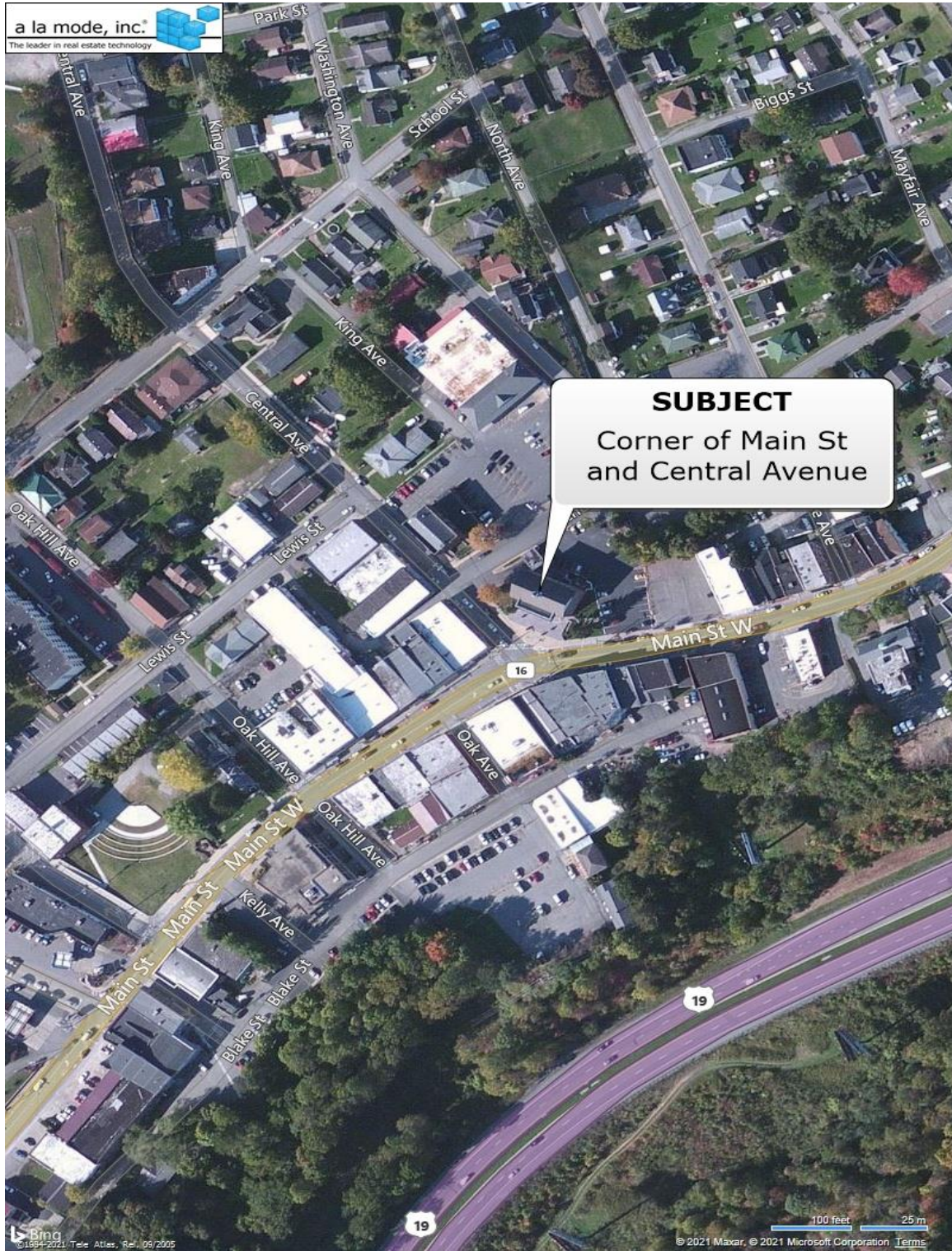
Airports certified for carrier operations nearest to Mount Hope: **RALEIGH COUNTY MEMORIAL** (about 20 miles; **BECKLEY, WV; ID: BKW**) **GREENBRIER VALLEY** (about 60 miles; **LEWISBURG, WV; ID: LWB**) **YEAGER** (about 52 miles; **CHARLESTON, WV; ID: CRW**)

MARKET AREA TRENDS – Subject’s Neighborhood

The subject’s location is dependent upon the city of Oak Hill, WV, an incorporated area in Fayette County, a rural county. Commercial and Residential market activity is slow but steady with the area having a higher-than-average unemployment rate. The market area consists of older commercial sites along the major arteries with suburban and rural residences surrounding. City lot sizes are typical with large tracts of land outside the municipal borders. No new construction was observed, and there are several vacant commercial buildings located nearby. Overall, topography is a mix of mountainous tracts with leveled plateaus and floodplain riverfronts. Research indicates minimal commercial activity has occurred since 2008 with prices staying steady. The overall trend of the subject’s commercial and residential markets is expected to continue to be stable.

⁷ Covid-19 Pandemic

Aerial Map of Downtown Oak Hill



PART FOUR- ANALYSIS OF DATA AND CONCLUSIONS

HIGHEST AND BEST USE ANALYSIS

“The reasonably probable and legal use of vacant land or an improved property that is physically possible, legally permissible, appropriately supported, financially feasible, and that results in the highest value.”⁸

There are four criteria in a highest and best use analysis. They are legally permissible, physically possible, financially feasible, and maximally productive.

Legally Permissible considers zoning, building codes, environmental concerns, legal restriction, etc. Zoning is a very important concern in many localities. Zoning regulations limit what/if a property can be developed into. Building codes identify restrictions to: the physical characteristics, the location and the uses of improvements. Environmental concerns take into consideration National, State, and Local environmental laws and regulations. Legal covenants restrict property uses and must be considered. Leases affect future utility of the property and are legally binding on the landlord.

Physically Possible takes into consideration the site and can it be developed and/or into what. Some parcels can only accommodate certain buildings or none at all. Physically possible considers all aspects of the physical properties of the site and how it can be developed. Certain aspects of the site such as its size, shape, area, terrain and access would determine the accommodation of buildings.

Financial Feasibility considers the income versus the expenses, and all uses that would give a positive income stream. Each use that is physically possible and legally permissible is analyzed in terms of profitability.

Maximally Productive takes into consideration all incomes and determines the highest return to the owner. Supply and demand is considered in arriving at the most feasible use. After considering all the most feasible uses, the use, which returns the highest return to the owner, would be selected. This use would produce the highest value and the highest and best use of the property.

⁸ *The Appraisal of Real Estate*, 14th Ed., The Appraisal Institute, 2013, pg. 334

AS VACANT – The city has zoning throughout. Legal restrictions were identified. The subject is zoned B-1 Central Business District. Any development must go through a review (and approval) from the City Planning/Zoning Department. The physical size, shape, area, and topography affect the uses to which a site may be physically developed into. The site is irregular to rectangular in shape and mixed in topography. The parcel has a total of +/- 0.90 acres with some loss in utility owing to its ingress/egress to surrounding properties; however, it is still sufficient for several uses. The viewed improvements in this neighborhood are a mix of owner-occupied, vacant and a couple lease-fee sites. They are fronting commercials with surrounding residentials. The subject “as vacant” significantly benefits from development and sufficient road traffic exists to generate a supportable income. The appraiser has considered the above conditions that would return the highest net present value to the land over the long term. The overhead costs of constructing a new improvement if the lot was vacant would be viable and provide a significant increase in value to the site. Due to local zoning, the location has sufficient ingress/egress and a complying commercial development would best suit the site.

AS IMPROVED - The B-1 zoning requires all development and use having to go through a review/approval process. The subject is improved with a 2-story former neighborhood bank building that is currently vacant. The design and use are following the zoning classification. The improvement and available paved parking are sufficient for several types of business operations. Surrounding commercial traffic appears good enough to generate an adequate income to pay expenses and salaries; however, the cluster of commercial buildings in the downtown area are mostly retail buildings with very limited supply of professional office space is limited; therefore, creating a better than average demand for this property. The site “as improved” with a bank building does not maximally utilize improvements for large banking facilities. The banking industry has transformed facilities, teller machines and online banking for access to customer funds and remote loan officers to personally call on customers for the loan process. The current building would best utilize the site for professional offices. The building would require extensive remodeling and retrofitting to accomplish this task.

SUMMARY – Based upon the above discussion the buildings highest and best use would be for remodeling for a government building, office building or some type of retail use. The above uses would be legal, physically viable, and financially feasible. The current or previous use as a bank facility would not be maximally productive; therefore, not its highest and best use.

VALUATION ANALYSIS

The value conclusions herein are based upon a review and analysis of market conditions affecting real property value. This includes sales of similar type properties, cost estimates and competitive properties in the market area. Attributes of the subject and comparable properties will be considered and analyzed. This information has been obtained from a mix of inspections, public records, real estate salespeople and/or brokers that are active in the local market and personal inspections. The property interest being appraised is fee simple.

The Cost Approach

The cost approach to value is arrived by adding the depreciated replacement cost of the improvements to the value of the vacant land. This indication of value considers the vacant land under the highest and best use. Depreciation is the loss in value due to wear and tear, design, or external forces. This approach to value is based on the principle of substitution. Typically, this approach is most valid when the improvements are newer. In this assignment, the ca. 1981 improvement is in 'overall' average condition. All forms of depreciation will be considered and analyzed.

The Sales Comparison Approach

The sales comparison approach is developed by comparing "comparable" sales to the subject property. The degree of comparability between market data and the subject involves considering their dissimilarities with respect to many valuation factors including (but not limited to) size, location, age, condition and quality of construction. A typical unit of comparison for commercial projects (of this type) is the price per square foot (PSF). In this analysis, we have considered the price PSF because investors typically rely upon how much space can be used when making purchasing decisions. Sales of commercial improvements in the subject's neighborhood and general market area were researched and verified. The closest and most relevant comparables were selected and analyzed.

The Income Approach

The Income Approach is developed by estimating the rental income of the project less collection loss, operating expenses and replacement reserves. The net income is then capitalized into a value using an appropriate capitalization rate. This capitalization rate can be derived through the analysis of improved sales and their relationships to the NOI and PGI or by other means such as the band-of-investment methods.

Summary

The Appraiser has described and discussed the three approaches commonly used in developing values for real estate. A final estimate of value is based on the appropriateness, accuracy, quantity, and quality of data in the entire appraisal report. The reconciliation section details the use and exclusion of any of the approaches to value.

THE COST APPROACH

Methodology

This approach consists of an analysis of the property's physical value. The principle of substitution is the underlying rationale of this approach. It assumes that no prudent person will pay more for a property than the price of a site and the cost of constructing, without undue delay, an equally desirable and useful property.

In the cost approach, the following steps are typically employed to reach an estimate of value:

- (1) Estimate land value as if vacant;
- (2) Estimate the improvements' replacement cost new (reproduction cost new), including indirect costs;
- (3) Estimate accrued depreciation, if any, from physical, functional, and external causes; and,
- (4) Deduct accrued depreciation from the total cost new of the property to calculate its current value as indicated by the cost approach;
- (5) Add land value, replacement cost new to calculate the total cost new of the property.⁹

The value by the cost approach is arrived by adding the depreciated replacement cost of the improvements to the vacant land value. This value estimate assumes the land to be vacant. Typically, this approach is most valid when the improvements are new or newer in construction. This approach requires an establishment of land value to be added to the improvement estimate. This assumes vacant land sales to be available or available via extraction. The location of the subject is in an area in which improved commercial and residential properties exist.

BECAUSE OF THE LOCATION OF THE SUBJECT, THE SUBJECT'S OVERALL CONDITION AND THE DIFFICULTY IN MEASURING ACCRUED DEPRECIATION AS WELL AS THE LACK OF VACANT LAND SALES, THIS APPROACH TO VALUE WAS DEEMED NOT CREDIBLE AND NOT DEVELOPED.

⁹ *The Appraisal of Real Estate*, 14th ed., The Appraisal Institute, 2013, page 47

SALES COMPARISON APPROACH

Inherent in this approach is the principle of substitution, which holds that when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution. By analyzing sales that qualify as arms-length transactions between willing and knowledgeable buyers and sellers, we can identify market value and price trends. Improved sales are best when comparable to the subject in physical, location, and economic characteristics are available. The basic steps of this approach are:

- (1) Research the competitive market for information on sales transactions, listings, and offers to purchase or sell involving properties that are similar to the subject property in terms of characteristics such as property type, date of sale, size, physical condition, location and land use constraints.
- (2) Verify the information by confirming that the data obtained are factually accurate and that the transactions reflect arm's-length, market considerations. Verification may elicit additional information about the market.
- (3) Select relevant units of comparison (e.g., price per acre, price PSF, price per- front foot, etc.) and develop a comparative analysis for each unit.
- (4) Look for differences between the comparable sale properties and the subject property using the elements of comparison. Then adjust the price of each sale property to reflect how it differs from the subject property or eliminate that property as a comparable.
- (5) Reconcile the various value indications produced from the analysis of comparables into a single value indication or a range of values.¹⁰

Comparing similar improved sales and adjusting for the differences with the subject, derives the sales comparison approach to value. The Appraisers gather data, analyze the nature and conditions of each sale, making logical adjustments for dissimilar characteristics i.e. property rights, financing, time, physical differences, and location. Typically, a common denominator is found. Only one indicator of value was used in estimating the value of the subject property. The typical indicator of value for properties similar to the subject is the price per square foot (PSF.)

