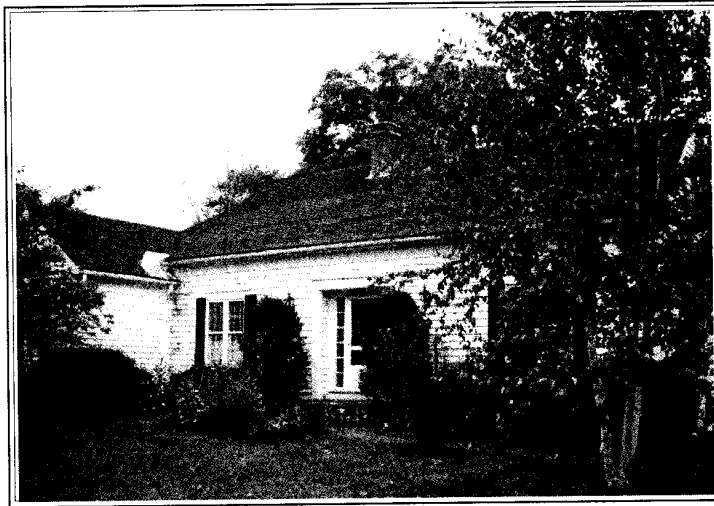


**APPRAISAL OF**



**LOCATED AT:**

541 Washington Road  
Rye, NH 03870

**FOR:**

Town of Rye, Michael Magnant Administ.  
10 Central Road  
Rye, NH 03870

**BORROWER:**

N/A

**AS OF:**

September 4, 2015

**BY:**

Jeffrey Wood/The Stanhope Group  
500 Market Street, Unit 1C, Portsmouth, NH 03801

UNIFORM RESIDENTIAL APPRAISAL REPORT
File No. 151200
Property Description: 541 Washington Road, Rye, NH 03870
Assessor's Parcel No. Map 016/Lot 008
Tax Year 2014 R.E. Taxes \$ 4,962.00
Special Assessments \$ N/A
Borrower N/A Current Owner Johnson, Carl Eric
Occupant: [X] Owner [ ] Tenant [ ] Vacant
Property rights appraised [X] Fee Simple [ ] Leasehold [ ] PUD [ ] Condominium (HUD/VA only) [ ] HOA \$ N/A /Mo.
Neighborhood or Project Name Rye Center Map Reference N/A Census Tract 0710.00
Sale Price \$ N/A Date of Sale N/A Description and \$ amount of loan charges/concessions to be paid by seller N/A
Lender/Client Town of Rye, Michael Magnan Administ. Address 10 Central Road, Rye, NH 03870
Appraiser Jeffrey Wood/The Stanhope Group Address 500 Market Street, Unit 1C, Portsmouth, NH 03801
Location [ ] Urban [X] Suburban [ ] Rural
Built up [ ] Over 75% [X] 25-75% [ ] Under 25%
Growth rate [ ] Rapid [X] Stable [ ] Slow
Property values [ ] Increasing [X] Stable [ ] Declining
Demand/supply [ ] Shortage [X] In balance [ ] Over supply
Marketing time [ ] Under 3 mos. [X] 3-6 mos. [ ] Over 6 mos.
Predominant occupancy [X] Owner [ ] Tenant [ ] Vacant (0-5%) [ ] Vacant (over 5%)
Single family housing PRICE \$ (000) AGE (yrs)
300 Low New
2000 High 300
Predominant
750 60
Present land use % One family 60% 2-4 family 1% Multi-family 1% Commercial 1% Vacant 38%
Land use change [X] Not likely [ ] Likely [ ] In process
Note: Race and the racial composition of the neighborhood are not appraisal factors.
Neighborhood boundaries and characteristics: Neighborhood is residential and bounded by the town line to the west, Wallis Road to the north, Route 1A to the east and Cable, Grove and Washington Roads to the south.
Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.): Rye is popular with home buyers for its oceanfront location in close proximity of area employment and commuter routes. Portsmouth is a 10 minute drive; Boston is a 1 hour drive. Rye property taxes are among the lowest in the state and schools are well regarded. Oceanfront beaches and State Parks located within 5 minute drive. Broad property value range is due to ocean influence. Subject's immediate location in the village center includes nonresidential activities such as the abutting fire/police facility, a real estate office, bank, school, library, etc. These externalities are a minor negative influence on value.
Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.): Average marketing time reported in local MLS for Rye sales during prior 12 month period is 118 days with decreasing to 91 days reported for prior 90 day period. Values in subject's submarket estimated to be increasing at 3% annualized throughout the period of interest. Exposure time estimated to be 3-4 months.
Project Information for PUDs (If applicable) -- Is the developer/builder in control of the Home Owners' Association (HOA)? [ ] YES [ ] NO
Approximate total number of units in the subject project Approximate total number of units for sale in the subject project
Describe common elements and recreational facilities: N/A
Dimensions Refer to Attached Legal Description
Site area 1.46 Acres Corner Lot [X] Yes [ ] No
Specific zoning classification and description Residential: 66,000SF, 200 FF.
Zoning compliance [ ] Legal [X] Legal nonconforming (Grandfathered use) [ ] Illegal [ ] No zoning
Highest & best use as improved: [X] Present use [ ] Other use (explain)
Utilities Public Other Off-site Improvements Type Public Private
Electricity [X] Propane /Typical Street Asphalt [X] [ ]
Gas [X] Curb/gutter None/Typical [X] [ ]
Water [X] Sidewalk Concrete [X] [ ]
Sanitary sewer [X] Septic/Typical Street lights Incandescent [X] [ ]
Storm sewer [X] None/Typical Alley None/Typical [X] [ ]
Topography Level to Gently Sloping
Size Typical
Shape Mostly Rectangular
Drainage Appears Adequate
View Average
Landscaping Typical
Driveway Surface Asphalt/Typical
Apparent easements None Adverse Known
FEMA Special Flood Hazard Area [ ] Yes [X] No
FEMA Zone X Map Date 05-17-2005
FEMA Map No. 33015C0269E
Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning, use, etc.):
GENERAL DESCRIPTION EXTERIOR DESCRIPTION FOUNDATION BASEMENT INSULATION
No. of Units 1 Foundation Concrete/Avg Slab None Area Sq.Ft. 1464 Roof [ ]
No. of Stories 1.75 Exterior Walls Wood/Avg Crawl Space None % Finished 0 Ceiling [X]
Type (Det./Att.) Det Roof Surface Asphalt/Poor Full Basement Joist/Fbr Bd Walls [X]
Design (Style) Cape Gutters & Dwnspts. Yes/Adequate Sump Pump None Noted Walls Concrete Floor [ ]
Existing/Proposed Existing Window Type Dble Hungs/Avg Dampness None Noted Floor Concrete [ ]
Age (Yrs.) 1950 Storm/Screens Yes/Yes Settlement None Noted Outside Entry Walkout Insulation Unknown
Effective Age (Yrs.) 20 Manufactured House No Infestation None Noted
ROOMS Foyer Living Dining Kitchen Den Family Rm. Rec. Rm. Bedrooms # Baths Laundry Other Area Sq.Ft.
Basement 1,464
Level 1 1 1 1 1 1 1.5 1,464
Level 2 2 1 716
Finished area above grade contains: 7 Rooms; 3 Bedroom(s); 2.5 Bath(s); 2,180 Square Feet of Gross Living Area
INTERIOR Materials/Condition HEATING KITCHEN EQUIP ATTIC AMENITIES CAR STORAGE:
Floors Wd/Crpt/Vnly/Avg/Fair Type FHW Refrigerator [P] None Fireplace(s) #1 [X] None [ ]
Walls Plaster/DW/Avg Fuel Oil Tank Range/Oven [X] Stairs [ ] Garage 2 # of cars
Trim/Finish Softwood/Avg Condition Avg/Good Disposal [ ] Drop Stair [ ] Attached 2 Car
Bath Floor Vinyl/Fair/Poor COOLING Dishwasher [X] Scuttle [X] Detached
Bath Wainscot Cast Ir. Vinyl/Tile/A Central N/A Fan/Hood [X] Floor [ ] Built-In
Doors Wood/Avg Other N/A Microwave [ ] Heated [ ] Pool None [ ] Carport
Overall condition is Avg/Fair Condition N/A Washer/Dryer [P] Finished [ ] Outbuilding [X] Driveway Adequate
Additional features (special energy efficient items, etc.): Wood flooring on 1st floor, vinyl in kitchen and baths, carpet in 2nd floor BR's. 18 X 22
Outbuilding. Dimensions are per the assessor's records and field observation.
Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction remodeling/additions, etc.: Greater than typical curable/incurable physical deterioration from use and age results from lack of timely maintenance to exterior (failed roofing and paint conditions noted) and lack of updating to interior cosmetic elements, kitchen and baths. Functional obsolescence noted in failed flooring around toilets (underlayment) addressed under condition. Minor external obsolescence in mixed res/comm use location.
Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property: None known or disclosed in public records.

# UNIFORM RESIDENTIAL APPRAISAL REPORT

File No. 151200

## Valuation Section

|  |                    |          |                               |        |   |
|--|--------------------|----------|-------------------------------|--------|---|
| ESTIMATED SITE VALUE                             |                    | = \$     |                               | N/A    | Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property):<br><b>The Cost Approach has been considered but, not included in this appraisal as an indicator of value. The cost approach is valid and most reliable when depreciation from all sources can be accurately measured. The estimated remaining economic life is estimated to be 50 years.</b> |
| ESTIMATED REPRODUCTION COST-NEW OF IMPROVEMENTS: |                    |          |                               |        |   |
| Dwelling   | 2,180 Sq. Ft. @ \$ | = \$     | 0                             |        |   |
| Bsmt. 1464                                       | Sq. Ft. @ \$       | = \$     | 0                             |        |   |
| Garage/Carport                                   | 576 Sq. Ft. @ \$   | = \$     | 0                             |        |   |
| Total Estimated Cost New                         |                    |          |                               | = \$ 0 |   |
| Less 70 Physical                                 | Functional         | External | Est. Remaining Econ. Life: 50 |        |   |
| Depreciation                                     |                    |          |                               | = \$ 0 |   |
| Depreciated Value of Improvements                |                    |          |                               | = \$ 0 |   |
| *As-is* Value of Site Improvements               |                    |          |                               | = \$ 0 |   |
| INDICATED VALUE BY COST APPROACH = \$ 0          |                    |          |                               |        |   |

| ITEM   | SUBJECT             | COMPARABLE NO. 1                         | COMPARABLE NO. 2                                | COMPARABLE NO. 3                     |
|--|---------------------|--|---|--------------------------------------|
| 541 Washington Road<br>Address Rye, NH 03870 |                     | 81 Central Road<br>Rye, NH 03870         | 476 Wallis Road<br>Rye, NH 03870                | 328 Washington Road<br>Rye, NH 03870 |
| Proximity to Subject                         |                     | 0.39 miles SW                            | 0.83 miles NE                                   | 0.66 miles NE                        |
| Sales Price                                  | \$ N/A              | \$ 350,000                               | \$ 440,000                                      | \$ 445,000                           |
| Price/Gross Liv. Area                        | \$ 0.00             | \$ 145.47                                | \$ 292.55                                       | \$ 284.89                            |
| Data and/or Verification Sources             | Inspection Assessor | MLS#4265814 Appraiser/Brkr/Assr/Registry | MLS#4404239/Inspection Broker/Assessor/Registry | MLS#4425567 Broker/Assessor/Registry |
| VALUE ADJUSTMENTS                            | DESCRIPTION         | DESCRIPTION + (-) \$ Adjustment          | DESCRIPTION + (-) \$ Adjustment                 | DESCRIPTION + (-) \$ Adjustment      |
| Sales or Financing Concessions               | N/A                 | None Per Appraiser/Conv                  | None Per Broker/FHA                             | None Per Broker/Conv                 |
| Date of Sale/Time                            | N/A                 | 04/2014 +4.25%                           | 06/2015 +.75%                                   | 05/2015 +1%                          |
| Location                                     | Average             | Average                                  | Average/Superior                                | Average/Superior                     |
| Leasehold/Fee Simple                         | Fee Simple          | Fee Simple                               | Fee Simple                                      | Fee Simple                           |
| Site   | 1.46 Acres          | .62 Acres                                | .71 Acres                                       | 1.01 Acres                           |
| View   | Average             | Average                                  | Average   | Average                              |
| Design and Appeal                            | Cape                | Garrison                                 | Cape  | Colonial                             |
| Quality of Construction                      | Average             | Average                                  | Average   | Average                              |
| Age  | B. 1950             | B. 1960/Similar                          | B. 1945   | B. 1944                              |
| Condition                                    | Avg/Fair/Dated      | Avg/Fair/Dated                           | Avg/Dated                                       | Avg/Dated                            |
| Above Grade Room Count                       | 25                  | 7  | 7   | 6                                    |
| Gross Living Area                            | 2,180 Sq.Ft.        | 2,406 Sq.Ft.                             | 1,504 Sq.Ft.                                    | 1,562 Sq.Ft.                         |
| Basement & Finished Rooms Below Grade        | Full: Unfinished    | Full: Unfinished                         | Partial: Unfinished                             | Full: Unfinished                     |
| Functional Utility                           | Average             | Failed Septic                            | New Septic                                      | Average                              |
| Heating/Cooling                              | FHW/No AC           | FHA/No AC                                | FHA/No AC                                       | FHW/No AC                            |
| Energy Efficient Items                       | None                | None                                     | None  | None                                 |
| Garage/Carport                               | 2 Car Garage        | No Garage                                | 1 Car Garage                                    | 2 Car Garage                         |
| Porch, Patio, Deck, Fireplace(s), etc.       | Fireplace           | Deck                                     | Porch   | Porch, Deck                          |
| Fence, Pool, etc.                            | Outbuilding         | None                                     | None  | None                                 |
| Other  | None                | None                                     | None  | None                                 |
| Net Adj. (total)                             |                     | \$ 48,200                                | \$ 21,800                                       | \$ 34,300                            |
| Adjusted Sales Price of Comparable           |                     | \$ 398,200                               | \$ 418,200                                      | \$ 410,700                           |