The City of Oak Hill, Fayette, Nicholas, and Raleigh County were researched for the best sales available. Several improved commercial sales that were comparable to the subject were identified. All sales contained similarities in size, location and either existing or potential uses as commercial. The improved sales are described on the following pages:

¹⁰ *The Appraisal of Real Estate*, 14th ed., The Appraisal Institute, 2013, page 381-382

Comparable Sale #1

Address	811 Main Street, Summersville, WV 26651
Grantor	Banking and Trust
Grantee	Lerose
Tax Map/Parcel	TM 10/Parcel119 and 120, Summersville Corp
Deed Book/Page	Deed Book 218 Page 448
Property Rights	Fee Simple
Sale Date	10/11/2018
Financing	Unknown
Site Size/Topo	195 x196 = 0.88 ac or 38,220sf
Location	Suburban
Frontage/Visibility	Average/Average
Design/Use	Former Bank Building
Condition	Average
Zoning	Commercial
GBA (sf)	10,773
Sale \$\$ PSF	\$230,000/\$21.34
Utilities	Full Municipal
Verification	Courthouse records, MLS #18-586
Comments	A ca. 1903 Block and Stucco building in average condition. Designed and constructed for a neighborhood banking facility. The roof is a commercial built-up or a membrane roof, Fenestration is insulated commercial glass. Newer heating and cooling systems. Parking is asphalt paved.



Comparable Sale #2

Address	5494 Maple Ln., Fayetteville, WV 25840
Grantor	Mark D. White
Grantee	Re Investments, LLC
Tax Map/Parcel	59/92 (New Haven Dist.)
Deed Book/Page	773/1
Property Rights	Fee Simple
Sale Date	02/11/2019
Financing	Unknown
Site Size/Topo	0.74 acres (32,234sf)/Partially Level
Location	Rural Commercial-Average
Frontage/Visibility	Average/Average
Design/Use	General Purpose Office/Medical
Condition	Average
Zoning	B1-Commercial
GBA (sf)	7,564
Sale \$\$ PSF	\$575,000/\$76.02
Utilities	Full Municipal
Verification	Courthouse records
Comments	A ca. 1999 frame and brick veneer building in average condition. Designed and constructed for family medical practice. The roof is shingled. Fenestration is insulated commercial glass. Ground-based gas heat-pumps. Parking is asphalt paved. CAM fees are required by the site's owners. Specific terms were not available.

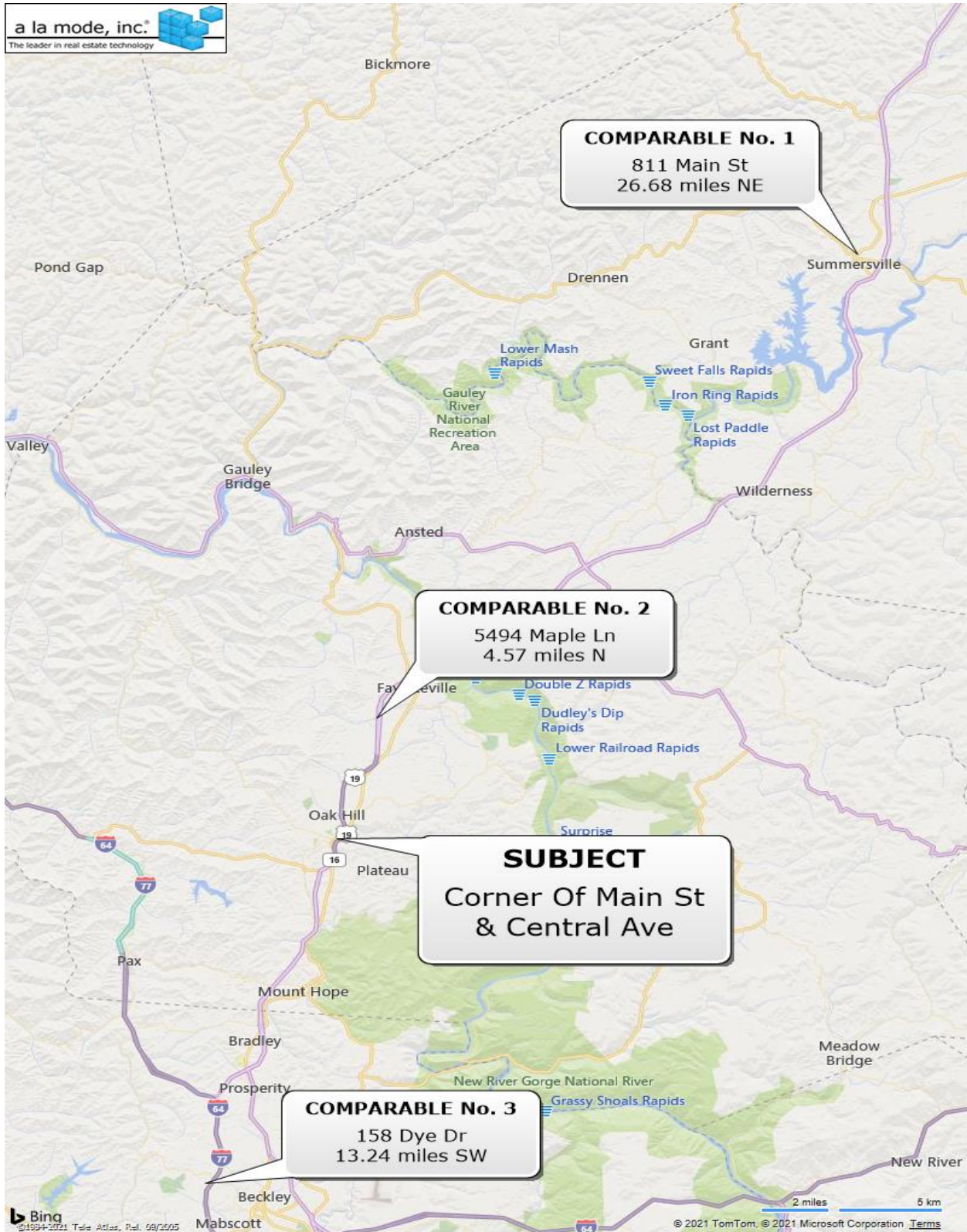


Comparable #3

Address	158 Dye Drive, Beckley, WV 25801
Grantor	Three W Corporation
Grantee	T3 Properties, LLC
Date of Sale	04/24/2020
Property Rights	Fee Simple/Leased Fee
Financing	Conventional - Arm's Length
Design/Use	Professional Office & Medical Office
Zoning	B1-Commercial
Site Size/Topo	1.03 ac (44,867sf)/Mixed – level at grade
Location	Average - Commercial
Frontage/Visibility	Good/Average
GBA (sf)	14,000
Sale \$/\$ PSF	\$910,000/\$65.00
Utilities	Full municipal services available
Confirmation	BBOR MLS #77165, Owner & Courthouse
Comments	A ca. 1999 frame and Stucco Duplex Building. Roof is Rubber Membrane. Glass is commercial entry and fenestration in average condition. The site has asphalt paved parking throughout. Each floor of the building has 7,000sf of office space with various offices and restrooms. The interior flooring is commercial carpeting and ceramic and vinyl tile. Walls are Drywall. Ceilings are acoustical drop in tiles. Lighting is recessed fluorescent lamps. Utilities are single source municipal services with a (6) commercial grade heat-pumps.



Comparable Sales Map



The sales comparison approach involves comparing improved sales to the subject and adjusting on significant differences. The Appraiser analyzes the nature and condition of each sale, making logical adjustments for dissimilar characteristics. Typical influences on value may include property rights, financing, condition of sale, buyer's expenditures, environmental, legal/zoning, market condition, location, land contribution, and building contribution. It is common and typical for comparables to be researched to 3 years in this market. The adjustment descriptions are listed below:

Property Rights – All the Sales were sold fee simple, therefore, no adjustments were necessary.

Market Conditions – This is a “time” adjustment. The data did not indicate a significant change in the market relating to time.

Location – This is the time-distance relationships, or linkages, between a property or neighborhood and all other possible origins and destinations of people going to or coming from the property. Based on commercial traffic patterns of the subject and the comparables, comparable #2 is in an inferior location and required an adjustment to be made. The other 2 comparables were considered to have equal locations.

Site Size/Topo – The subject site contains +/-0.90ac (39,204sf). The site is level along the front and has a downward slope to the rear of the building. The rear section of the site is used for parking and is level to slightly sloping. Comparable #2 has a superior site size and required an adjustment to be made to compensate for size differences. Comparable #1 and #3 had similar sizes and no adjustments were needed.

Improvement Size (GBA) – The sales ranged in size from 7,564sf to 14,000sf. The subject contains 9,366sf of which all is considered usable and utilized in this report. Larger improvements typically bring lesser unit prices than otherwise equally desirable smaller improvements. The primary reason for this is that the purchase of larger improvements usually entails a larger capital outlay, a factor, which restricts the number of possible buyers, as compared to the relatively larger market for smaller improvements. This is identified as an inverse relationship. Sale #1 is similar in size to the subject property; therefore, no adjustment. The data indicates that all comparables received a 3% adjustment for every 1,000sf of difference between the comparable and the subject property.

Design – Design refers to a structure's architectural rating and its functional layout. The subject is a neighborhood average cost class bank building, with a 3-story elevator. Sale #1 is a neighborhood bank building design. No adjustments were to Sale #1 Sale 2 is a more modern office building that was used for a tele-marketing business. It has a superior exterior design and appeal. An adjustment was made to compensate for this. Comparable #3 is a 2-story office building that constructed for office use. Its design was superior to the subject and required adjustments to be made.

Quality & Appeal – Quality and Appeal refers to its construction materials used and workmanship and attractiveness of a property. A structure can have a functional layout and

an attractive design but be built with inferior materials and workmanship. The subject's brick quality is average to the area. It has average-cost appeal with no signage or ornamentation. Sales 1 and 3 are similar in their overall quality and appeal. Sale 2 required an plus adjustment for its inferior quality and a minus adjustment for its exterior appeal. The adjustments were offsetting, and no overall adjustment was made.

Age/Condition – Depreciation is based on a straight-line age/life relationship. The subject was identified as being in 'overall' average condition with a dated interior. for a ca. 1977 building with signs of repairs to the exterior sidewalks, steps, retaining walls and landscaping and interior painting and new floor coverings. The restrooms are dated with some that are nonfunctioning. There is an old building on Church Street that needs to be torn down and the site area cleared of debris. Sale #1 was much older structure and required an adjustment for age differences and was similar in overall condition. Sale 2 is newer in age and similar in condition. It required a minus adjustment for the newer age of the building and no adjustment for the overall condition. Sale #3 was a newer building and was in better overall condition. A minus adjustment was made to compensate for both those factors

Line Item - This category is available for non-typical conditions or components. The subject contains an old garage building that needs to be removed. A line item adjustment is needed for the removal of the garage.

The grid below identifies the adjustments as detailed above:

Improved Sales Grid							
Subject		1		2		3	
Location	Oak Hill	Summersville		Fayetteville		Beckley	
Sales Price	\$0		\$230,000		\$575,000		\$910,000
Date	Insp 08/21		Oct-18		Feb-19		Apr-20
Commercial	Yes		Yes		Yes		Yes
Site Size (sf)	39,204		38,220		32,234		44,867
GBA (sf)	9,366		10,773		7,564		14,000
\$ PSF	\$0.00		\$21.35		\$76.02		\$65.00
Property Rights	Fee Simple	Similar	0.0%	Similar	0.0%	Similar	0.0%
Market Conditions	Insp 08/21	Oct-18	15.0%	Feb-19	10.0%	Apr-20	5.0%
	Total		15.0%		10.0%		5.0%
	Adjusted \$ PSF		\$24.55		\$83.62		\$68.25
ADJUSTMENTS							
Location	Average	Average	0.0%	Average	0.0%	Superior	-10.0%
Site Size (sf)	39,204	Similar	0.0%	Similar	0.0%	Similar	0.0%
GBA (sf)	9,366	Larger	4.2%	Smaller	-5.4%	Larger	13.9%
Design	Bank Bldg	Similar	0.0%	Similar	0.0%	Similar	0.0%
Quality & Appeal	Avg/Avg	Sim/Sim	0.0%	Sup/Avg	-10.0%	Sim/Sim	0.0%
Age/Condition	1977/Fair	1903/Fair	15.0%	2002/Avg	-15%	1999/Avg	-15.0%
Line Item	Gar Bldg Removal	Superior	-3.0%	Superior	-3.0%	Superior	-3.0%
	Net Adjustments		16.2%		-33.4%		-14.1%
	Gross Adjustments		41.4%		43.4%		46.9%
	Indicated \$ / PSF		\$28.53		\$55.69		\$58.62

Reconciliation of Value

The above sales analysis grid indicates an adjusted PSF for the subject from \$28.53 to \$58.62 PSF. Sale 1 & 2 received the least number of GROSS adjustments and sale 3 received the most number of GROSS adjustments. The appraiser will use a weighted analysis of the adjusted comparables to develop a final value from the sales comparison approach. The following weight distribution will be used giving the most consideration to the adjusted comparables based upon their GROSS adjustments. 35% of Comparable #1 & #2 will be used 30% of the adjusted value of comparable #3 will be used. The summation of the

values from each comparable sale will be used. The following mathematical calculations will demonstrate that value.