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): Comps have been selected for their location in Rye, their recent sales dates and other shared characteristics. In the final reconciliation of the sales analysis consideration is given to all three Comps with weighting to Comp 1 for its similar condition and weighting to Comps 2 and 3 for their more recent sales dates. The range in values indicated is \$398,200 to \$418,200. A value of \$410,000 is concluded.

| ITEM   | SUBJECT           | COMPARABLE NO. 1  | COMPARABLE NO. 2  | COMPARABLE NO. 3  |
|--|-------------------|-------------------|-------------------|-------------------|
| Date, Price and Data Source for prior sales within year of appraisal | None Per Assessor | None Per Assessor | None Per Assessor | None Per Assessor |

Analysis of any current agreement of sale, option, or listing of the subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal: N/A

INDICATED VALUE BY SALES COMPARISON APPROACH \$ 410,000

INDICATED VALUE BY INCOME APPROACH (If Applicable) Estimated Market Rent \$ N/A /Mo. x Gross Rent Multiplier N/A = \$ 0

This appraisal is made ☒ "as is" ☐ subject to the repairs, alterations, inspections or conditions listed below ☐ subject to completion per plans and specifications.

Conditions of Appraisal: None

Final Reconciliation: The Cost Approach has been considered but, not developed due to age of improvements. The Income Approach was considered but not developed as single family homes in this area are not typically purchased as income producing investments.

The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/Fannie Mae Form 1004B (Revised \_\_\_\_\_).

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF 09/04/2015 (WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 410,000

APPRaiser: Signature Jeffrey Wood Name Jeffrey Wood/The Stanhope Group Date Report Signed 09/16/2015 State NH State Certification # NHCR-336 Or State License # \_\_\_\_\_

SUPERVISORY APPRAISER (ONLY IF REQUIRED): Signature \_\_\_\_\_ Name \_\_\_\_\_ Date Report Signed \_\_\_\_\_ State Certification # \_\_\_\_\_ Or State License # \_\_\_\_\_

## ADDENDUM

|  |                      |
|--|----------------------|
| Borrower: N/A                                  | File No.: 151200     |
| Property Address: 541 Washington Road          | Case No.:            |
| City: Rye                                      | State: NH Zip: 03870 |
| Lender: Town of Rye, Michael Magnant Administ. |                      |

### EXPLANATORY COMMENTS

This APPRAISAL has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP). The appraiser certifies and agrees that this appraisal report was prepared in accordance with the requirements of Title XI of the Financial Institutions, Reform, Recovery, and Enforcement Act (FIRREA) of 1989, as amended (12 U.S.C. 3331 et seq.), and any applicable implementing regulations in effect at the time the appraiser signs the appraisal certification.

By the receipt and implied acceptance of this report, the addressee recognizes the obligation for timely remittance, in full, of associated professional fees. Furthermore, any claims against the appraiser, for whatever reason, are limited to the amount of said fees with responsibility of the appraiser limited to the client and not extending to any third party.

**PROBLEM TO BE SOLVED AND FUNCTION:** The purpose of this appraisal is to estimate the market value of the subject property. The function of the appraisal is to assist the above named client, the intended user, in evaluating the subject property for acquisition purposes. Use of this appraisal by any other party is not intended by the appraiser.

**PRIOR THREE YEARS:** The appraiser has performed no services for the subject property in the prior three years as an appraiser or in any other capacity. This disclosure statement is a USPAP requirement.

**SCOPE OF WORK:** The scope of this appraisal requires compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board of the Appraisal Foundation. These standards contain procedures to be followed in developing an appraisal, analysis or opinion. These standards also set the requirements with regard to the communication of the appraiser's analyses, opinions and conclusions so that those analyses, opinions and conclusions are meaningful and not misleading. The report is written to effect a clear, well-documented and relevant communication of a credible result of value opinion.

The appraisal conclusions will be communicated in a report format prepared in accordance with Standard 2 of the Uniform Standards of Professional Appraisal Practice, containing the three conventional approaches to value (if applicable) being the Cost Approach, Sales Comparison Approach, and the Income Approach. It will include photographs of the subject and comparable properties, descriptions of the subject neighborhood, the site, any improvements on the site, a description of the zoning, a highest and best use analysis, a summary of the most important sales used in the appraiser's valuation, a reconciliation and conclusion, a map illustrating the sales in relationship to the subject property, and other data deemed by the appraiser to be relevant to the assignment. Pertinent data and analysis not included in the report may be retained in appraiser's files.

The scope of work required to complete this appraisal assignment included the following: Investigate the property and interview the parties familiar with the property. The appraiser will view the subject improvements at a level necessary to gather information about the physical characteristics of the subject improvements that are relevant to the valuation problem. The appraiser will rely on the deed when provided and parties familiar with the property for information regarding easements, covenants, restrictions and other encumbrances. The appraisal will not research the presence of such items independently. Sales, current and pending listings, considered relevant, that have occurred will be researched in the subjects geographic area. The appraiser's investigations will include research of public records through the use of commercial sources of data such as printed comparable data services and computerized databases. Search parameters such as dates of sales, leases, locations, sizes, types of properties and distances from the subject will start with a relatively narrow constraint and, if necessary, be expanded until the appraiser has either identified data sufficient to estimate market value, or until the appraiser believes that they have reasonably exhausted the available pool of data. Researched sales data will be viewed and, if appropriate, efforts will be made to verify the data with persons directly involved in the transactions such as buyers, sellers, brokers or agents. At the appraiser's discretion, some data will be used without personal verification if, in the appraiser's opinion, the data appears to be correct.

The value estimated is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions unless otherwise stated in this report. The appraiser is not an expert in the identification of hazardous substances or detrimental conditions. The appraiser's routine inspection of and inquires about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively unless otherwise stated in this report. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous substances or detrimental environmental conditions on or around the property that would negatively affect its value.

This appraisal is not a home inspection report and it should not be relied upon to disclose conditions of the property.

**PROBABILITY OF VALUE CHANGE:** The estimated market value of the property appraised in this report is estimated as of the aforementioned date. Constantly changing economic, social, political and physical conditions have varying effects upon real property values. Even after passage of a relatively short period of time, property values may change substantially and require a new appraisal.

**HIGHEST AND BEST USE:** The physical, legal, financially feasible and maximally productive elements of Highest and Best Use for the subject property have been evaluated. The subject's current use as a residential property is its highest and best use as that is its only allowable use. A definitive opinion regarding conformity to zoning is beyond the scope of this appraisal assignment and the professional expertise of the appraiser. Should the client require a definitive conclusion as to zoning conformity, it is suggested that either a licensed surveyor and/or attorney be consulted.

The subject is described as Legal Nonconforming because its lot dimensions do not meet the requirements of current zoning. This is common and not adverse. The subject may be rebuilt if destroyed.

**GENERAL CONDITION OF THE SUBJECT:** The following was observed at the time of inspection: Roofing has exceeded its useful life. Exterior paint has also exceeded its useful life. Some areas of localized deterioration to exterior wood trim and siding can be anticipated. Interior oak flooring is in average to good condition by casual observation. Vinyl flooring in kitchen and baths shows evidence of deterioration. Evidence of underlayment deterioration in the first and second floor baths. Kitchens and baths have the appearance of being original. Second floor bedrooms have fiberboard ceilings and paneled

## ADDENDUM

|  |                  |            |
|--|------------------|------------|
| Borrower: N/A                                  | File No.: 151200 |            |
| Property Address: 541 Washington Road          | Case No.:        |            |
| City: Rye                                      | State: NH        | Zip: 03870 |
| Lender: Town of Rye, Michael Magnant Administ. |                  |            |

walls. Interior paint is older and in average condition. There is a newer boiler and oil tank installation that are in good condition. The septic system is reported to be a 1993 installation. The subject is described in this appraisal as being in average/fair condition which gives consideration to the mix of failed items and those items that are better than average. The subject is further described as "dated" which is a reference to its older kitchen, baths and cosmetic elements.

**COMMENTS ON THE SALES ANALYSIS**

Adjustments are made to Comps that estimates changes in values since their dates of sale at an annualized 3%.

Adjustments are made under location to Comps 2 and 3 for higher land values in their locations. Comp 3 is closer to beaches.

An adjustment is made under site to Comps 1 and 2 that estimates the influence on value of variations in lot size affecting privacy and utility.

An adjustment is made under age and condition to Comps 2 and 3 at \$10/SF, rounded for less deterioration to long-lived components (age) and for less deterioration to cosmetic elements, kitchens, baths, painted surfaces, flooring. No adjustment is made to Comp 1 as it is estimated to have a more or less similar level of deterioration as the subject.

Variations in gross living area (GLA) are adjusted at \$25/SF, rounded where a difference exceeds 10% of the subject's GLA.

Bath, garage, outbuilding, deck and porch adjustments are made based on market extraction, paired sales comparison or observed/ anticipated market behavior.

An adjustment under functional utility addresses the estimated influence on value of Comp 1's reported failed septic system and Comp 2's reported 2010 septic system. The subject's septic system is reported to have been installed in 1993. Comp 3's is estimated to have similar utility as the subject.

Jeffrey Wood

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions\* granted by anyone associated with the sale.

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

### STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

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

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

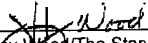
**APPRAISERS CERTIFICATION:** The Appraiser certifies and agrees that:

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

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

**ADDRESS OF PROPERTY APPRAISED:** 541 Washington Road, Rye, NH 03870

**APPRAISER:****SUPERVISORY APPRAISER (only if required)**

Signature:   
 Name: Jeffrey Wood/The Stanhope Group  
 Date Signed: 09/16/2015  
 State Certification #: NHCR-336  
 or State License #: \_\_\_\_\_  
 State: NH  
 Expiration Date of Certification or License: 07/31/2017

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Date Signed: \_\_\_\_\_  
 State Certification #: \_\_\_\_\_  
 or State License #: \_\_\_\_\_  
 State: \_\_\_\_\_  
 Expiration Date of Certification or License: \_\_\_\_\_

☐ Did ☐ Did Not Inspect Property

BK 3429PG2327

## WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS, THAT I, ANGELINA W. KENNEDY, TRUSTEE OF THE ANGELINA W. KENNEDY INTER VIVOS TRUST, created under Trust Agreement dated June 17, 1999 of 541 Washington Road, Rye, County of Rockingham, and State of New Hampshire

hereby grants to CARL ERIC JOHNSON, single person of 315 South Lombard Avenue, Oak Park, Chicago, Illinois 60302-3523

with WARRANTY COVENANTS, the following described premises:

A certain parcel of land, together with the buildings thereon, situated on the Northerly side of Washington Road in the Town of Rye, County of Rockingham, State of New Hampshire, bounded as follows:

Beginning on Washington Road at land now or formerly of the heirs of Jedediah Rand and running northerly four hundred thirty-three feet by said Rand land to land owned now or formerly of Richard A. Morton; thence turning and running easterly by said Morton land, one hundred fifty-two feet to land now or formerly of John E. and Emma S. Johnston; thence turning and running southerly by said Johnston land four hundred thirty-three feet to Washington Road; thence turning and running westerly by Washington Road one hundred forty-one feet to the point of beginning.

Meaning and intending to convey the same premises conveyed to the within Grantor by deed of Angelina W. Kennedy dated June 17, 1999 and recorded at said Registry at Book 3400, Page 1118. For source of title see deed of Ann P. Kent, Trustee of the Ann P. Kent Revocable Trust of 1990 dated August 25, 1994 and recorded at said Registry at Book 3068, Page 0108.

This is not homestead property of the within Grantor.

Executed as a sealed instrument this 8<sup>th</sup> day of October 1999.

THE ANGELINA W. KENNEDY INTER  
VIVOS TRUST

*Carol L. Reame*  
Witness

*Angelina W. Kennedy KTC*  
Angelina W. Kennedy Trustee

STATE OF NEW HAMPSHIRE  
COUNTY OF ROCKINGHAM

On this the 8<sup>th</sup> day of October, 1999 then personally appeared the above named ANGELINA W. KENNEDY, Trustee of the THE ANGELINA W. KENNEDY INTER VIVOS TRUST and acknowledged the foregoing instrument for the purposes therein contained on behalf of said Trust, being authorized to do so.

*H. Alfred Casassa*  
Justice of the Peace/Notary Public

H. Alfred CASASSA  
Justice of the Peace

STATE OF NEW HAMPSHIRE

DEPARTMENT OF REVENUE ADMINISTRATION

REAL ESTATE TRANSFER TAX

4 THOUSAND 60 HUNDRED AND 43 DOLLARS

101399 402236 \$4643.00

VOID IF ALTERED

Oct 13 8 21 AM '99

ROCKINGHAM COUNTY  
REGISTRY OF DEEDS

0072762

## PLAT MAP

Borrower: N/A

File No.: 151200

Property Address: 541 Washington Road

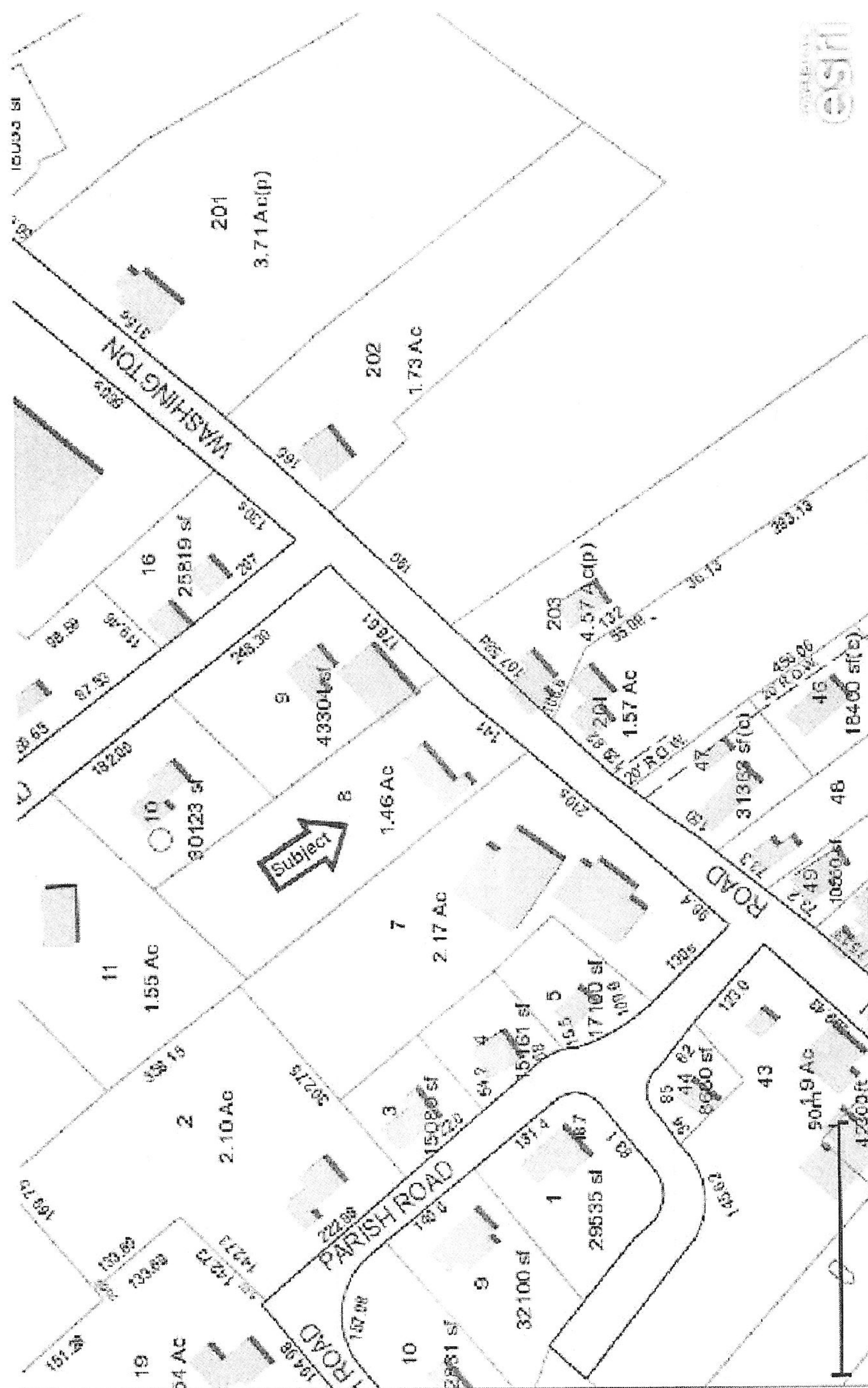
Case No.:

City: Rye

State: NH

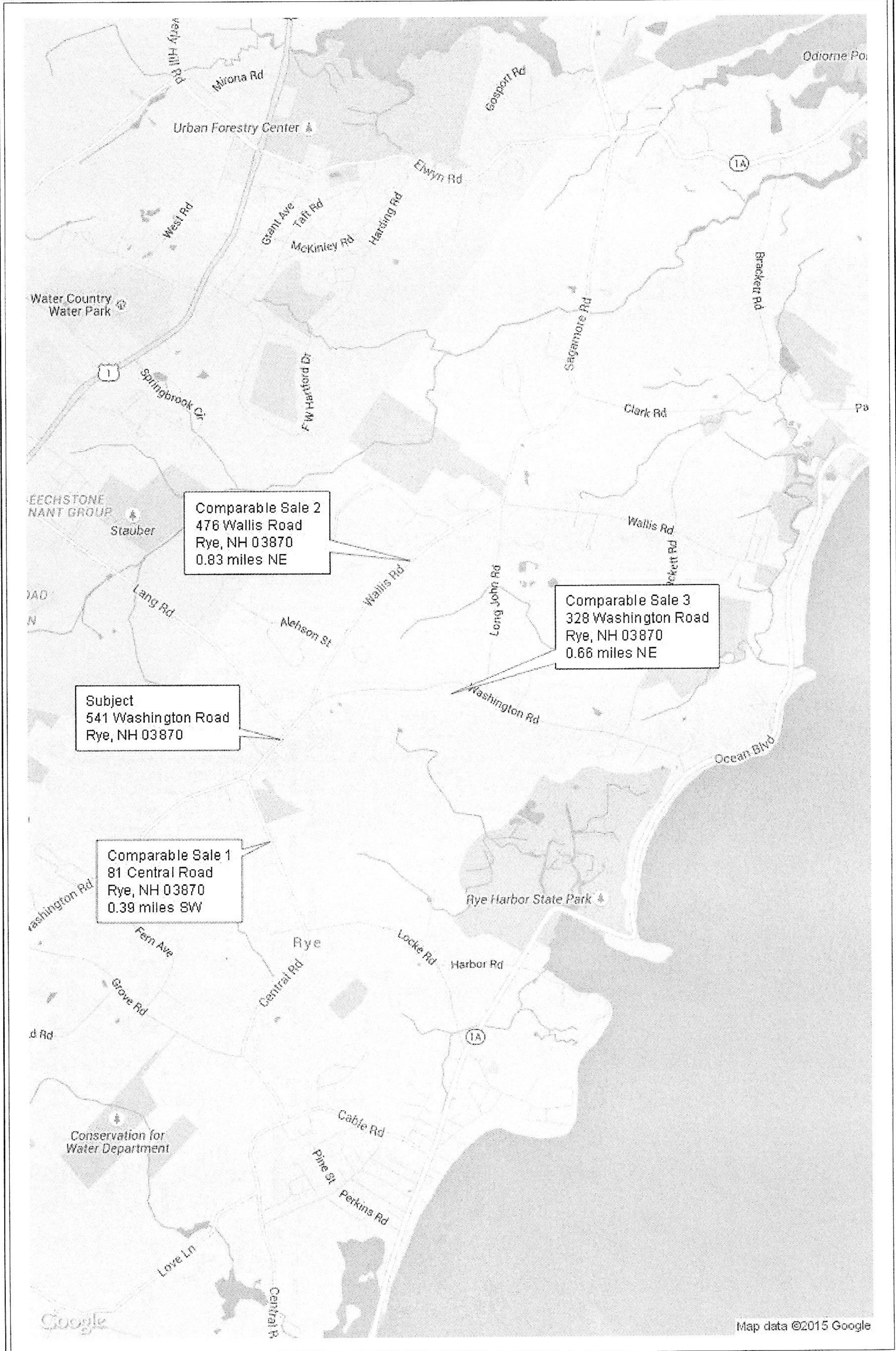
Zip: 03870

Lender: Town of Rye, Michael Magnant Administ.



# LOCATION MAP

|  |                      |
|--|----------------------|
| Borrower: N/A                                  | File No.: 151200     |
| Property Address: 541 Washington Road          | Case No.:            |
| City: Rye                                      | State: NH Zip: 03870 |
| Lender: Town of Rye, Michael Magnant Administ. |                      |



# FLOOD MAP

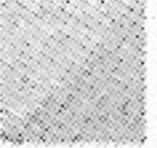



|  |                      |
|--|----------------------|
| Borrower: N/A                                  | File No.: 151200     |
| Property Address: 541 Washington Road          | Case No.:            |
| City: Rye                                      | State: NH Zip: 03870 |
| Lender: Town of Rye, Michael Magnant Administ. |                      |



## FLOOD INFORMATION

Community: TOWN OF RYE  
Property is NOT in a FEMA Special Flood Hazard Area  
Map Number: 33015C0269E  
Panel: 0269E  
Zone: X  
Map Date: 05-17-2005  
FIPS: 33015  
Source: FEMA DFIRM

## LEGEND

-  = FEMA Special Flood Hazard Area - High Risk
-  = Moderate and Minimal Risk Areas
- Road View:
  -  = Forest
  -  = Water

Sky Flood™

No representations or warranties to any party concerning the content, accuracy or completeness of this flood report, including any warranty of merchantability or fitness for a particular purpose is implied or provided. Visual scaling factors differ between map layers and are separate from flood zone information at marker location. No liability is accepted to any third party for any use or misuse of this flood map or its data.