Adjusted Value of Comp #1		\$28.53	35%	\$	9.99
Adjusted Value of Comp #2		\$55.69	35%	\$	19.49
Adjusted Value of Comp #3		\$58.62	30%	\$	17.59
Total Value Per Square foot				\$	47.06
		GBA of Subject			9,366
Final Value From The Sales Comparable Analysis					440,792.06
			Rounded		\$440,000.00

It is estimated that the "AS IS" fee simple value of the improvements and land as indicated by the sales comparison approach is:

FOUR HUNDRED FORTY-THOUSAND DOLLARS

\$440,000.00

INCOME APPROACH TO VALUE

The relevance of earning power to the valuation of income producing properties is obvious. Such properties are developed and purchased as investment opportunities; therefore, the most important objective of developers and purchasers alike is to realize a profit on their investment. The greater the earning power the greater the profit; therefore, the higher the value of the investment. This is the essence of the income capitalization approach to value and all related theory and techniques. This is not to say that the production of income is necessarily the sole reason for an income-producing property's existence; nor is it meant to suggest that factors not related to earning power cannot influence value. There is no question, however, that the expectation of monetary gain is the major consideration in the valuation of income-producing properties. Indeed, the anticipation of future benefits, either amenities or dollars, is the very basis of the value of any kind of property from the buyer's point of view. The income capitalization approach, therefore, consists of a number of steps for measuring or estimating the extent of reasonably expected future benefits and translating these benefits into a lump-sum value at a particular point in time.

Generally, an income-producing property is characterized as real estate (or interests in real estate) that can generate regular income in the form of rent or profit. Examples are shopping centers, hotels, apartment buildings, gas stations, commercial buildings, industrial buildings, garages, parking lots, theaters, and even cemeteries. These and many more kinds of properties are bought and sold regularly on the open market. The discerning appraiser can observe a definite pattern with respect to the relationship between income and price. The patterns vary, of course, according to market conditions and trends at time of sale and according to property differences, such as location, type, age, condition, size, and quality.

An income-producing property is not always a parcel of real estate that includes a complete bundle of rights - that is, fee simple rights. Since an income-producing property by its very nature is apt to be leased, the appraiser is often concerned with the valuation of lease interests as well as the valuation of the whole. The Lessor may have bargained away some of the property value to a lessee, thereby creating two properties (or interests) which may be appraised together or separately. The appraisal of fractional rights in income-producing real estate is common. It behooves the appraisers of such properties to identify and define carefully the rights to be appraised. The principle of substitution, which affirms that the limits of prices, rents, and rates tend to be set by the prevailing prices, rents, and rates for equally desirable substitutes, is a logical and helpful constraint. Note the mention of rents and rates as well as prices. The purpose is to emphasize that the principle of substitution applies not only to property prices, but also to all the data considered by an Appraiser in developing an estimate of value.

The principle of contribution, which states that the value of an item in production is measured by its contribution to the net return of the enterprise, is obviously a succinct justification of income capitalization as an approach to value; but it is more than that. It is the guiding economic principle in the use of "before and after values" in certain economic feasibility studies and in the estimation of severance damage in condemnation work. In fact,

all the techniques explored in Capitalization Theory exploit the principle of contribution to some degree.

The principle of anticipation is the very essence of capitalization. Capitalization formulas are an attempt to quantify this principle. Value is the present worth of expected future benefits. The whole subject of capitalization (the conversion of income expectancy into capital sum) deserves an in-depth examination of the relationship of income and value. It is logical to presume that such a relationship exists even before analyzing the market data. The basic principles of real property value suggest the existence of a predictable relationship between income and value. Knowing that real estate is only one of many investment opportunities, the behavior of buyers and sellers in other investment markets should give us a clue about the income/value relationship. The stock market and the bond market are good examples. The phrase price/earnings ratio is popular in the stock market to express the relationship of price or value to earnings. Yield rate is commonly used in the bond market to express the relationship of income to value. It does not matter whether the relationship is expressed as a multiplier or a rate. In either case, the object is to measure the relationship between income (earnings) and value. The market for real estate investments is no different. Both multipliers and rates are used to express the relationship. It is useful in appraisal work to make a distinction between return on and return of capital. A capitalization rate may be considered a combination of two rates of return: 1) a rate of return on capital, and 2) a rate of return of capital. The rate of return on capital is analogous to an interest rate. The rate of return of capital is analogous to the rate at which capital is recaptured gradually in equal increments as part of the annual income. It may be recaptured all or in part through resale of the property at the termination of the investment. It may be recaptured through some real or hypothetical amortization program such as a gradual return of capital in increasing amounts of periodic level contributions to an interest-bearing sinking fund. The concept of separating income into return on and return of capital is simple, but the existence of different concepts and schemes of recapture can be confusing. This variety is the major reason for the use of different capitalization techniques and procedures in the valuation of income-producing properties.

Several methods are available for this key alternative approach to value including direct capitalization of the first year's net operating income, as well as an analysis of the net present value of a future stream of income over a forecasted holding period. The Appraiser will use the direct capitalization of the first year's income to determine the value of the subject property from the income approach.

STEPS USED IN INCOME APPROACH USING DIRECT CAPITALIZATION:

1. *Estimate the Potential Gross Income (P.G.I.) of the property.*
2. *Add any additional income from sources other than rent.*
3. *Subtract the typical annual amount of income that will not be collected because of vacancies and collection problems.*
4. *The result is the Effective Gross Income (E.G.I.).*
5. *Subtract from the E.G.I., operating expenses, fixed expenses, and reserves for the replacement of short-lived items and management fees.*

6. *The result is the Net Operating Income (N.O.I.).*
7. *Derive an Overall Capitalization Rate.*
8. *Dividing the Net Operating Income by the Overall Capitalization Rate equals value from the income approach.*

Methods of Deriving Capitalization Rates:

1. *Mortgage Equity Band of Investment*
2. *Debt-Coverage-Ratio Method*
3. *Published Sources - Realtyrates.com*

The mortgage equity band of investment and the debt-coverage-ratio method inherently quantify current mortgage/equity components and are based on current mortgage and equity rates of return in the local market. The results of the above approaches are widely used, and conceptually defensible approaches used to estimate an appropriate Discount Rate.

The Mortgage Equity Band of Investment Method is based on the premise that investments in income-producing properties are typically financed with a mortgage, and that the equity investor will seek to obtain the best available loan terms to maximize the potential benefits of leverage. The capitalization rate by the Band of Investment develops a weighted average between the return of investment that is required to cover mortgage interest and the return on investment that is required to provide a competitive equity dividend rate. The weights are the percentages of total investment represented by the initial principal of the mortgage loan and the initial equity investment.

Local information was obtained for commercial mortgages: Interest rates range from 3.5% to 6.0%, mortgage amounts range from 70-80% of the value of the property, and amortization terms are from 10-20 years. According to local loan officers most of their current commercial rates are based upon the Prime Rate, which is currently 3.25% plus 25 to 275 which gives an effective rate of 3.5% - 6.0%. A rate of 4.5% is considered reasonable due to the location of the subject and its use in the following income model.

Terms for this loan are based upon 80% loan to value ratio with a fixed 4.5% rate and a 20-year amortization period. The above assumptions indicate a mortgage constant of 0.75918 on the mortgage side of the Band of Investment.

An investor in such a property would require a higher rate of return than what is anticipated from alternative investments: treasury bills and bonds; corporate bonds; certificates of deposits, etc. The key to the rate of return required is risk. Risk depends on general economic conditions and characteristics of the investment. The following terms for the equity side of the band of investment are considered appropriate: 20 percent equity ratio, 20-year return of the investment and an interest rate of 6.0% plus an additional 400 basis points (10.0%) for the added risk factor that is involved. The above assumptions indicate an equity return rate constant of 0.104139 on the investment side of the Band of Investment.

The following mathematical calculations demonstrate the overall capitalization rate from the Mortgage-Equity Band of Investment:

Mortgage Constant X Loan to Value Ratio =					Rate
Mortgage Side	0.075918	X	0.80	=	0.060734
Equity Side	0.104139	X	0.20	=	0.020828
Overall Rate					0.081562
Say					8.2%

The Debt-Coverage-Ratio (DCR) is the ratio of net operating income to annual debt service and is an important consideration for lenders. DCR's establish a risk between property income (NOI) and the debt service and are commonly used in mortgage underwriting. DCR requirements vary for different lenders at different times. The appraiser has found that after surveying several lenders concerning acceptable (DCR) debt coverage ratios, that the DCR'S range from 1.25 to 1.40. To develop an overall capitalization rate using the DCR Method the following components need to be known or estimated: Mortgage or loan-to-value ratio (M), and mortgage constant (Rm), Debt-Coverage Ratio (DCR). The following table illustrates typical lender requirements for decisions concerning Debt Coverage Ratios.

Mortgage Loan-to-Value Ratio (M)	80 Percent
Interest Rate & Mortgage Constant (Rm)	4.5% & 0.075918
Debt-Coverage-Ratio (DCR)	1.25 – 1.40
Mortgage Term	20 years

The following mathematical calculations demonstrate the overall capitalization rates from the Debt Coverage Ratio Method using DCR ratios from 1.25 to 1.40.

(Ro=DCR x M x Rm) -Therefore; Ro =	1.25 X	0.80 X	0.075918 =	0.075918 or	7.59%
(Ro=DCR x M x Rm) -Therefore; Ro =	1.40 X	0.80 X	0.075918 =	0.085028 or	8.50%

The two methods (Debt Coverage Ratio and Mortgage – Equity Band of Investment) of developing a capitalization rate discussed above indicate overall capitalization rates that range from 7.6% to 8.5% from the Debt Coverage Ratio to 8.2% from the Mortgage - Equity Band of Investment.

Published Sources - Realtyrates.com

The 4th quarter of ca. 20 indicates national interest rates for these types of offices range from 2.15 to 6.80%; the average being 4.14%. The average DCR is 1.47.

The capitalization rate obtained from the Mortgage Equity Band of Investment falls within the rate range from the Debt Coverage Ratio Method. The Appraiser concludes that the rate derived from the Mortgage - Equity Band of Investment (MEBI) is the most appropriate rate

to use in developing a value from the Income Approach. The subject's main street location, the capitalization rate that will be used in the income model is 8.2%.

Contract Rents – None - The subject is vacant and there are no known Leases on the property.

Market Rentals – The subject property is not rented; it is currently vacant mainly due the owners desire not to use it as a rental property and the dated state of the interior components The Appraiser has made a diligent search of the subject neighborhood and has had to extend the search to other market areas in order to find similar rental properties that are suitable for comparison.

Rental Comparable #1

Lessor	4-C Economic Development Authority
Lessee	Coronado Coal
Lease Term	10 years (ca. 2016 start)
Lease Type	Gross
Location	100 Ned Payne Dr., Beckley, WV 25801
TM/P	49/12.10 (Beckley Corp.)
Site Size/Topo	1.65 acres/Mixed 95% usable
Design	Professional Office
Location/View	suburban/fair
Zoning	B-1 Commercial
Gross/Unit (sf)	10,127/All
Lease \$ PSF	\$14.81 (150,000 annually, \$12,500 monthly)
Utilities	Full Municipal
Verification	Lessor
Comments	Ca. 2007 construction, very good condition. Multiple offices, 4 restrooms, conference rooms, lobby, kitchen. Framed, brick exterior, metal roof. Water-chilled heat pump system. Carpeting throughout most areas with a mix commercial and porcelain tile in the wet areas. Walls are a mix of painted sheetrock and wallpaper. Ceiling is metal framed with lay in panels and flush mounted fluorescent lamps. Landlord pays for exterior grounds and building maintenance, insurance and taxes.