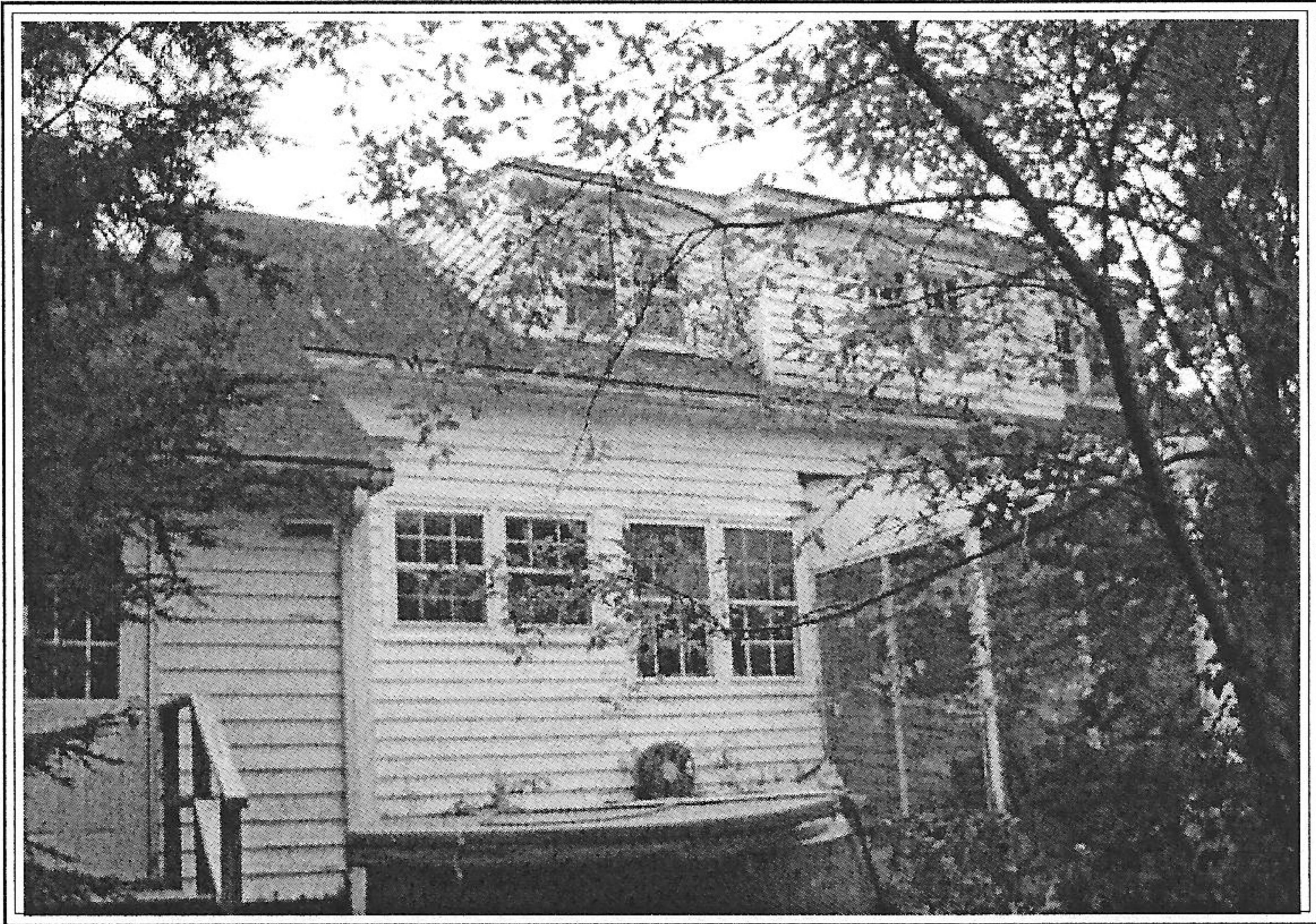
SUBJECT PROPERTY PHOTO ADDENDUM

|  |           |                  |
|--|-----------|------------------|
| Borrower: N/A                                  |           | File No.: 151200 |
| Property Address: 541 Washington Road          |           | Case No.:        |
| City: Rye                                      | State: NH | Zip: 03870       |
| Lender: Town of Rye, Michael Magnant Administ. |           |                  |



FRONT VIEW OF  
SUBJECT PROPERTY

Appraised Date: September 4, 2015  
Appraised Value: \$ 410,000

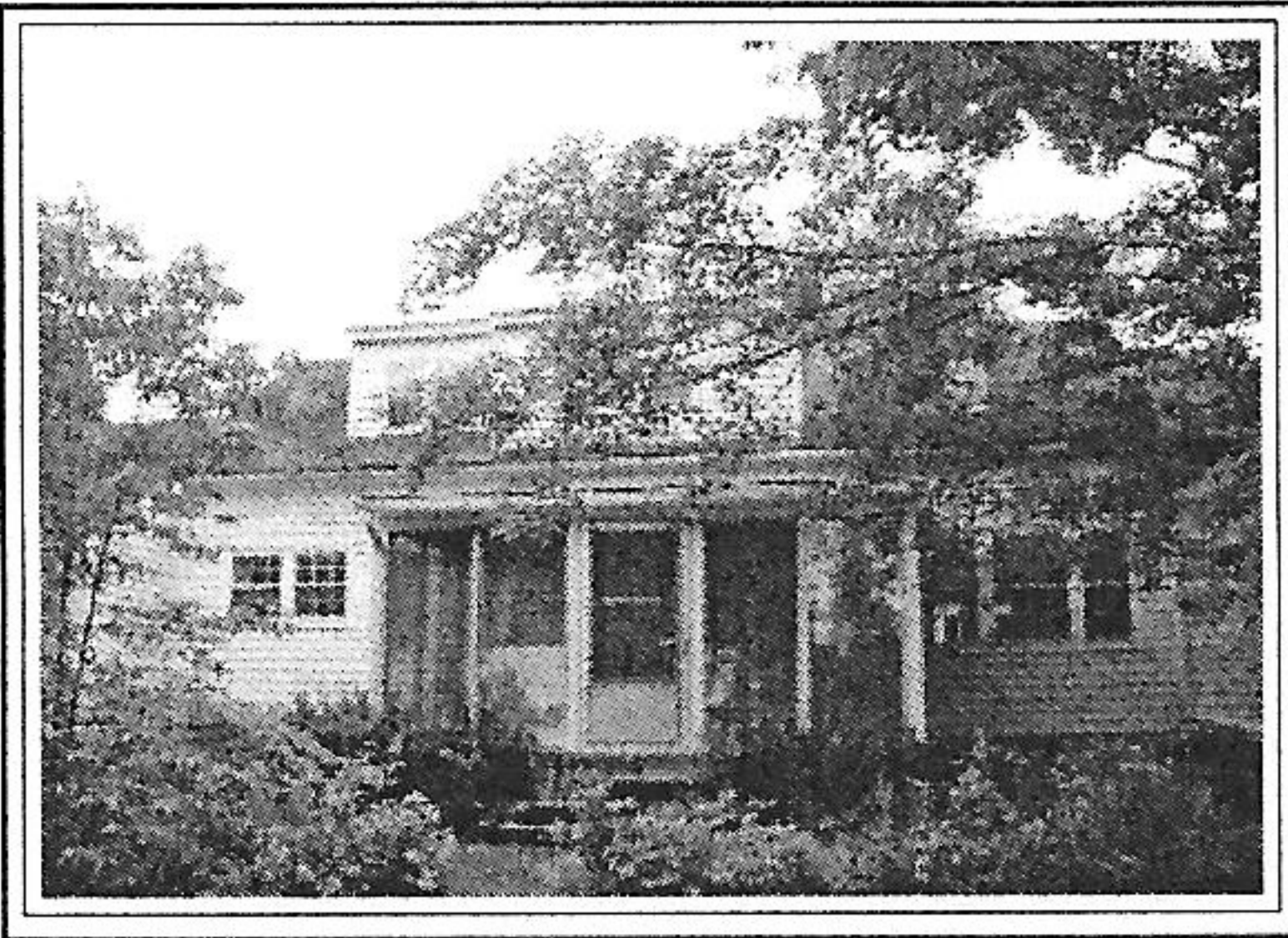


REAR VIEW OF  
SUBJECT PROPERTY

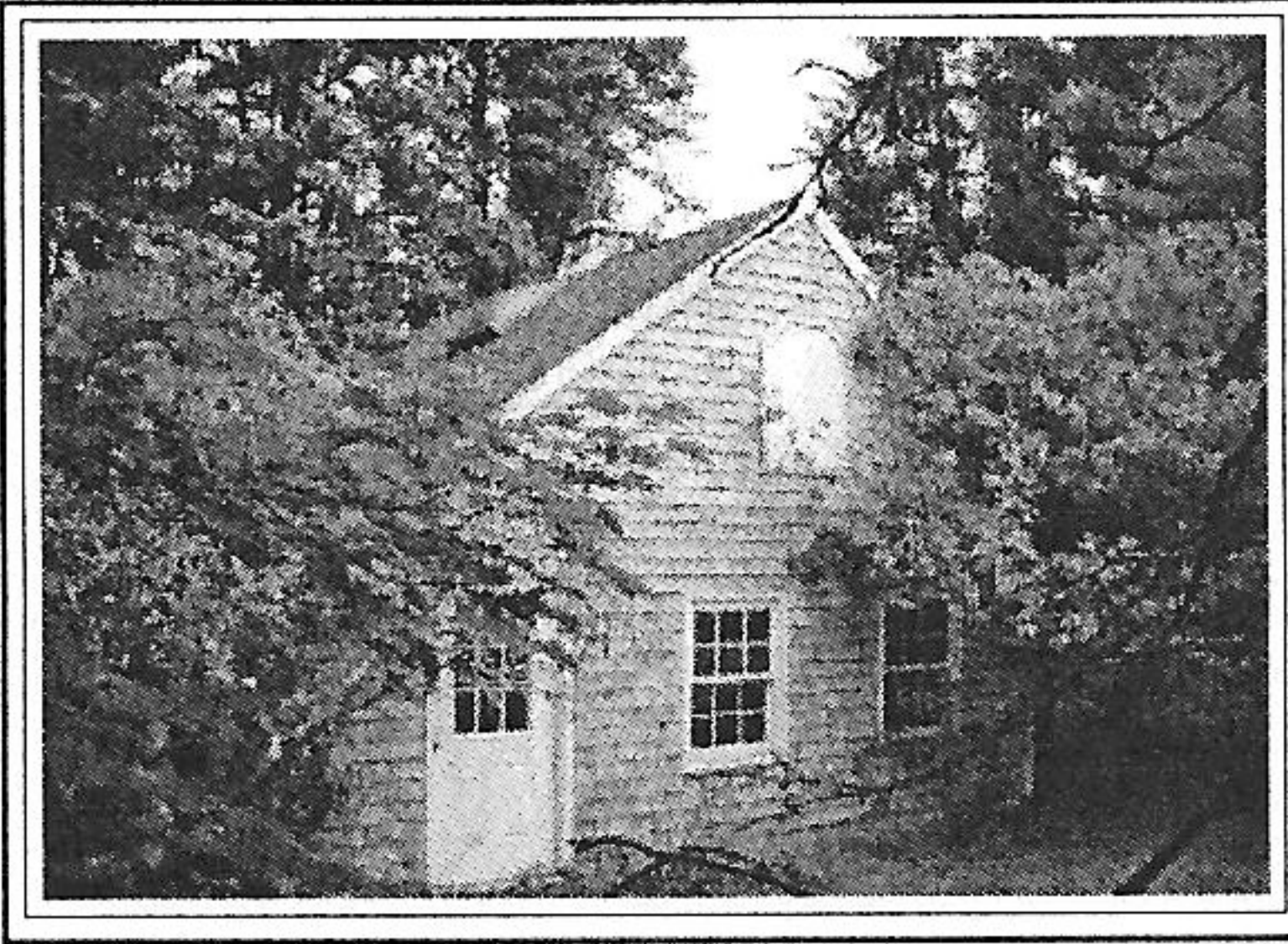


STREET SCENE

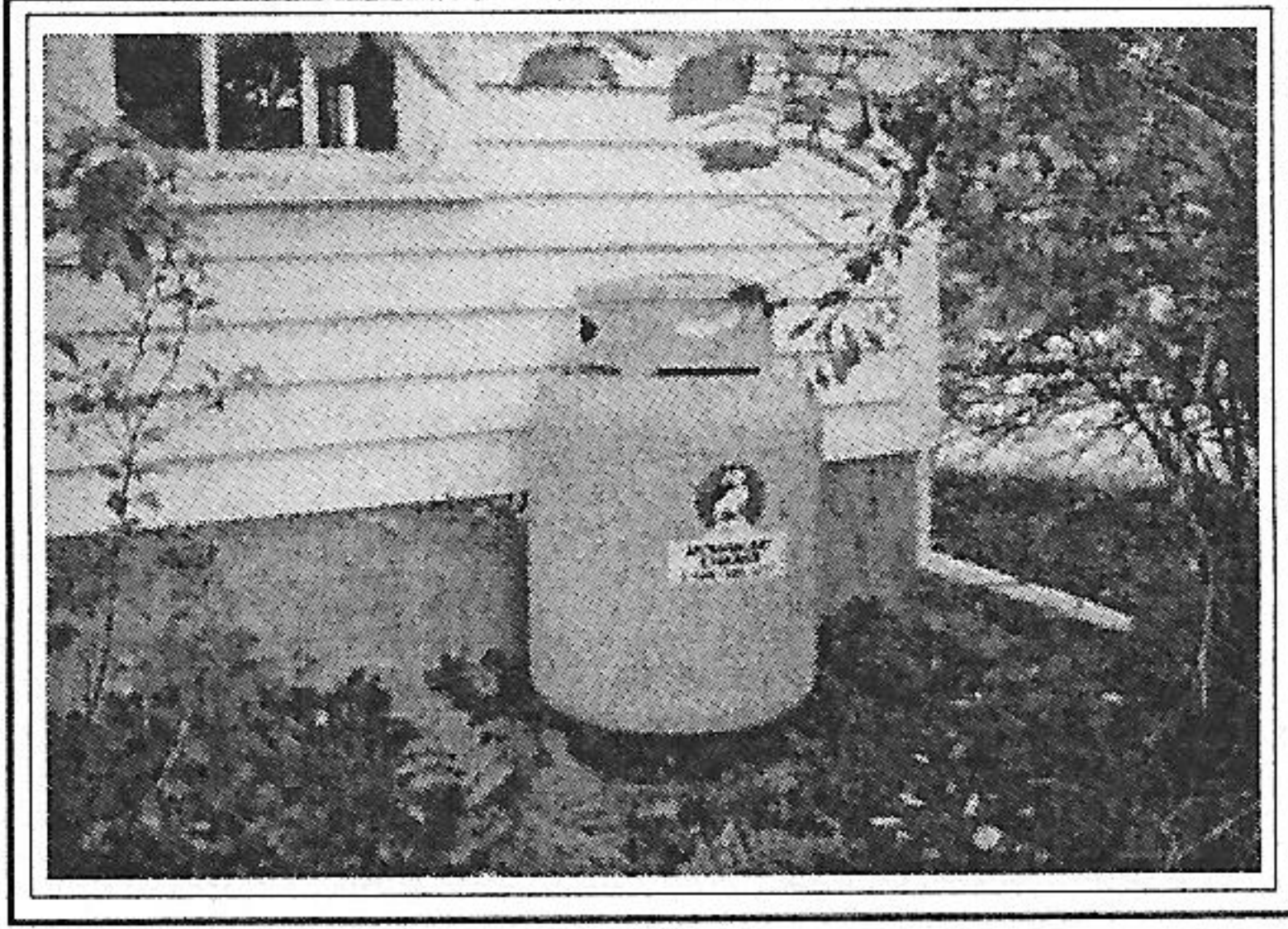
|  |           |                  |
|--|-----------|------------------|
| Borrower: N/A                                  |           | File No.: 151200 |
| Property Address: 541 Washington Road          |           | Case No.:        |
| City: Rye                                      | State: NH | Zip: 03870       |
| Lender: Town of Rye, Michael Magnant Administ. |           |                  |



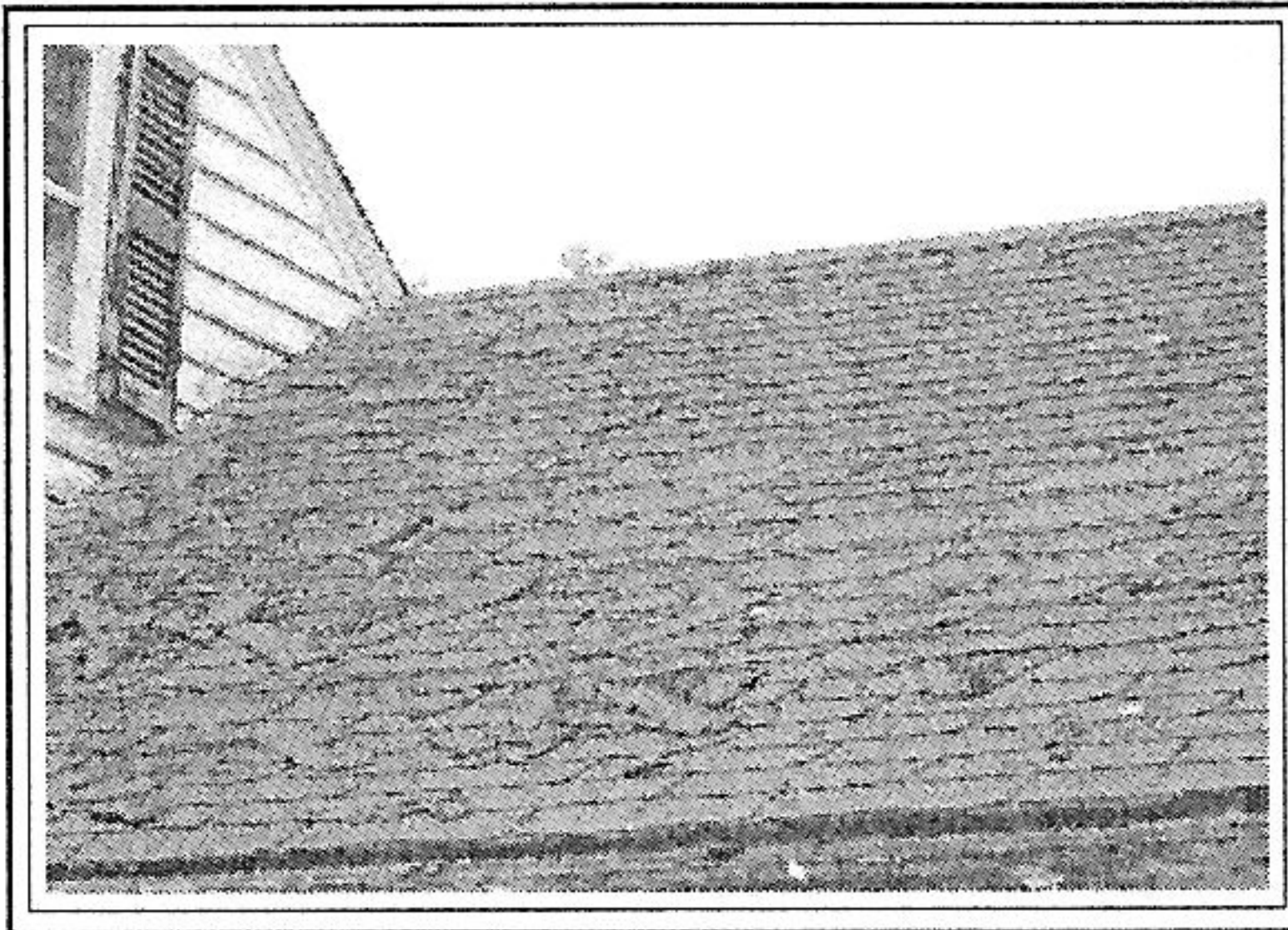
Porch



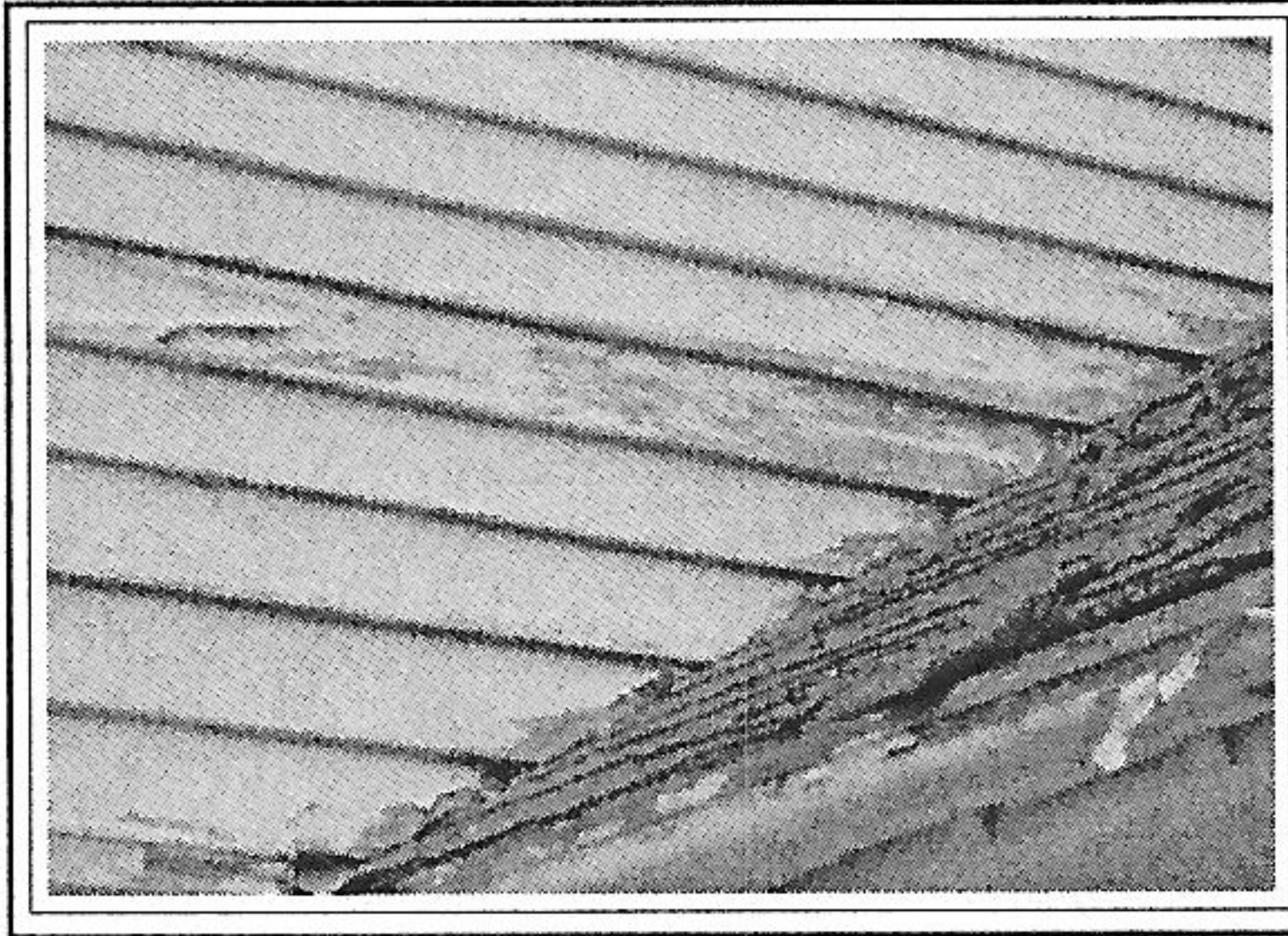
Outbuilding



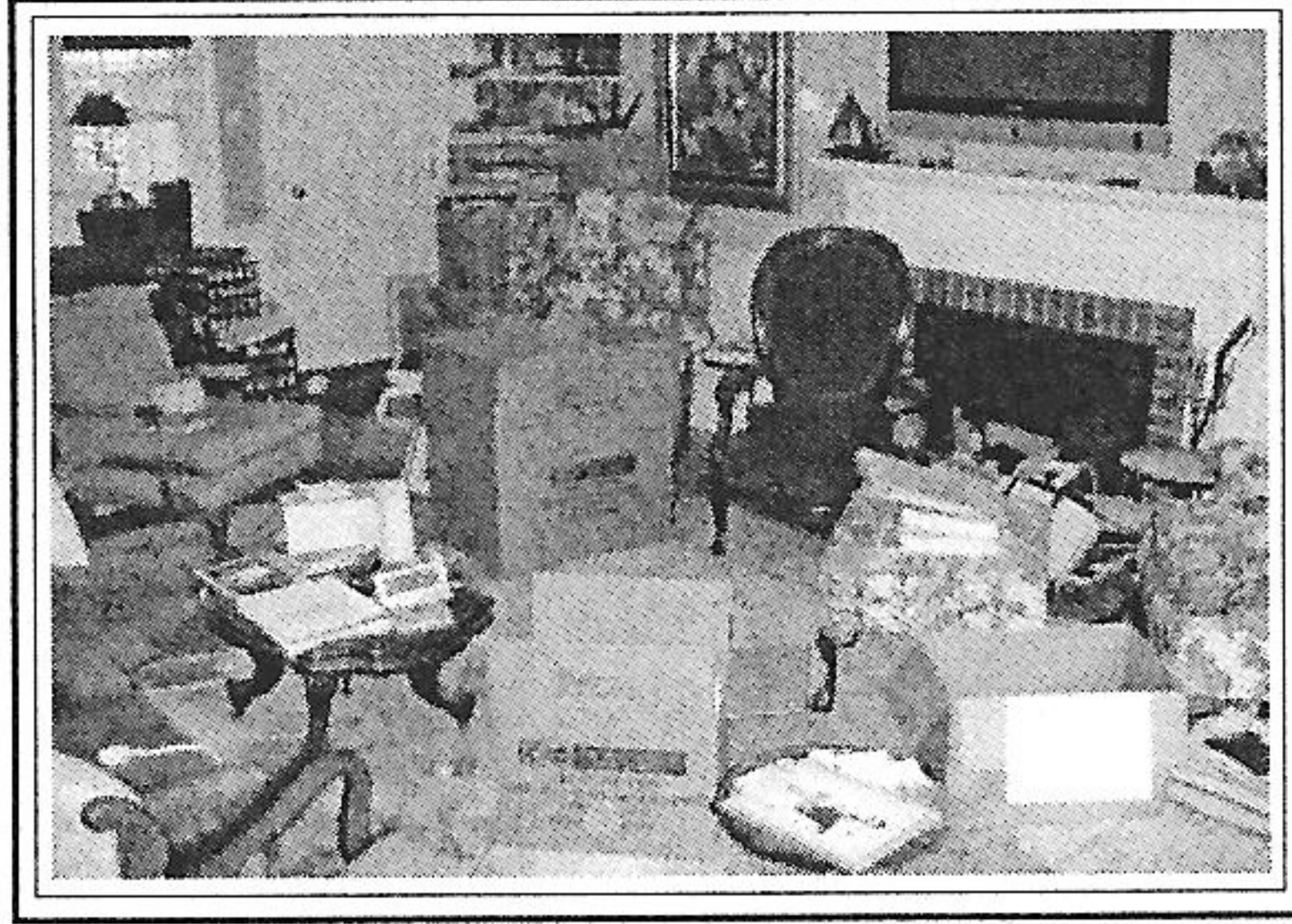
Propane/Cooking