Rental Comparable #2

Lessor	T3 Properties LLC
Lessee	Retina Consultants & Apex Pharmacy
Lease Term	10 years (ca. 2016 start)
Lease Type	Gross
Location	221 & 223 George Street, Beckley, WV
TM/P	26C/28 (Town District)
Site Size/Topo	1.03 acres
Design	Professional Office
Location/View	Suburban/Average
Zoning	B-1 Commercial
Gross/Unit (sf)	7,000 sf
Lease \$ PSF	\$14.85 (8,663.00 Monthly) (\$103,956 Yearly)
	Gross Lease
Utilities	Full Municipal
Verification	Lessor
Comments	Ca. 1999 construction, very good condition. Multiple offices, 4 restrooms, conference rooms, lobby, kitchen. Framed, stucco exterior metal roof. Heat Pump Heating Systems. Carpeting throughout most areas with a mix commercial tile in the wet areas. Walls are a mix of painted sheetrock and wallpaper. Ceiling is metal framed with lay in panels and flush mounted fluorescent lamps. Landlord pays for exterior grounds and building maintenance, insurance and taxes.



Rental Comparable #3

Lessor	4-C Economic Development Authority
Lessee	Coronado Coal
Lease Term	10 years (ca. 2017 start)
Lease Type	Gross
Location	4130 Robert C Byrd Dr, Beckley, WV 25801
TM/P	71/9 (Beckley Corp.)
Site Size/Topo	0.45 acres
Design	Professional Office
Location/View	Suburban/Average
Zoning	B-1 Commercial
Gross/Unit (sf)	3,675 sf
Lease \$ PSF	\$14.81 (71,016 annually, \$5,918 monthly)
	Gross Lease
Utilities	Full Municipal
Verification	BBOR MLS #70779
Comments	Ca. 1972 construction, good condition. Multiple offices, 3 restrooms, conference rooms, lobby, kitchen. Framed, brick exterior, metal roof. heat pump system. Carpeting and tile throughout most areas. Walls are a mix of painted sheetrock and wallpaper. Ceiling is metal framed with lay in panels and flush mounted fluorescent lamps. Tenant pays CAM Fees of \$4.75/sf per month for exterior grounds and building maintenance, insurance and taxes This was a former bank building that has retrofitted and remodeled.



Comparable Rental Summary Chart

<u>Comp #</u>	<u>Location</u>	<u>Building Size</u>	<u>Annual Rent</u>	<u>Lease sf</u>	<u>\$/sf</u>
1	100 Ned Payne Dr, Beckley	10127sf	\$150,000	10,127	\$14.81
2	221 & 223 George St, Beckley	7000sf	\$103,956	7,000	\$14.85
3	4130 Robert Byrd Dr. Beckley	3675sf	\$53,560	3,675	\$14.81

The above market rents are representative of local office rentals in the Beckley/Fayette County Market Area. The rental comparables were in good condition and updated to current market standards. The above rental comparables would need to be adjusted downward to compensate for overall locations and for the inferior condition of the subject property. The subject's condition is not acceptable to be competitive in the office rental market. The adjusted comparables will demonstrate a value per sf for rental data like the subject's overall condition.

The following adjustments will be made to the comparables

- 1). Location – The comparables were all located in superior market areas a -10% location adjustment was made to all comparables for their superior market areas.
- 2). Condition – All the comparables were modern buildings with modern amenities that were superior to the subject property. A -20% condition adjustment was made to all the comparables to compensate for the differences.
- 3). Gross Rentable Area – Comparable #1 has similar amount of Rentable Area and would require no adjustment. Comparable #2 is smaller in size and would require a minus adjustment based upon an inverse relationship (smaller units usually have a higher per unit rental value). A -20% adjustment is made for the inverse relationship. Comparable #3 is significantly smaller in size and would require a minus adjustment based upon an inverse relationship (smaller units usually have a higher per unit rental value). A -30% adjustment is made for the inverse relationship.
- 4) Parking Facilities – All the comparable rentals had good parking facilities; therefore no adjustments were necessary to the rental comparables.

The following adjustment grid will demonstrate and adjusted rental value for the subject property in its "as is" condition.

Rental Analysis Chart								
Subject	Comp. Rental # 1				Comp Rental #2		Comp. Rental #3	
Address	Address				Address		Address	
Cor.Main&Church	100 Ned Payne Dr.				221&223 George St		4130 R. Byrd Dr	
Rental Rate/SF	---	Rental/SF		\$14.81		\$14.85		\$14.81
Location	Average	Location	Good	-10%	Good	-10%	Good	-10%
Condition	Fair	Condition	Good	-20%	Good	-20%	Good	-20%
GBA/SF	9,366	GBA/SF	10,127	0%	7,000sf	-20%	3,675sf	-30%
Parking Facilities	Lot	Lot		0%	Lot	0%	Lot	0%
"AS IS" Adjusted Rental/SF				\$10.36		\$7.43		\$5.92

Rental #	PSF \$
1	\$10.36
2	\$7.43
Subject	-
3	\$5.92

Market Rent Conclusion – It is the conclusion of the appraiser that the Fair Market rental of the subject property is it's **"AS IS"** condition should be between the lower end of the range and the middle of the range; therefore, a single indication point of the rental rate would be \$6.50 per square foot.

The property is vacant and there are no contract rents. The appraiser has researched the local market area and the above listed rental comps were the best that were available at the time of this appraisal. The following income model will be developed using market rents.

PROJECTED GROSS INCOME = (Market Rents)

$$\text{Market Rent} \times \text{GBA (sf)} = \text{PGI}$$

\$6.50	x	9,366	=	\$60,879
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Capitalization Rate Used – 8.2%

Income model adjustments to Potential Gross Income

Vacancy & Credit Loss – Properties of this type and usage typically have vacancy rates and credit losses of approximately 5% in this market.

Fixed Expenses - Property taxes and property insurance are fixed expenses that are paid whether there is a tenant in the premises or not. Property Insurance and Property Taxes are typically paid by the Lessor unless otherwise stated. Taxes are known and Insurance was requested; however, not provided.

Variable Expenses - Research indicates that properties of this type/size are quoted on a net lease basis with the tenants responsible for utilities and interior (and some exterior) maintenance. The landlord is typically responsible for the exterior, replacement reserves/structural maintenance and property management fees.

Property management fees - Fees were investigated and for this smaller improvement 5% is deemed reasonable.

Normal Maintenance – Properties of this type and condition typically require that regular maintenance be conducted on a regular basis in order to maintain the property's market appeal. For these types of properties a minimal expense of 5% is deemed reasonable.

Replacement Reserve/Structural Maintenance - an annual reserve equal to 5% of Effective Gross Income is appropriate based on the subject's age and condition.

The following table illustrates an income model that will develop a net operating income from the aforementioned assumptions:

INCOME AND EXPENSE CHART FOR "AS IS" VALUE

Potential Gross Income (PGI)		\$60,879
Vacancy & Collections @ 5%		<u>\$3,044</u>
Effective Gross Income (EGI)		\$57,835
Fixed Expenses		
Taxes	act	\$7,218
Insurance	est	\$3,000
Variable Expenses		
Management Fees @ 5%		\$2,892
Maintenance @ 5%		\$2,892
Replacement/Reserves @ 5%		<u>\$2,892</u>
Net Operating Income (NOI)		\$38,942

By performing the following mathematical calculations, an estimated value from this approach can be concluded.

$$\text{Value} = \frac{\text{Net Operating Income}}{\text{Overall Capitalization Rate}}$$

$$\text{Therefore, Value} = \frac{\$38,942}{8.2\%} = \$474,902$$

It is estimated that the "**AS IS**" fee simple market value of the subject as indicated by the income approach (rounded) is:

FOUR HUNDRED SEVENTY- FIVE THOUSAND DOLLARS

\$475,000.00

FINAL RECONCILIATION OF VALUE

Reconciliation is” The *last phase of a valuation assignment in which two or more value indications derived from market data are resolved into a final value estimate, which may be either a final range of value or a single point estimate.*”¹¹

The appraiser has considered the use of the three approaches to value: the cost approach, the sales comparison approach, and the income approach to value. The cost approach to value was not used because of the age of building, it’s overall condition and the amount of accrued depreciation it suffers. All the aforementioned factors could result in developing a value that could be misleading and reporting erroneous value. The appraiser has used the sales comparison approach and the income approaches to value a market value for the subject property. The sales comparison and the income approaches indicated a value range of \$400,000.00 from the sales approach and a value of \$475,000.00 from the income approach. The sales approach is typically the dominant approach to value for this type of property. The income approach was developed based upon market rents and a market base Cap rate. This approach is significant when the subject is in an active market and there are contract rents to use as a basis point.

Typically, the Appraiser will use a weighted analysis of the developed values. The reconciliation is summarized below: The appraiser concludes that 60% of the total value should be given to the sales comparison approach and 40% of the final value should be allocated to the income approach to value.

.....	
Sales Comparison Approach - \$ 440,000 X 60% =	\$ 264,000
Income Approach to Value - \$ 475,000 X 40% =	<u>\$ 190,000</u>
Indicated Market Value =	\$ 454,000

“As Is” Final Conclusion of Value

As of August 23, 2021, is:

FOUR HUNDRED FIFTY-FOUR THOUSAND DOLLARS

\$454,000.00



Raynell D Toler, ASA, SRA
Certified General Appraiser
WV License CG#017
License expires 10/31/2021

¹¹ *The Appraisal of Real Estate*, 14th Ed., The Appraisal Institute, 2013, Pg. 646

ESTIMATED MARKETING AND EXPOSURE TIME

Exposure Time is defined as the length of time the subject would have been offered prior to the hypothetical consummation of the sale at market value as of the effective date of the appraisal. Exposure time for the subject is identified as being greater than 12 months.

Marketing Time is defined as the time it takes an interest to sell the subject subsequent to the date of the appraisal. Marketing time for this type of commercial property in this neighborhood would reasonably extend past 12-18 months depending on specific condition, location, etc.

ADDITIONAL COMMENTS AND VALUE CONSIDERATIONS

Based upon all my research and the data and comments listed in this appraisal it is my conclusion, that if the repairs and extraordinary assumptions made in the report were completed on the property the office rental value per square foot would be \$10.00 per square foot. By multiplying this by the overall square feet (9,366). The PGI (potential gross Income) for the property would be \$93,660/year. The following grids and mathematical calculations will demonstrate the “as renovated” value.

		Rental Analysis Chart							
<u>Subject</u>		<u>Comp. Rental 1</u>			<u>Comp Rental 2</u>		<u>Comp Rental 3</u>		
Address		Address			Address		Address		
Main Street		100 Ned Payne Dr.			221&223 George St		4130 R. Byrd Dr		
Rental Rate/SF	---	Rental/SF		\$14.81		\$14.85		\$14.81	
Location	Aver.	Location	Good	-10%	Good	-10%	Good	-10%	
Condition	Good	Condition	Good	0%	Good	0%	Good	0%	
GBA/SF	9,366	GBA/SF	10,127	0%	7,000	-20%	3,675	-30%	
Parking Facilities	Lot	Lot		0%	Lot	0%	Lot	0%	
Adjusted Rental/SF After Renovations Completed				\$13.32		\$10.39		\$8.88	

Rental #	PSF \$
1	\$13.32
2	\$10.39
Subject	-
3	\$8.88

Market Rent Conclusion – It is the conclusion of the appraiser that the Market rental of the subject property in its “**as renovated**” condition should be between the lower end of the range and the middle of the range; therefore, a single indication point of the rental rate would be \$10.00 per square foot.

The property is vacant and there are no contract rents. The appraiser has researched the market area for available rental comparables to develop market rents for the property in its "as renovated" condition.

The Following income model will be developed using market rents.

"AS RENOVATED" - PROJECTED GROSS INCOME

Market Rent x GBA (sf) = PGI

\$10.00	x	9,366	=	\$93,660
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Potential Gross Income (PGI)		\$93,660
Vacancy & Collections @ 5%		<u>\$4,683</u>
Effective Gross Income (EGI)		<u>\$88,977</u>
Fixed Expenses		
Taxes	act	\$7,218
Insurance	est	\$4,000
Variable Expenses		
Management Fees @ 5%		\$4,449
Maintenance @ 5%		\$4,449
Replacement/Reserves @ 5%		<u>\$4,449</u>
Net Operating Income (NOI)		<u>\$64,412</u>

Capitalization Rate – 8.2%

Vacancy & Credit Loss – Properties of this type and usage typically have vacancy rates and credit losses of approximately 5% in this market.

Fixed Expenses - Property taxes and property insurance are fixed expenses that are paid whether there is a tenant in the premises or not. Property Insurance and Property Taxes are typically paid by the Lessor unless otherwise stated. Taxes are known and Insurance was requested; however, not provided.

Variable Expenses - Research indicates that properties of this type/size are quoted on a net lease basis with the tenants responsible for utilities and interior (and some exterior) maintenance. The landlord is typically responsible for the exterior, replacement reserves/structural maintenance and property management fees.

Property management fees - Fees were investigated and for this smaller improvement 5% is deemed reasonable.

Normal Maintenance – Properties of this type and condition typically require that regular maintenance be conducted on a regular basis in order to maintain the property's market appeal. For these types of properties a minimal expense of 5% is deemed reasonable.

Replacement Reserve/Structural Maintenance - an annual reserve equal to 5% of Effective Gross Income is appropriate based on the subject's age and condition.