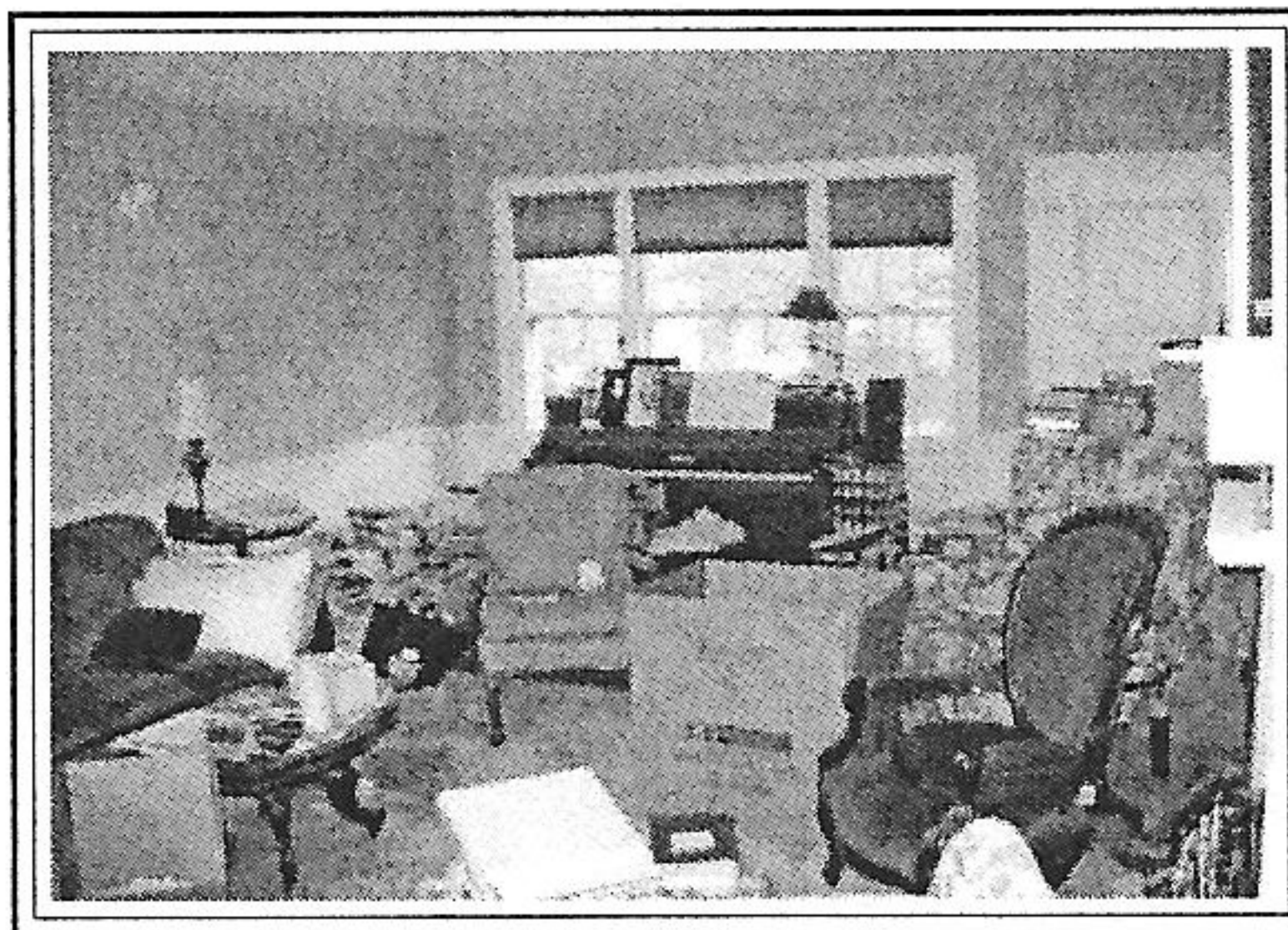
Failed Roofing



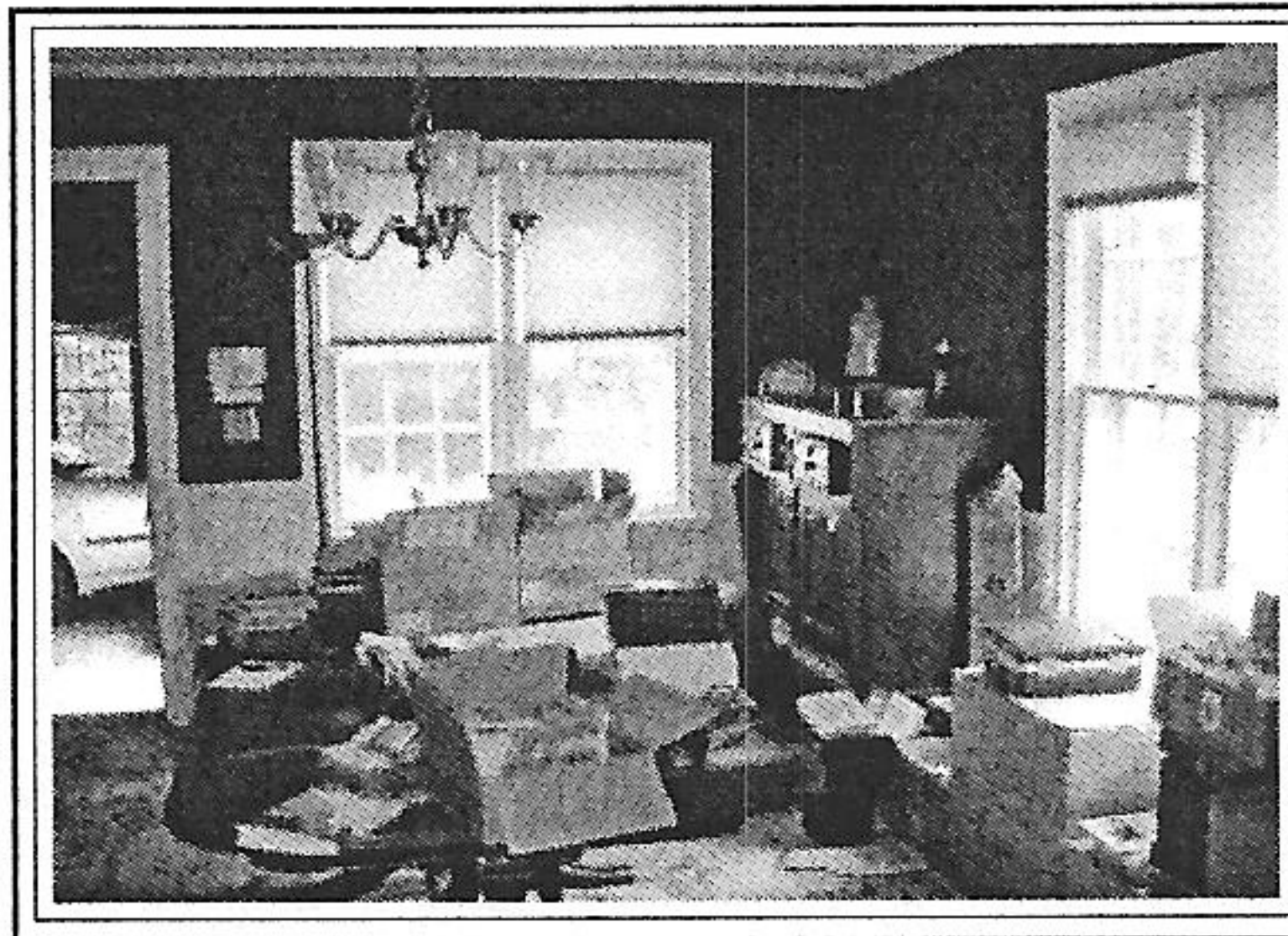
Failed Exterior Paint



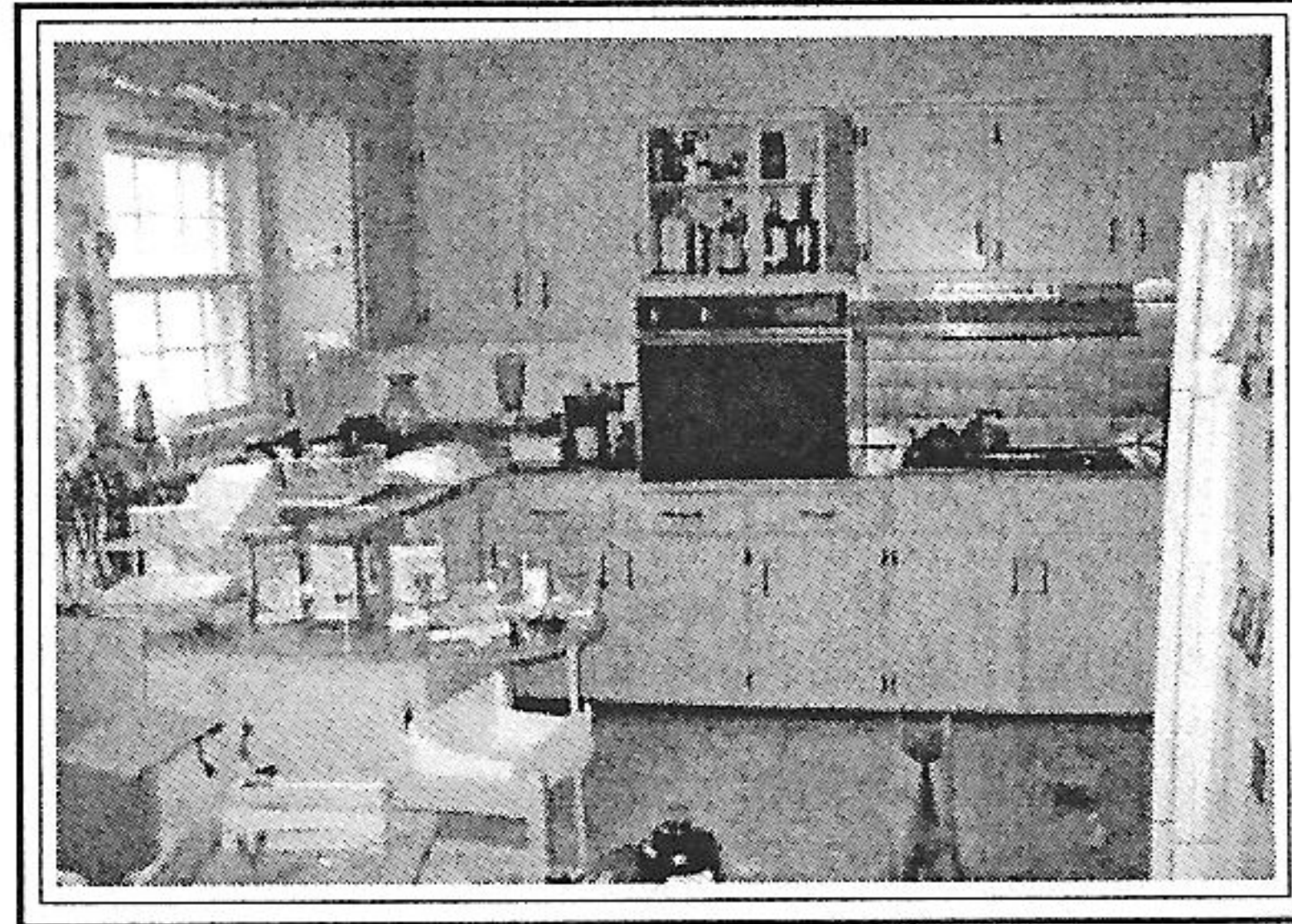
Livingroom Fireplace