The following table illustrates an income model that will develop a net operating income from the aforementioned assumptions:

By performing the following mathematical calculations, an estimated value from this approach can be concluded.

$$\text{Value} = \frac{\text{Net Operating Income}}{\text{Overall Capitalization Rate}}$$

$$\text{Therefore, Value} = \frac{\$64,412}{8.2\%} = \$785,512.00$$

It is estimated that the fee simple market value of the subject “**as renovated**” by the use of the income approach (rounded) is:

SEVEN HUNDRED EIGHTY- FIVE THOUSAND DOLLARS

\$785,000.00

ADDENDA

ASSUMPTIONS AND LIMITING CONDITIONS

Paragraph 1. This appraisal is for no purpose other than property valuation, and the Appraiser(s) are neither qualified nor attempting to go beyond that narrow scope. The reader should be aware that there are inherent limitations to the accuracy of the information and analysis contained in this appraisal. Before making any decision based on the information and analysis contained in this report, it is critically important to read this entire section and to understand these assumptions and limitations.

Paragraph 2. The liability of the Appraiser(s) and Toler Appraisal Group, LLC, its employees and affiliates are limited to the client only and to the fee actually received by the firm. This appraisal was prepared at the request of and for the exclusive use of the client to whom the appraisal is addressed. There is no accountability, obligation, or liability to any third party. No third party shall have any right to use or rely upon this appraisal for any purpose. The Appraiser(s) is not responsible for any costs incurred to discover or correct any deficiencies of any type present in the property: physical, financial, or legal.

Paragraph 3. This report is made for the information and/or guidance of the client to whom it is addressed. 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 Appraiser(s), and, in any event, only with proper written qualifications and only in its entirety. Possession of this report, or a copy thereof, does not carry with it the right of publication. The addressee may, however, distribute copies of this report in its entirety to third parties as necessary to fulfill the function of the report. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the Appraiser(s), the appraisal firm, or any reference to the Appraisal Institute) shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication, without the prior written consent and approval of the appraiser(s).

Paragraph 4. Appraisal reports are technical documents addressed to the specific technical needs of clients. Casual readers are cautioned about their limitations and cautioned against possible misinterpretation of the information contained in these reports. Casual readers should understand that this report may not contain all of the information that the Appraiser has concerning the subject property or the real estate market. While no factors the Appraiser(s) believes to be significant but unknown to the client have been knowingly withheld, it is always possible that the Appraiser(s) have information of significance which may be important to others but which, with our limited acquaintance of the property and our expertise, does not seem to be important to us.

Paragraph 5. The Appraiser(s) should be contacted with any questions before this report is relied on for decision-making purposes.

Paragraph 6. It is suggested that those who possess this appraisal report should not give copies to others. Certainly, legal advice should be obtained on potential liability issues before this is done. Anyone who gives out an incomplete or altered copy of the appraisal

report (including all attachments) does so at their own risk and assumes complete liability for any harm caused by giving out an incomplete or altered copy. Neither the Appraiser(s) nor this company assumes any liability for harm caused by reliance upon an incomplete or altered copy of the appraisal report given out by others. Anyone with a question on whether his or her copy of an appraisal report is incomplete or altered should contact our office. Disclosures by the Appraiser(s) of the contents of this Appraisal report is subject to review in accordance with the by-laws and regulation of the professional appraisal organizations with which the appraiser(s) are affiliated. The above conforms to the ethics conditions of the Appraisal Institute, National Association of Independent Fee Appraisers and the Uniform Standards of Professional Appraisal Practice (USPAP).

Paragraph 7. There are no requirements, by reason of this appraisal, to give testimony or appear in court or any pretrial conference or appearance required by subpoena with reference to the property in question, unless sufficient notice is given to allow adequate preparation and additional fees are paid by the client at our regular rates for such appearances and the preparation necessitated thereby.

Paragraph 8. The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use.

Paragraph 9. Unless stated otherwise in this report, no consideration has been given in this appraisal to personal property located on the premises, or to the cost of moving or relocating such personal property; only the real property has been considered.

Paragraph 10. Unless otherwise stated in this report, the property has been appraised free and clear of any or all liens or encumbrances.

Paragraph 11. This report is the intellectual property of the Appraiser(s) and Toler Appraisal Group, LLC. As such it is covered under the Copyright Protection Act of the United States of America. This report and information therein, may not be copied, duplicated, or distributed in part or in whole without the express written permission of the Appraiser.

Paragraph 12. It is assumed that the utilization of the land and improvements is within the boundaries of the property lines of the property described and that there is no encroachment or trespass unless noted within this report.

Paragraph 13. No survey of the property has been made by the Appraiser(s) and no responsibility is assumed in connection with such matters. Any maps, plats, exhibits or drawings reproduced and included in this report are intended only as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose. The reliability of the information contained on any such map or drawing is assumed by the appraiser and cannot be guaranteed to be correct. A surveyor should be consulted if there is any concern on boundaries, setbacks, encroachments, or other survey matters. **THIS APPRAISAL IS NOT A SURVEY:**

Paragraph 14. No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate Appraisers, although such matters may be discussed in the report. **THIS APPRAISAL IS NOT A LEGAL OPINION:**

Paragraph 15. No responsibility is assumed for matters of a legal nature that affects the title to the property nor is an opinion of title rendered. The title is assumed to be good and marketable. Data on ownership and the legal description were obtained from sources generally considered reliable. The value estimate is given without regard to any questions of title, boundaries, encumbrances, or encroachments. Appraisers are not usually provided an abstract of the property being appraised and, in any event, we neither made a detailed examination of it nor do we give any legal opinion concerning it.

Paragraph 16. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report. A comprehensive examination of laws and regulations affecting the subject property was not performed for this appraisal.

Paragraph 17. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report. Information and analysis shown in this report concerning these items is based only on a rudimentary investigation. Any significant question(s) should be addressed to local zoning or land use officials and/or an attorney.

Paragraph 18. It is assumed that all required licenses, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based. Appropriate government officials and/or an attorney should be consulted if an interested party has any questions or concerns on these items since we have not made a comprehensive examination of laws and regulations affecting the subject property.

THIS APPRAISAL IS NOT AN ENGINEERING OR PROPERTY INSPECTION REPORT:

Paragraph 19. This appraisal should not be considered a report on the physical items that are a part of this property. Although the appraisal may contain information about the physical items being appraised (including their adequacy and/or condition), it should be clearly understood that this information is only to be used as a general guide for property valuation and not as a complete or detailed physical report. The Appraisers are not construction, engineering, environmental, or legal experts, and any statement given on these matters in this report should be considered preliminary in nature.

Paragraph 20. It is assumed that there are no hidden or unapparent conditions of the property, sub-soil, or structures that render it more or less valuable. Since no engineering or percolation tests were made, no liability is assumed for soil conditions. The client is urged to retain an expert in the field of environmental impacts upon real estate if so desired.

Paragraph 21. The observed condition of the foundation, roof, exterior walls, interior walls, floors, heating system, plumbing, insulation, electrical service, and all mechanical and construction is based on a casual inspection only and no detailed inspection was made. For instance, the Appraiser(s) is not an expert on heating systems and no attempt was made to inspect the interior of the furnace. The structures were not checked for building code violations, and it is assumed that all buildings meet applicable building codes unless so stated in the report.

Paragraph 22. Some items such as conditions behind walls, above ceilings, behind locked doors, or under the ground are not exposed to casual view and therefore were not inspected. The existence of insulation, if any is mentioned, was found by conversation with others and/or circumstantial evidence. Since it is not exposed to view, the accuracy of any statements about insulation cannot be guaranteed.

Paragraph 23. Wells and septic systems (if any) are assumed to be in good working condition and of sufficient size and capacity for the stated highest and best use.

Paragraph 24. The Appraiser(s) are not an environmental expert, and does not have the expertise necessary to determine the existence of environmental hazards such as the presence of urea formaldehyde foam insulation, toxic waste, asbestos or hazardous building materials, or any other environmental hazards on the subject or surrounding properties. If the Appraiser(s) are aware of any situation of this nature that is believed to have a potentially significant effect on value, it is disclosed in this report. Non-disclosure should not be taken as an indication that such a problem does not exist, however. An expert in the field should be consulted if any interested party has questions on environmental factors.

Paragraph 25. The age of any improvements to the subject property mentioned in this report should be considered a rough estimate. The Appraiser(s) are not sufficiently skilled in the construction trades to be able to reliably estimate the age of improvements by observation. We therefore rely on circumstantial evidence that may come into our possession (such as dates on architectural plans) or conversations with those who might be somewhat familiar with the history of the property such as property owners, on-site personnel, or others. Parties interested in knowing the exact age of improvements on the land should contact the Appraiser(s) to ascertain the source of our data and then make a decision as to whether they wish to pursue additional investigation.

Paragraph 26. Because no detailed inspection was made, and because such knowledge goes beyond the scope of this appraisal, any observed condition or other comments given in this appraisal report should not be taken as a guarantee that a problem does not exist. Specifically, no guarantee is made as to the adequacy or condition of the foundation, roof, exterior walls, interior walls, floors, heating system, air conditioning system, plumbing, electrical service, insulation, or any other detailed construction matters. If any interested party is concerned about the existence, condition, or adequacy of any item, we would strongly suggest that a construction expert be hired for a detailed investigation.

Paragraph 27. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The Appraiser(s) have not made a specific compliance survey and analysis of this property to determine whether it is following the various detailed requirements of the ADA. Since the Appraiser(s) have no direct evidence relating to this issue, the possibility of non-compliance with the requirements of ADA, any possible effect on the property's value has not been considered. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more requirements of the Act. If so, this fact could have a negative effect upon the value of the subject property.

Paragraph 28. BIGGERT-WATERS FLOODPLAIN ACT OF 2012 - This report does not guarantee or warrant any of the Flood Plain Data or Determinations as provided within this report. It is not within the Scope of Work of the appraisal nor does the report address potential/possible Flood Insurance Premiums at the time of inspection or as a result of any changes to a Flood Zone determination. The National Flood Insurance Program (NFIP) Maps are not explicit as to the individual property locations, maps have various scales, roadways and may or may not be correctly identified on NFIP Maps, etc. If the Client (or Borrower) has a question or concern about a subject's Flood Zone designation, a professional Flood Determination Company, Surveyor or Engineer should be contacted.

THIS APPRAISAL IS MADE UNDER CONDITIONS OF UNCERTAINTY WITH LIMITED DATA:

Paragraph 29. As can be seen from limitations presented above, this appraisal has been performed with a finite amount of data and resources. Data limitations result from a lack of certain areas of expertise by the Appraiser(s) (that go beyond the scope of the ordinary knowledge of an Appraiser(s), the inability of the Appraiser(s) to view certain portions of the property, the inherent limitations of relying upon information provided by others, etc. The information furnished by others is believed to be reliable; however, no warranty is given for its accuracy. An impractical and uneconomic expenditure of time would be required to furnish unimpeachable verification in all instances, particularly as to engineering and market related information. It is suggested that the client consider (if he/she deems necessary) independent verification of such information.

Paragraph 30. There is also an economic (resource) constraint. The appraisal budget (and the fee for this appraisal) did not contain unlimited funds for investigation. The Appraiser(s) have spent time and effort in the investigative stage of this appraisal in those areas where it is thought it will do the best, but inevitably there is a significant possibility that all information relevant to the subject property is not in our possession.

Paragraph 31. Before relying on any statement made in this appraisal report, interested parties should contact the Appraiser(s) for the exact extent of our data collection on any point that they believe to be important to their decision making. This will enable such interested parties to determine whether they think the extent of our data gathering process was adequate for their needs or whether they would like to pursue additional data gathering for a higher level of certainty.

Paragraph 32. Information (including projections of income and expenses) provided by local sources, such as government agencies, financial institutions, accountants, attorneys, and others is assumed to be true, correct, and reliable.

Paragraph 33. The comparable sales data relied upon in the appraisal are believed to be from reliable sources. Though all the comparables were examined, it was not possible to inspect them all in detail. The value conclusions are subject to the accuracy of said data.

Paragraph 34. Engineering analyses of the subject property were neither provided for use nor made as a part of this appraisal contract. Any representation as to the suitability of the property for uses suggested in this analysis is therefore based only on a rudimentary investigation by the Appraiser(s) and the value conclusions are subject to said limitations.

Paragraph 35. All values shown in the appraisal report are projections based on our analysis as of the date of the appraisal. These values may not be valid in other time periods or as market conditions change. The Appraiser(s) assume no responsibility for events, conditions, or circumstances affecting the property's market value that take place subsequent to either the date of value contained in this report or the date of the field inspection, whichever occurs first.

Paragraph 36. Since projected mathematical models and other projections are based on estimates and assumptions that are inherently subject to uncertainty and variation depending upon evolving events, the appraiser(s) does not represent them as results that will actually be achieved.