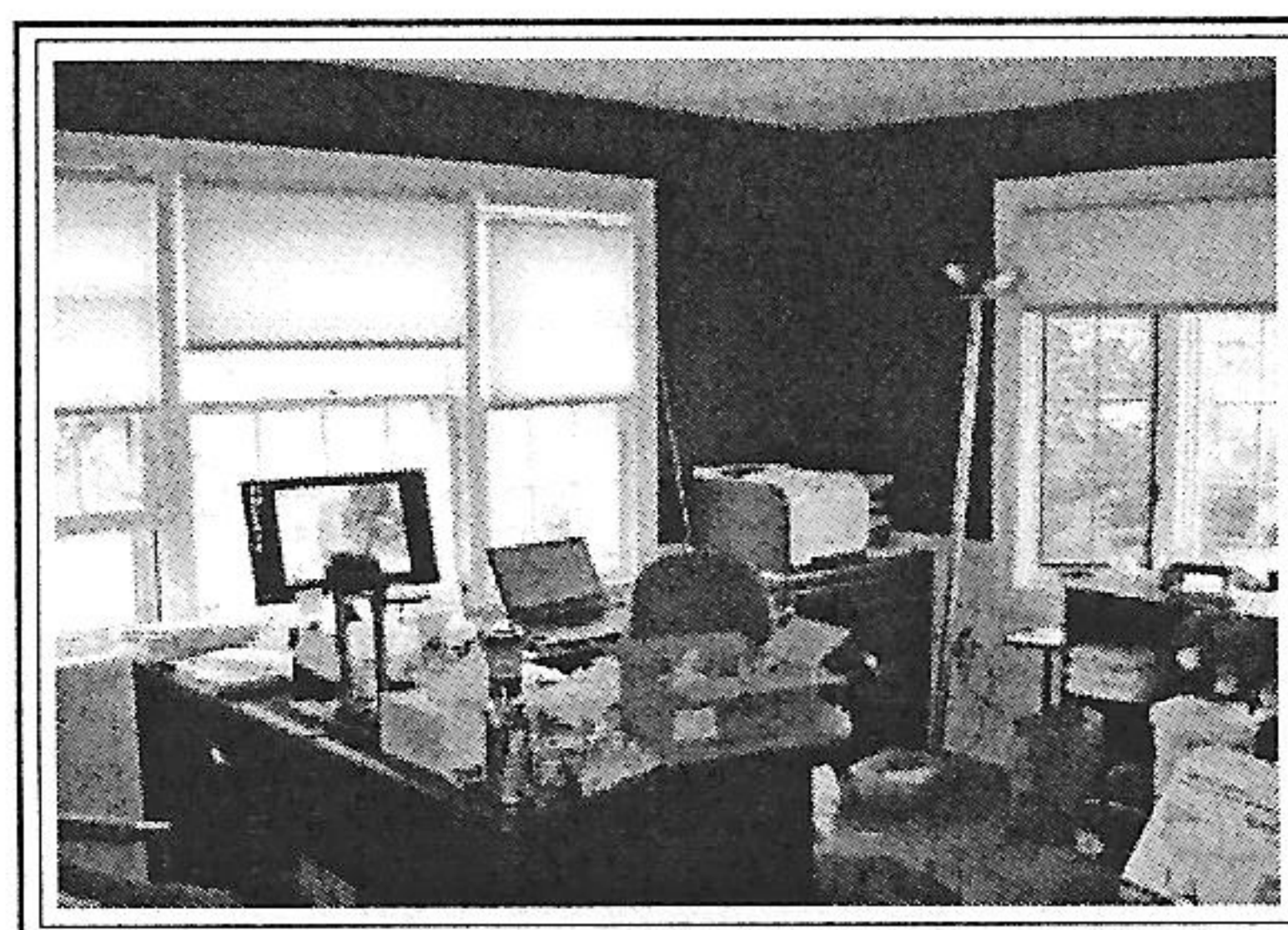
Livingroom



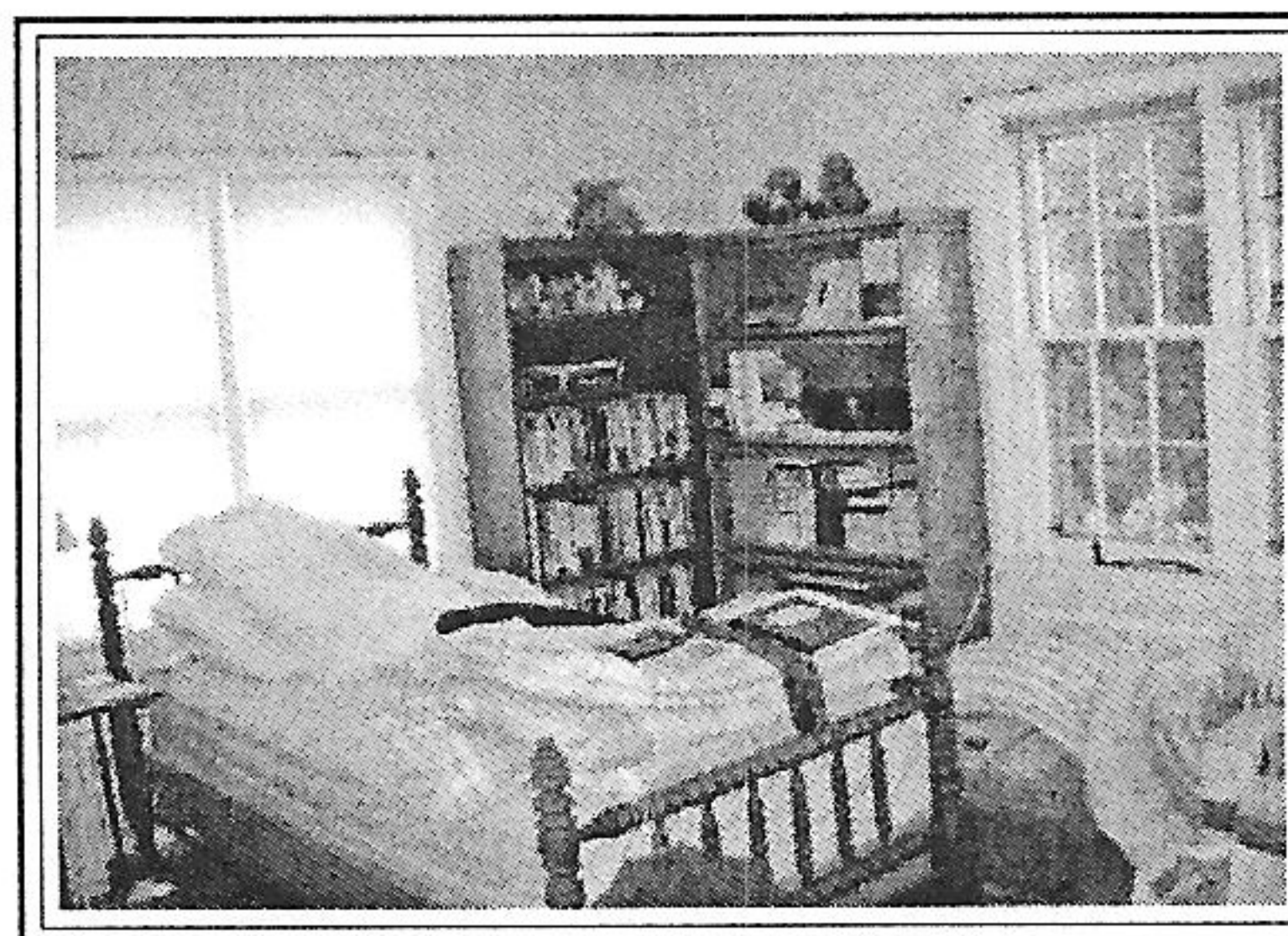
Diningroom



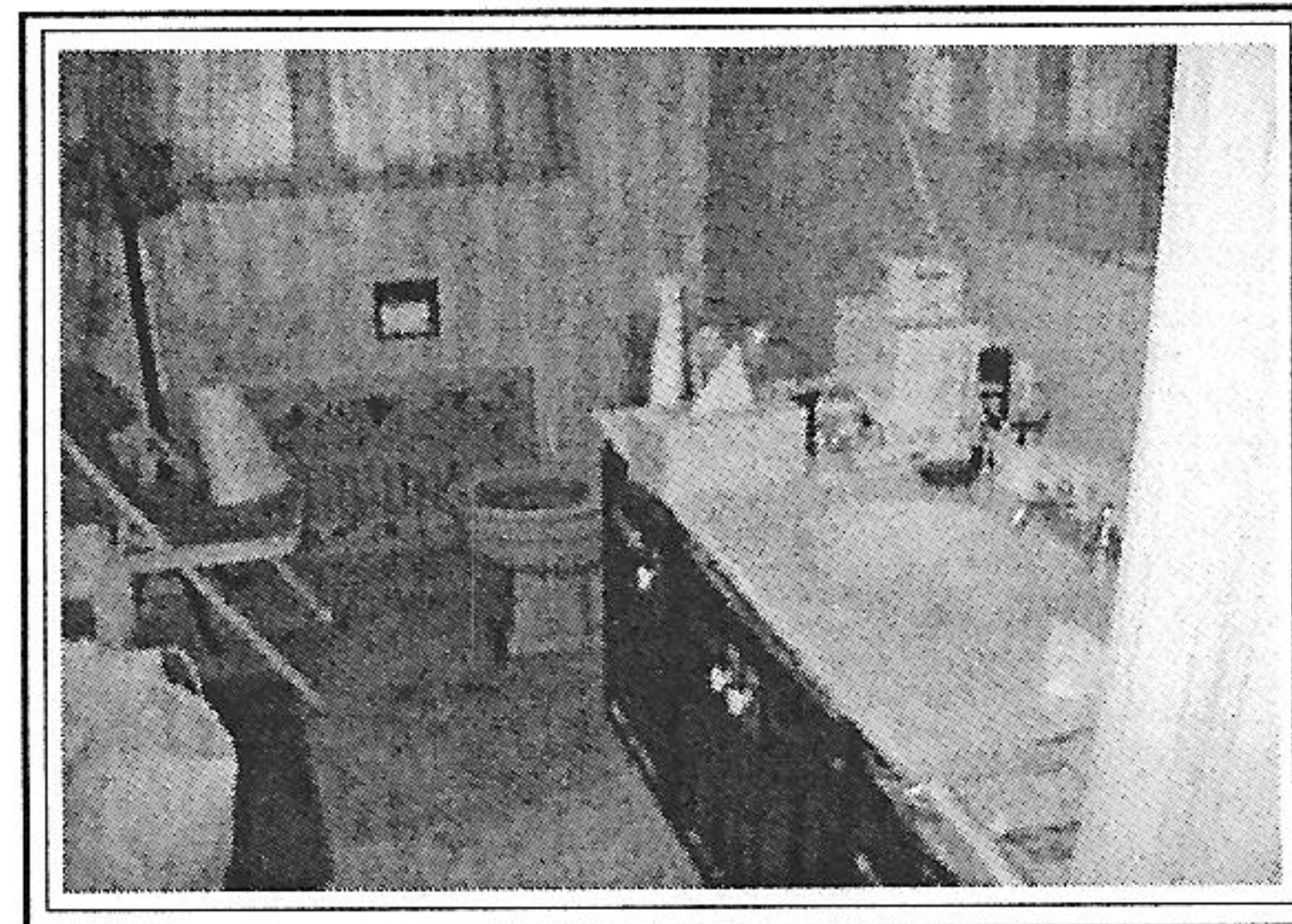
Kitchen



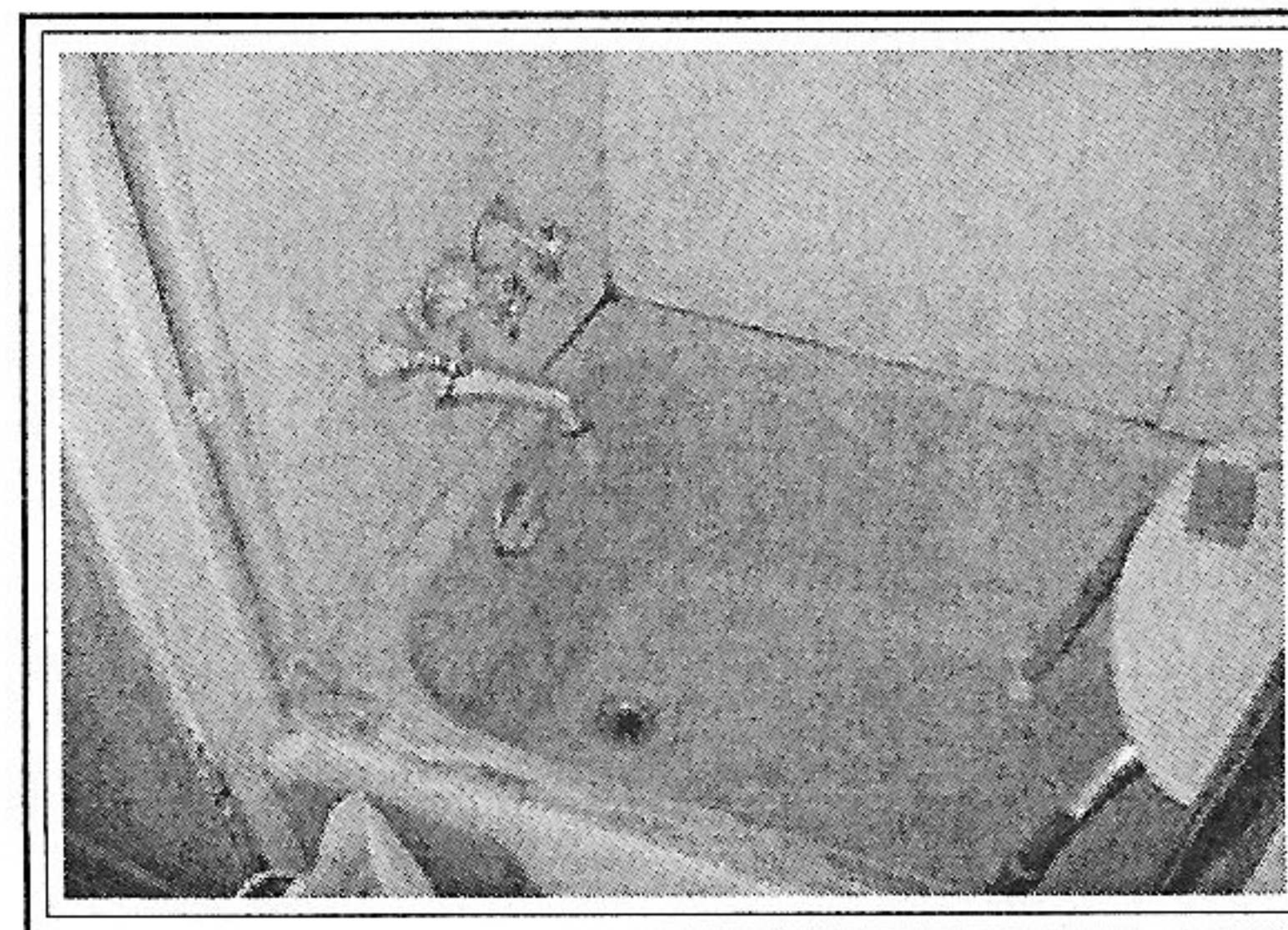