Paragraph 37. This appraisal is an estimate of value based on an analysis of information known to us at the time the appraisal was made. The Appraiser(s) assumes no responsibility for incorrect analysis because of incorrect or incomplete information. If new information of significance comes to light, the value given in this report is subject to change without notice.

Paragraph 38. Opinions and estimates expressed herein represent our best judgment but should not be construed as advice or recommendation to act. Any actions taken by the client or authorized users should be based on your own judgment, and the decision process should consider many factors other than just the value estimate and information contained in this report.

Paragraph 39. Values and conclusions for various components of the subject parcel as contained within this report are valid only when making a summation; they are not to be used independently for any purpose and must be considered invalid if so used. The allocation of the total value in this report between land and improvements applies only under the reported highest and best use of the property. The separate valuations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

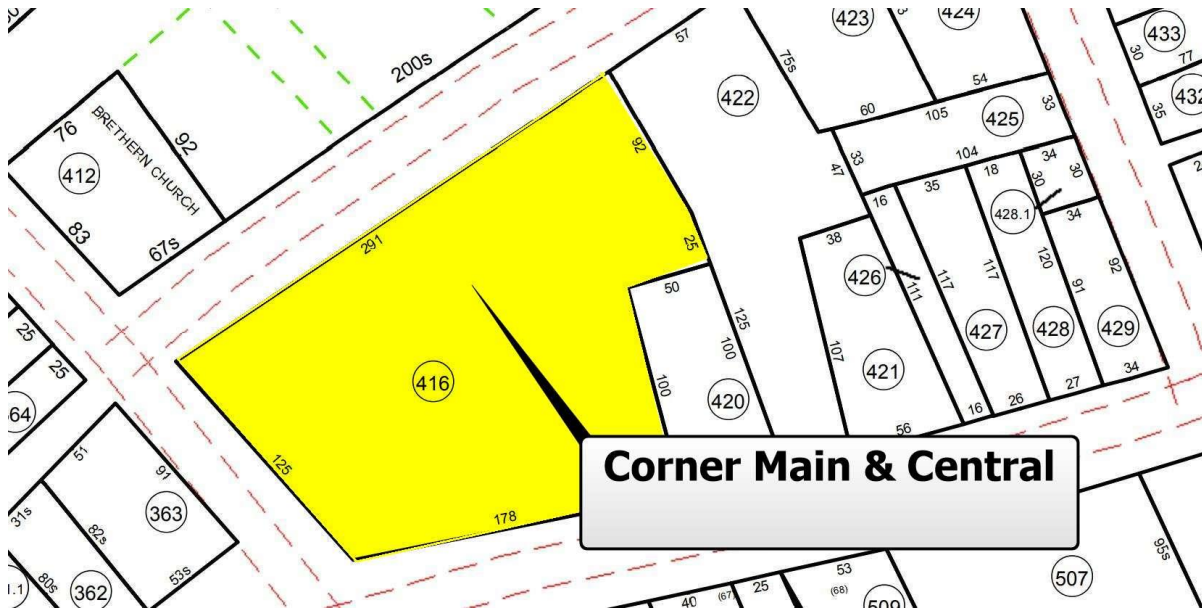
Paragraph 40. Acceptance of and/or use of this report constitutes acceptance of an agreement to the terms and conditions contained herein.

Paragraph 41. The forecasts, projections, or operating estimates contained herein are based upon current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. Therefore, these forecasts are subject to change in future conditions. Value estimates in the appraisal report are stated in United States currency as of the date of the appraisal.

Paragraph 42. An insurable value of an asset (if developed) can be estimated by deducting costs of non-insurable items (e.g., foundations, underground infrastructure, etc) from the depreciated cost estimate. It should be noted that a subject may be in such a depreciated condition as to not be insurable; therefore, would have no insurable value. Also, it should be noted that the value provided in no way implies the subject can, should or would be insurable for the identified amount. For a definitive amount it is the responsibility of the Lender/Client to engage a properly licensed 3rd party (Insurance Agent) to provide a specific determination.

Paragraph 43. Covid-19 Pandemic - As of the effective date of the appraisal, the world is engulfed in what is labeled as a Global Pandemic. This is the result of the Covid-19 virus infection. In general, a disaster might have a drastic impact on supply, demand or value. At the time of inspection, no data was available to definitively identify any local, regional or national effects. It is appropriate to point out that 'at this time'; those current events may not reflect the same market conditions as those occurring before or after. Valuation forces that influence real property values include social trends, economic circumstances, governmental controls and regulations, lending policies and practices may be significantly impacted by the events at this time.

Tax Map



QUALIFICATIONS OF APPRAISER

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 Beckley, West Virginia 25802
 (304) 255-5000
tolerappraisal@suddenlinkmail.com

EDUCATION:

1974 - Graduated, Marshall University, Huntington, WV, with a B.A. degree in Economics

APPRAISAL EDUCATION:

1975 to present - Attended various appraisal seminars, etc., approved by the Appraisal Institute, Society of Real Estate Appraisers, American Society of Appraisers, Appraisal Society of America, and West Virginia Housing Development Fund.

December 1984 - Completed Principles of Real Estate Appraising Course sponsored by National Association of Independent Fee Appraisers, Clarksburg, WV.

February 1985 - Completed Narrative Appraisal Report Writing Course sponsored by National Association of Independent Fee Appraisers, Clarksburg, WV.

January 1987 - Completed and passed examination for Course 101 sponsored by the Society of Real Estate Appraisers, Charleston, WV.

May 1988 - Completed and passed examination for Course 102 sponsored by the Society of Real Estate Appraisers, Charleston, WV.

January 1989 - Attended Demonstrative Narrative Report Writing Seminar sponsored by the Society of Real Estate Appraisers, Charleston, WV.

November 1990 - Completed and passed Uniform Standards of Professional Appraisal Practice Course in Charleston, WV, sponsored by the National Association of Independent Fee Appraisers.

May 1991 - Completed and passed Standards of Professional Practice Course Part "A" in Charleston, WV, sponsored by the Appraisal Institute.

July 30, 1991 - Completed and passed state and national examinations for license as a state certified general real estate appraiser. Issued - West Virginia State Certified General Appraiser License. License Number 017.

May 9, 1992 - Completed and passed Standards of Professional Practice Course Part "B" in Charleston, WV, sponsored by the Appraisal Institute.

January 29, 1995 - February 4, 1995 - Completed and Passed Appraisal Institute Course 310, "Basic Income Capitalization" in Pittsburgh, Pennsylvania.

July 9, 1995 - July 15, 1995 - Completed and Passed Appraisal Institute Course 320, "General Applications" in Chapel Hill, North Carolina.

November 9, 1995 - November 19, 1995 - Completed and Passed Appraisal Institute Course 510, "Advanced Income Capitalization" in Hudson, Ohio.

May 7, 1999 - Completed and Passed Appraisal Institute Course 430, "Standards of Professional Practice Part C" in Hudson, Ohio.

January 2000 – Present - Attended Various Seminars and Workshops For Continuing

Education for State Requirements for Yearly License Renewals.

January 2001 –December 2020 - Attended Various Seminars and Workshops For Continuing Education for State Requirements for Yearly License Renewals.

April 24-26, 2013 – Attended and Passed Course on Valuation of Conservation Easements & Other Partial Interests in Real Property sponsored by American Society of Farm Managers and Rural Appraisers.

May 8 – May 10, 2017 – Attended & passed Course Review Theory – Residential sponsored by the Appraisal Institute in Charleston, WV

PROFESSIONAL AFFILIATIONS:

Member – Appraisal Institute - SRA Designation

Member – American Society of Appraisers – ASA Designation

Member – National, State and Local Board of Realtors

GENERAL EXPERIENCE:

1975 to Present - Licensed as a Real Estate Broker in West Virginia, operating in Raleigh, Fayette and Wyoming Counties.

APPRAISAL EXPERIENCE AND CLIENTS:

1975 To Present: Active as an Appraiser and have completed appraisals on Residential, Commercial, Industrial, and Vacant Properties. The appraisals were made for the purposes of Mortgage Loans, Employee Transfers, Foreclosures, Estates, and Individuals. The following is a partial list of clients for whom the appraisals were made:

Financial Institutions:

Truist Bank (BB & T); JP Morgan Chase, United Bank; Fayette County National Bank, Pendleton Community Bank (Bank of Mount Hope), City National Bank, McDowell County National Bank, Pioneer Community Bank.

Government Agencies:

FHA (HUD), West Virginia Housing Development Fund; Federal Housing Administration; Federal National Mortgage Association (FNMA)

Corporations:

Various Relocation Companies, (List Available Upon Request)

Attorneys and Individuals:

List Available Upon Request.

REFERENCES:

Ms. Jackie Mantz – Huntington Bank –115 Rural Acres Drive, Beckley, WV 25801 (304) 255-8192

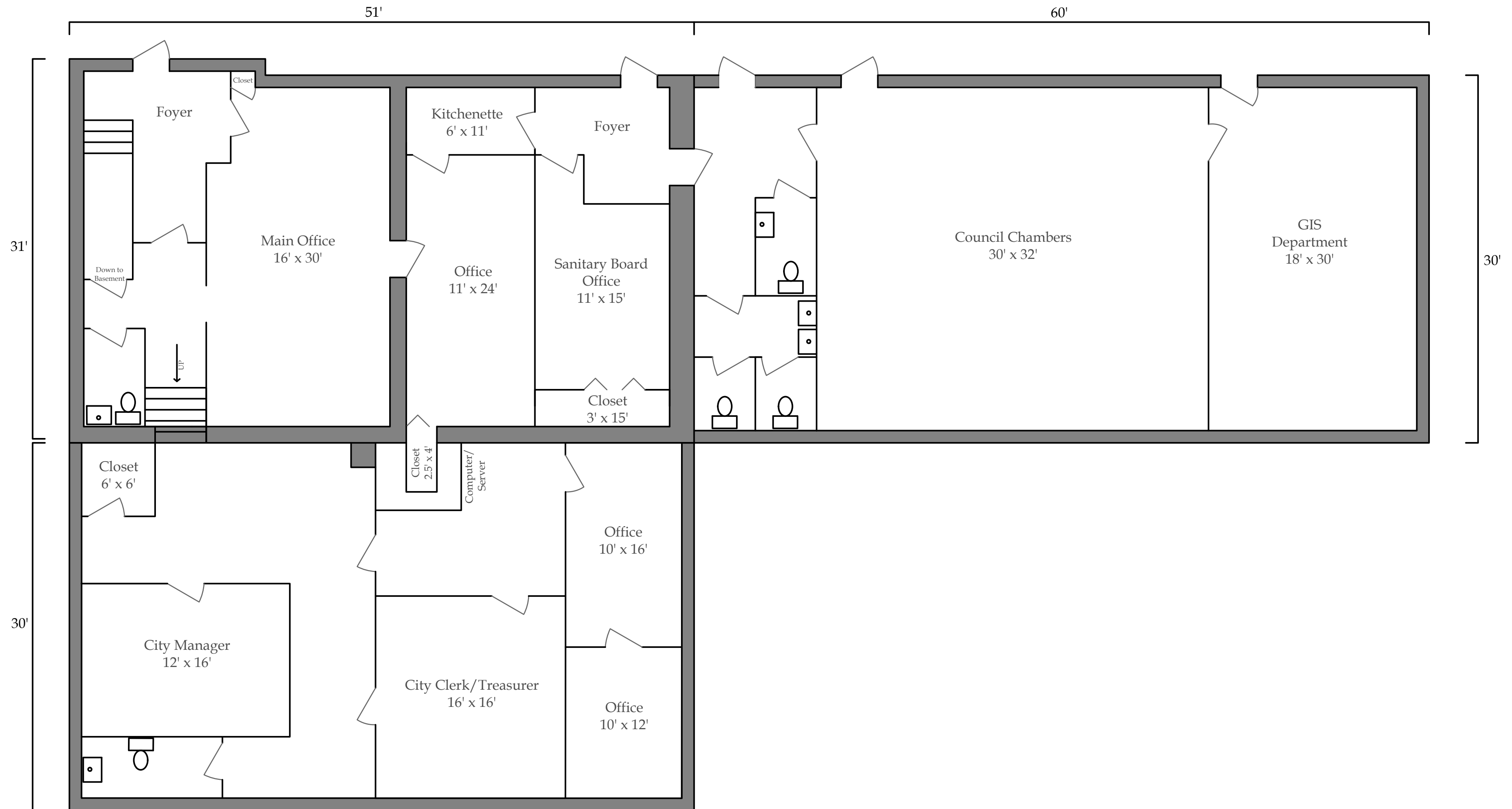
Mr. Brad Wartella – Pendleton Community Bank, 204 Pinewood Drive, Beckley, WV 25801. (304) 252-2265

Mr. Shane Carosi –Truist Bank, 3849 Robert C. Byrd Drive, Beckley, WV 25801 (304) 256-2163

Ms. Becky Arthur – Fayette County National Bank, Fayetteville, WV 25840, (304)-574-1212

Mr. Steve Ballard - City National Bank, PO Drawer D Beckley, WV 25801 (304) 255-7000.

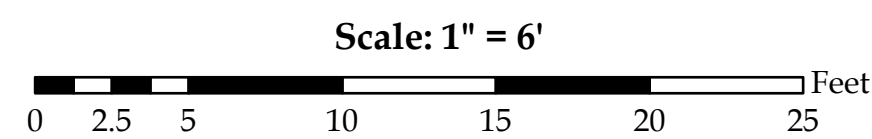




OAK HILL CITY HALL
BUILDING SCHEMATIC
FIRST FLOOR
FAYETTE COUNTY, WEST VIRGINIA

NOTES

1. MEASUREMENTS SHOWN ON THIS GRAPHIC ARE APPROXIMATE.
2. NO STRUCTURAL ASSESSMENTS WERE PERFORMED DURING THE CREATION OF THIS GRAPHIC.
3. AREA OF STRUCTURE SHOWN IS APPROXIMATELY 4,881 SQ FT BASED ON AN OUTER PERIMETER MEASUREMENT.

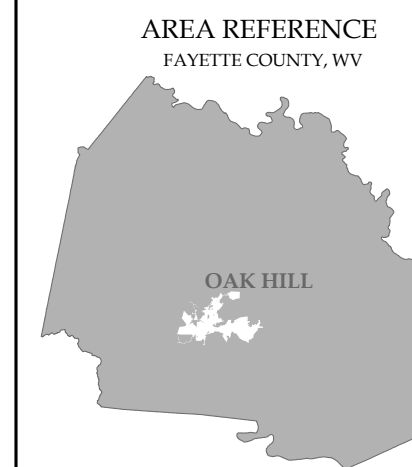


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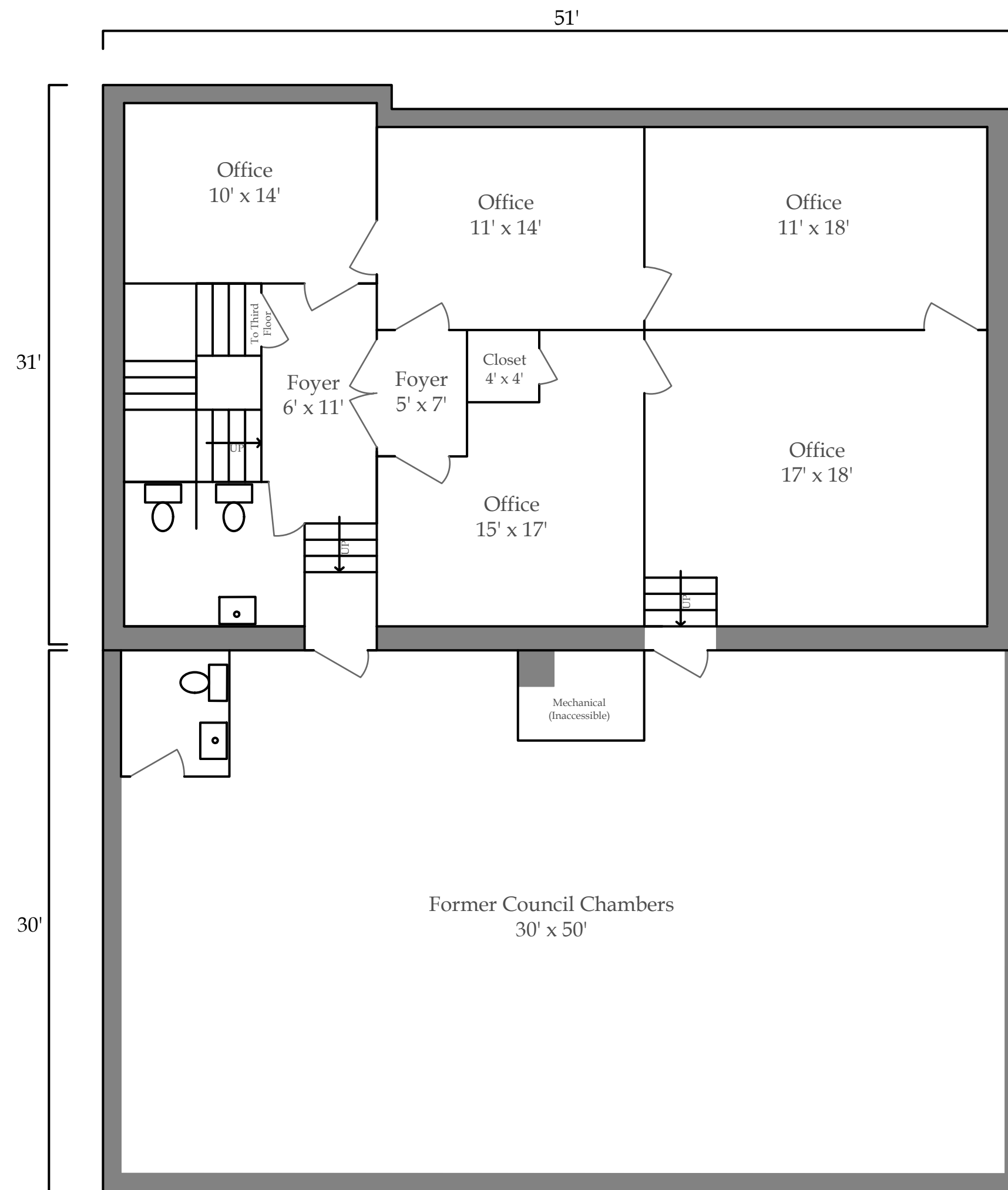
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THE CITY OF OAK HILL
GIS DEPARTMENT
TYLER P. BRAGG, GISP
DATE: 4/14/2022



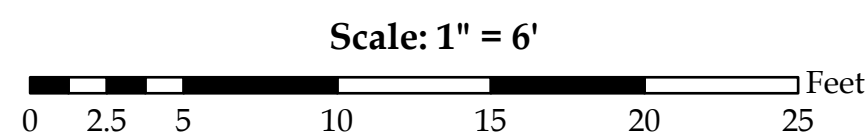
SHEET
NUMBER
1



OAK HILL CITY HALL
BUILDING SCHEMATIC
SECOND FLOOR
FAYETTE COUNTY, WEST VIRGINIA

NOTES

1. MEASUREMENTS SHOWN ON THIS GRAPHIC ARE APPROXIMATE.
2. NO STRUCTURAL ASSESSMENTS WERE PERFORMED DURING THE CREATION OF THIS GRAPHIC.
3. AREA OF STRUCTURE SHOWN IS APPROXIMATELY 3,081 SQ FT BASED ON AN OUTER PERIMETER MEASUREMENT.



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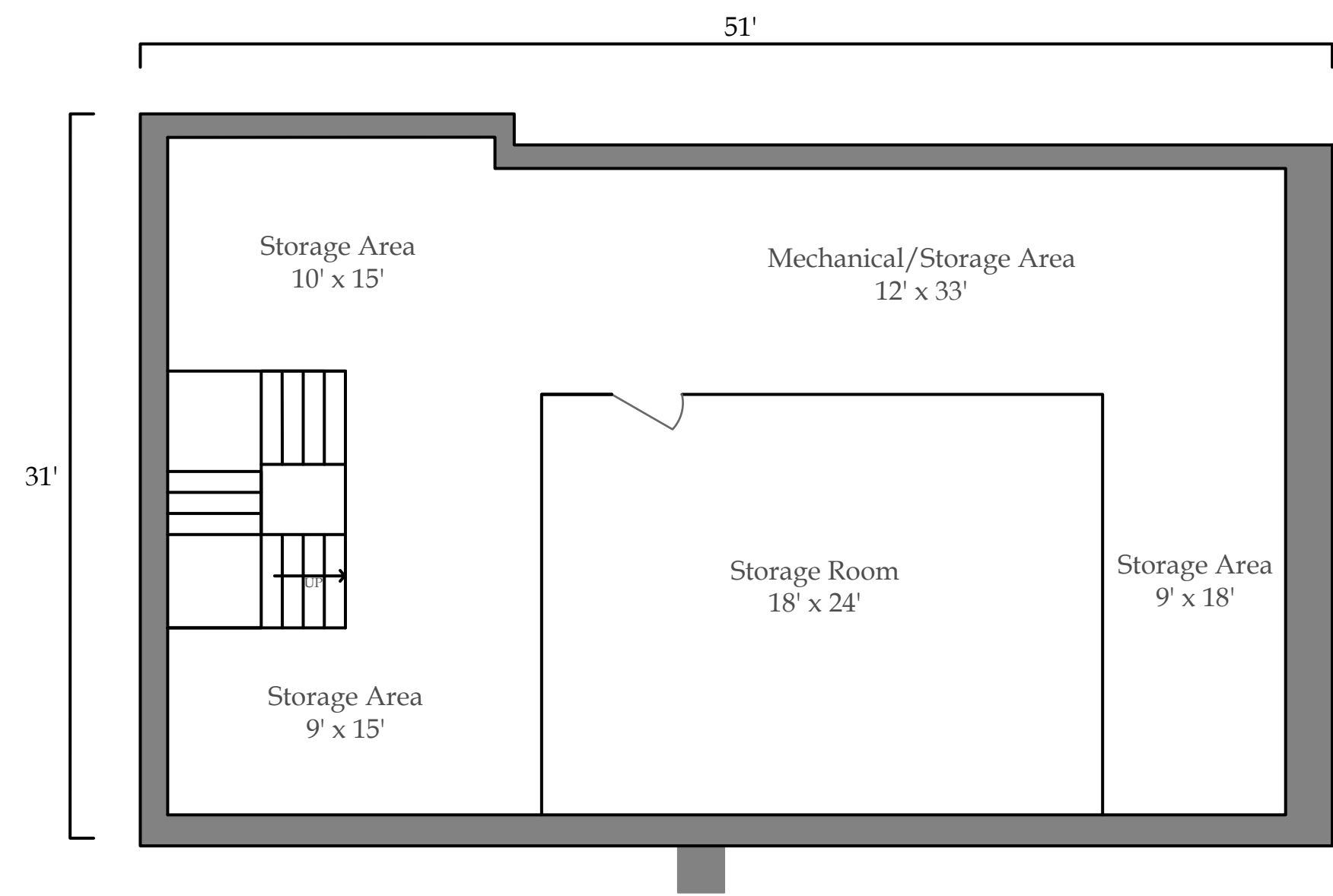
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DATE: 4/14/2022



SHEET
NUMBER

2



OAK HILL CITY HALL
BUILDING SCHEMATIC
THIRD FLOOR
FAYETTE COUNTY, WEST VIRGINIA

- NOTES**
1. MEASUREMENTS SHOWN ON THIS GRAPHIC ARE APPROXIMATE.
 2. NO STRUCTURAL ASSESSMENTS WERE PERFORMED DURING THE CREATION OF THIS GRAPHIC.
 3. AREA OF STRUCTURE SHOWN IS APPROXIMATELY 1,551 SQ FT BASED ON AN OUTER PERIMETER MEASUREMENT.
 4. CEILINGS ARE LOWER THAN THE STANDARD 8' HEIGHT ON THIS FLOOR.

Scale: 1" = 6'

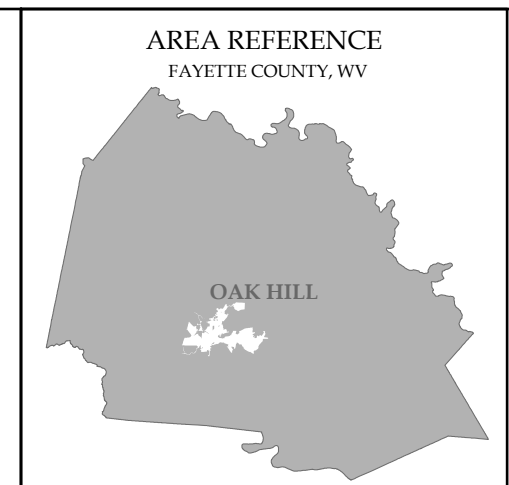
0 2.5 5 10 15 20 25 Feet

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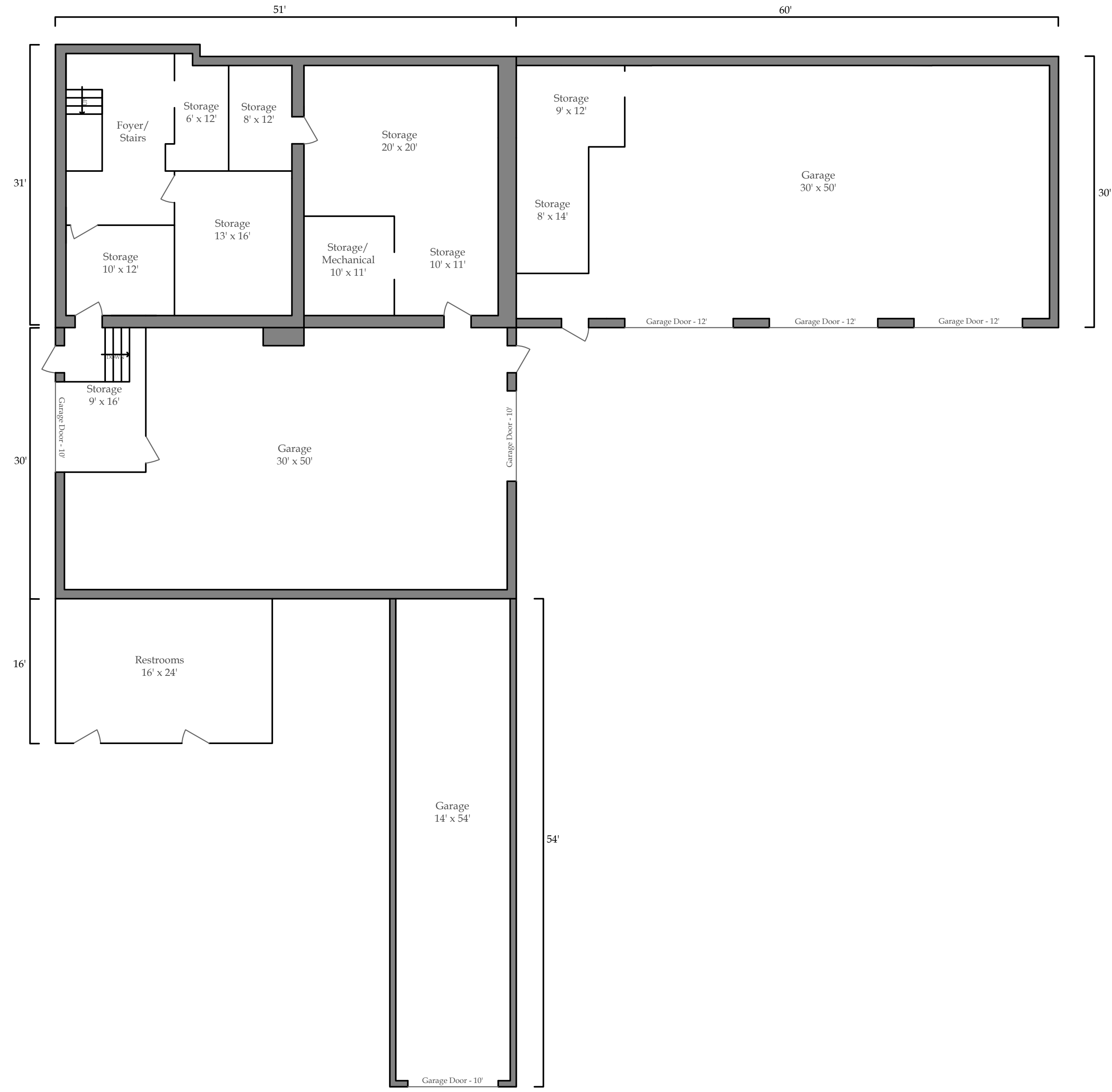
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DATE: 4/14/2022



SHEET
NUMBER

3



OAK HILL CITY HALL
BUILDING SCHEMATIC
BASEMENT/GARAGE
FAYETTE COUNTY, WEST VIRGINIA

- NOTES**
1. MEASUREMENTS SHOWN ON THIS GRAPHIC ARE APPROXIMATE.
 2. NO STRUCTURAL ASSESSMENTS WERE PERFORMED DURING THE CREATION OF THIS GRAPHIC.
 3. AREA OF STRUCTURE SHOWN IS APPROXIMATELY 6,021 SQ FT BASED ON AN OUTER PERIMETER MEASUREMENT.
- 3,622 SQ FT GARAGE
- 2,399 SQ FT STORAGE/RESTROOMS
 4. CEILINGS ARE LOWER THAN THE STANDARD 8' HEIGHT ON THIS FLOOR.

Scale: 1" = 8'

0 2.5 5 10 15 20 25 30 Feet

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DATE: 4/14/2022



SHEET NUMBER
4



#22011727

Analysis Report prepared for

Southern WV Inspections

238 Granville Ave
Beckley, WV 25801

Phone: (304) 923-4664

13066
101 E. Main Street

Collected: **March 29, 2022**
Received: **March 30, 2022**
Reported: **March 30, 2022**

We would like to thank you for trusting Hayes Microbial for your analytical needs!
We received 3 samples by FedEx in good condition for this project on March 30th, 2022.

The results in this analysis pertain only to this job, collected on the stated date, and should not be used in the interpretation of any other job. This report may not be duplicated, except in full, without the written consent of Hayes Microbial Consulting, LLC..

This laboratory bears no responsibility for sample collection activities, analytical method limitations, or your use of the test results. Interpretation and use of test results are your responsibility. Any reference to health effects or interpretation of mold levels is strictly the opinion of Hayes Microbial. In no event, shall Hayes Microbial or any of its employees be liable for lost profits or any special, incidental or consequential damages arising out of the use of these test results.

Steve Hayes, BSMT(ASCP)
Laboratory Director
Hayes Microbial Consulting, LLC.



EPA Laboratory ID: VA01419



Lab ID: #188863



DPH License: #PH-0198

Sample Number	1	27210005			2	27209952		
Sample Name	Basement			Exterior Control				
Sample Volume	75.00 liter			75.00 liter				
Reporting Limit	13 spores/m ³			13 spores/m ³				
Background	2			2				
Fragments	ND			ND				
	Pollen	Dander	Fiber					
	ND	1253/m ³	53/m ³					
Organism	Raw Count	Count / m ³	% of Total	Raw Count	Count / m ³	% of Total		
Alternaria								
Ascospores	2	27	28.6%	8	107	53.3%		
Aspergillus Penicillium	5	67	71.4%	2	27	13.3%		
Basidiospores				5	67	33.3%		
Bipolaris Drechslera								
Chaetomium								
Cladosporium								
Curvularia								
Epicoccum								
Fusarium								
Memnoniella								
Myxomycetes								
Pithomyces								
Stachybotrys								
Stemphylium								
Torula								
Ulocladium								
Total	7	94	100%	15	201	100%		

Water Damage Indicator	Common Allergen	Slightly Higher than Baseline	Significantly Higher than Baseline	Ratio Abnormality
------------------------	-----------------	-------------------------------	------------------------------------	-------------------



Collected: Mar 29, 2022	Received: Mar 30, 2022	Reported: Mar 30, 2022
Project Analyst: Connor Gailliot, BS <i>[Signature]</i>	Date: 03 - 30 - 2022	Reviewed By: Steve Hayes, BSMT <i>[Signature]</i>
Date: 03 - 30 - 2022		

#3	Swab (1.00 cm2)	Organism	Spore Estimate	Mycelial Estimate
A - Basement Wall		Cladosporium	Light	ND

Reporting Limit	The Reporting Limit is the lowest number of spores that can be detected based on the total volume of the sample collected and the percentage of the slide that is counted. At Hayes Microbial, 100% of the slide is read so the LOD is based solely on the total volume. Raw spore counts that exceed 500 spores will be estimated.					
Blanks	Results have not been corrected for field or laboratory blanks.					
Background	<p>The Background is the amount of debris that is present in the sample. This debris consists of skin cells, dirt, dust, pollen, drywall dust and other organic and non-organic matter. As the background density increases, the likelihood of spores, especially small spores such as those of Aspergillus and Penicillium may be obscured. The background is rated on a scale of 1 to 5 and each level is determined as follows:</p> <p>NBD: No background detected due to possible pump or cassette malfunction. Recollect sample. (Field Blanks will display NBD)</p> <p>1 : <5% of field occluded. No spores will be uncountable.</p> <p>2 : 5-25% of field occluded.</p> <p>3 : 25-75% of field occluded.</p> <p>4 : 75-90% of field occluded.</p> <p>5 : >90% of field occluded. Suggested recollection of sample.</p>					
Fragments	Fragments are small pieces of fungal mycelium or spores. They are not identifiable as to type and when present in very large numbers, may indicate the presence of mold amplification.					
Control Comparisons	There are no national standards for the numbers of fungal spores that may be present in the indoor environment. As a general rule and guideline that is widely accepted in the indoor air quality field, the numbers and types of spores that are present in the indoor environment should not exceed those that are present outdoors at any given time. There will always be some mold spores present in "normal" indoor environments. The purpose of sampling and counting spores is to help determine whether an abnormal condition exists within the indoor environment and if it does, to help pinpoint the area of contamination. Spore counts should not be used as the sole determining factor of mold contamination. There are many factors that can cause anomalies in the comparison of indoor and outdoor samples due to the dynamic nature of both of those environments.					
<table border="1"> <tr><td>Water Damage Indicator</td></tr> <tr><td>Common Allergen</td></tr> <tr><td>Slightly Higher than Baseline</td></tr> <tr><td>Significantly Higher than Baseline</td></tr> <tr><td>Ratio Abnormality</td></tr> </table>	Water Damage Indicator	Common Allergen	Slightly Higher than Baseline	Significantly Higher than Baseline	Ratio Abnormality	<p>Blue: These molds are commonly seen in conditions of prolonged water intrusion and usually indicate a problem.</p> <p>Green: Although all molds are potential allergens, these are the most common allergens that may be found indoors.</p> <p>Orange: The spore count is slightly higher than the outside count and may or may not indicate a source of contamination.</p> <p>Red: The spore count is significantly higher than the baseline count and probably indicates a source of contamination.</p> <p>Violet: The types of spores found indoors should be similar to the ones that were identified in the baseline sample. Significant increases (more than 25%) in the ratio of a particular spore type may indicate the presence of abnormal levels of mold, even if the total number of spores of that type is lower in the indoor environment than it was outdoors.</p>
Water Damage Indicator						
Common Allergen						
Slightly Higher than Baseline						
Significantly Higher than Baseline						
Ratio Abnormality						
Color Coding	Fungi that are present in indoor samples at levels lower than 200 per cubic meter are not color coded on the report, unless they are one of the water damage indicators.					

Spore Estimate		Percentages
ND	None Detected	0%
Rare	Less than 10 spores	< 1%
Light	10 - 99 spores	1-10%
Moderate	100 - 999 spores	11-25%
Heavy	1000 - 9999 spores	26-50%
Very Heavy	10000 or greater spores	51-100%

Mycelial Estimate	
ND	None Detected No active growth at site.
Trace	Very small amount of Mycelium Probably no active growth at site.
Few	Some Mycelium Possible active growth at site.
Many	Large amount of Mycelium Probable active growth at site.

Ascospores	Habitat: A large group consisting of more than 3000 species of fungi. Common plant pathogens and outdoor numbers become very high following rain. Most of the genera are indistinguishable by spore trap analysis and are combined on the report.
	Effects: Health affects are poorly studied, but many are likely to be allergenic.

Aspergillus Penicillium	Habitat: The most common fungi isolated from the environment. Very common in soil and on decaying plant material. Are able to grow well indoors on a wide variety of substrates.
	Effects: This group contains common allergens and many can cause hypersensitivity pneumonitis. They may cause extrinsic asthma, and many are opportunistic pathogens. Many species produce mycotoxins which may be associated with disease in humans and other animals. Toxin production is dependent on the species, the food source, competition with other organisms, and other environmental conditions.

Basidiospores	Habitat: A common group of Fungi that includes the mushrooms and bracket fungi. They are saprophytes and plant pathogens. In wet conditions they can cause structural damage to buildings.
	Effects: Common allergens and are also associated with hypersensitivity pneumonitis.

Cladosporium	Habitat: One of the most common genera worldwide. Found in soil and plant debris and on the leaf surfaces of living plants. The outdoor numbers are lower in the winter and often relatively high in the summer, especially in high humidity. The outdoor numbers often spike in the late afternoon and evening. Indoors, it can be found growing on textiles, wood, sheetrock, moist window sills and in HVAC supply ducts.
	Effects: A common allergen, producing more than 10 allergenic antigens and a common cause of hypersensitivity pneumonitis.

Date: 3/29/22
Name: City of Oak Hill
Address: 101 Main Street East
Oak Hil, WV 25901

Amount:	\$325.00
Tax:	Exempt
Total:	\$325.00
Paid:	No



Inspections, Testing, and Remediation



The above property was evaluated for mold and the following was noted:

Probable mold growth on some basement hard surfaces.

Moisture intrusion through foundation in furnace room.

Evidence of a prior water leak near basement bathrooms.

Air quality testing was performed in the basement and the lab results indicate no elevation.

A direct swab was taken on a basement wall and lab results that cladosporium is present but not currently growing.

Recommend the following:

Basement – Clean hard surfaces with antimicrobial solution.

Install self draining dehumidifier in furnace room.

I believe that this does not need professional remediation but could provide a quote if desired.



Probable mold on cabinet.



Probable mold on door.



Probable mold on wall.



Efflorescence on furnace room wall.



Evidence of prior bathroom leak.



Duane Hibbs
HI92346640709
338000781

www.southernwvinspections.com

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