Den



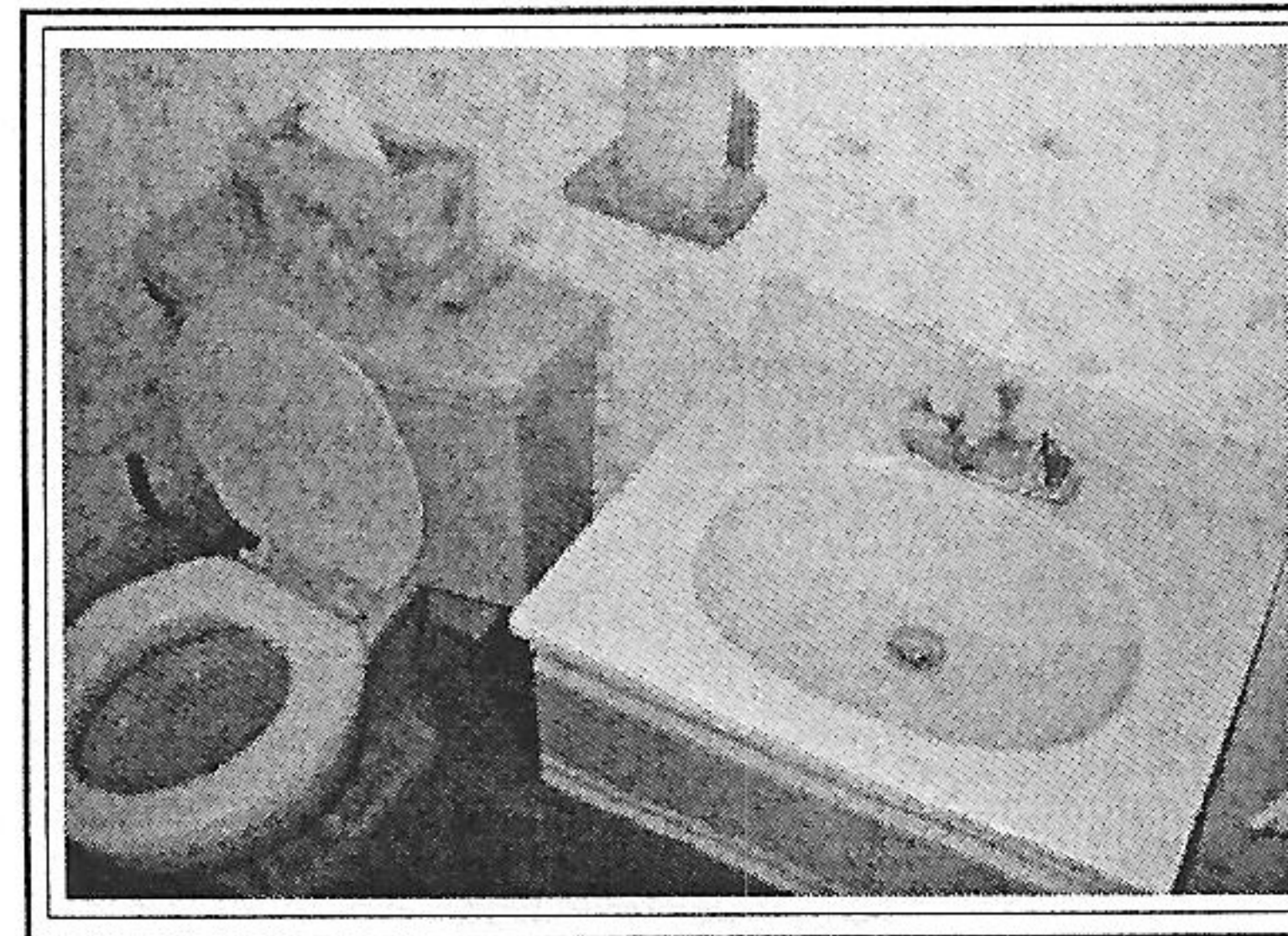
BR



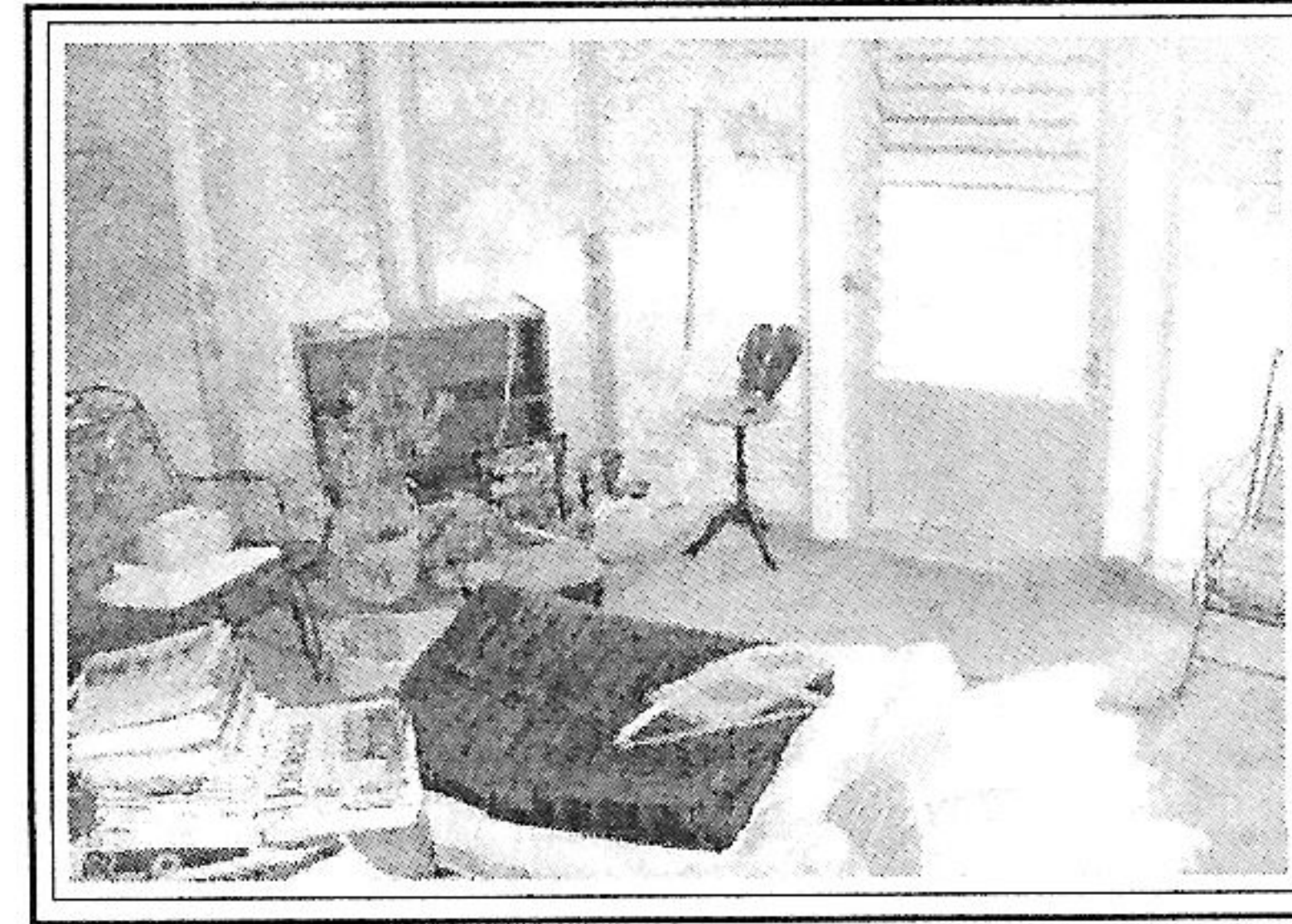
Bathroom 1



Bathroom 1

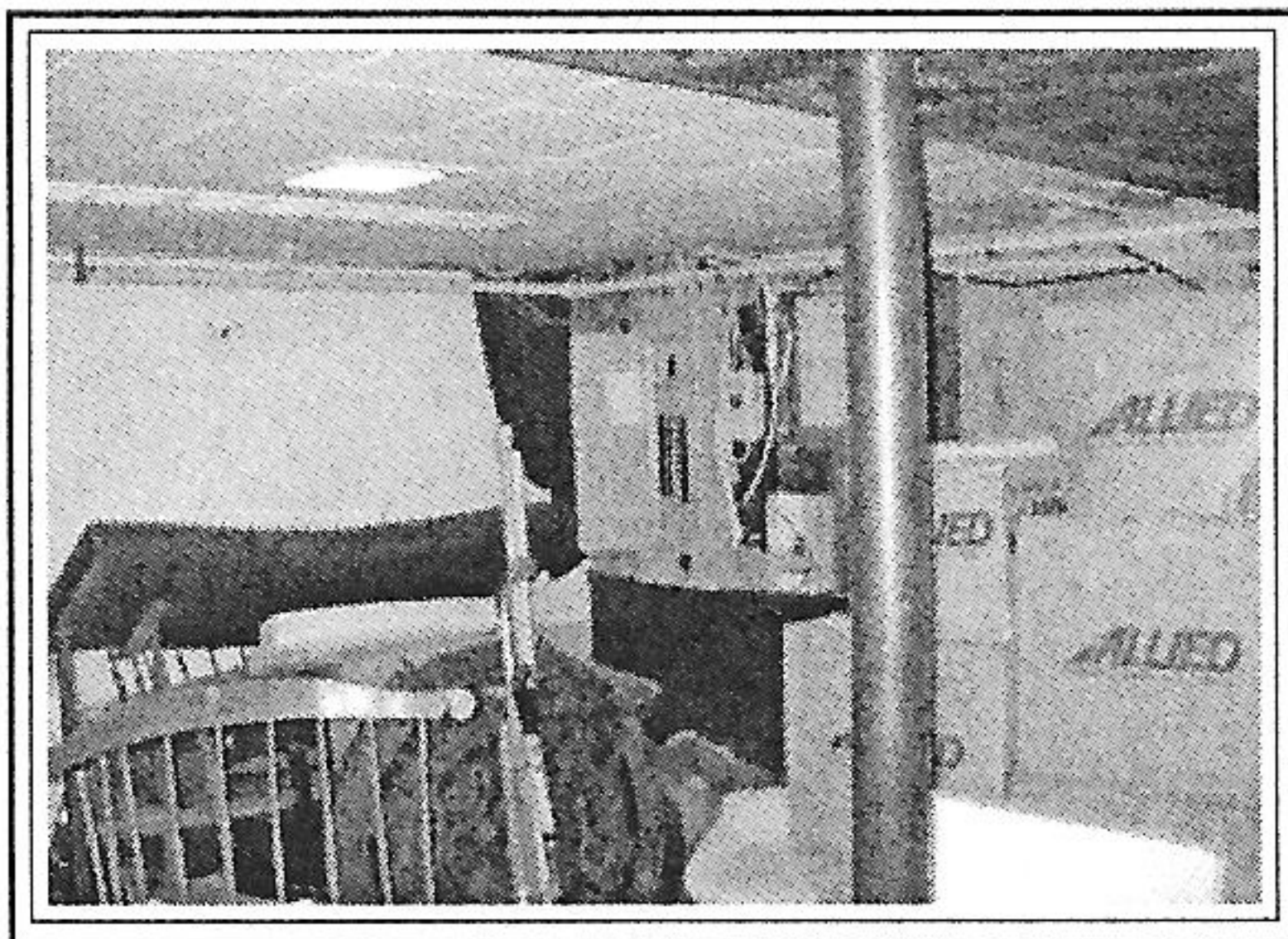


Half Bathroom

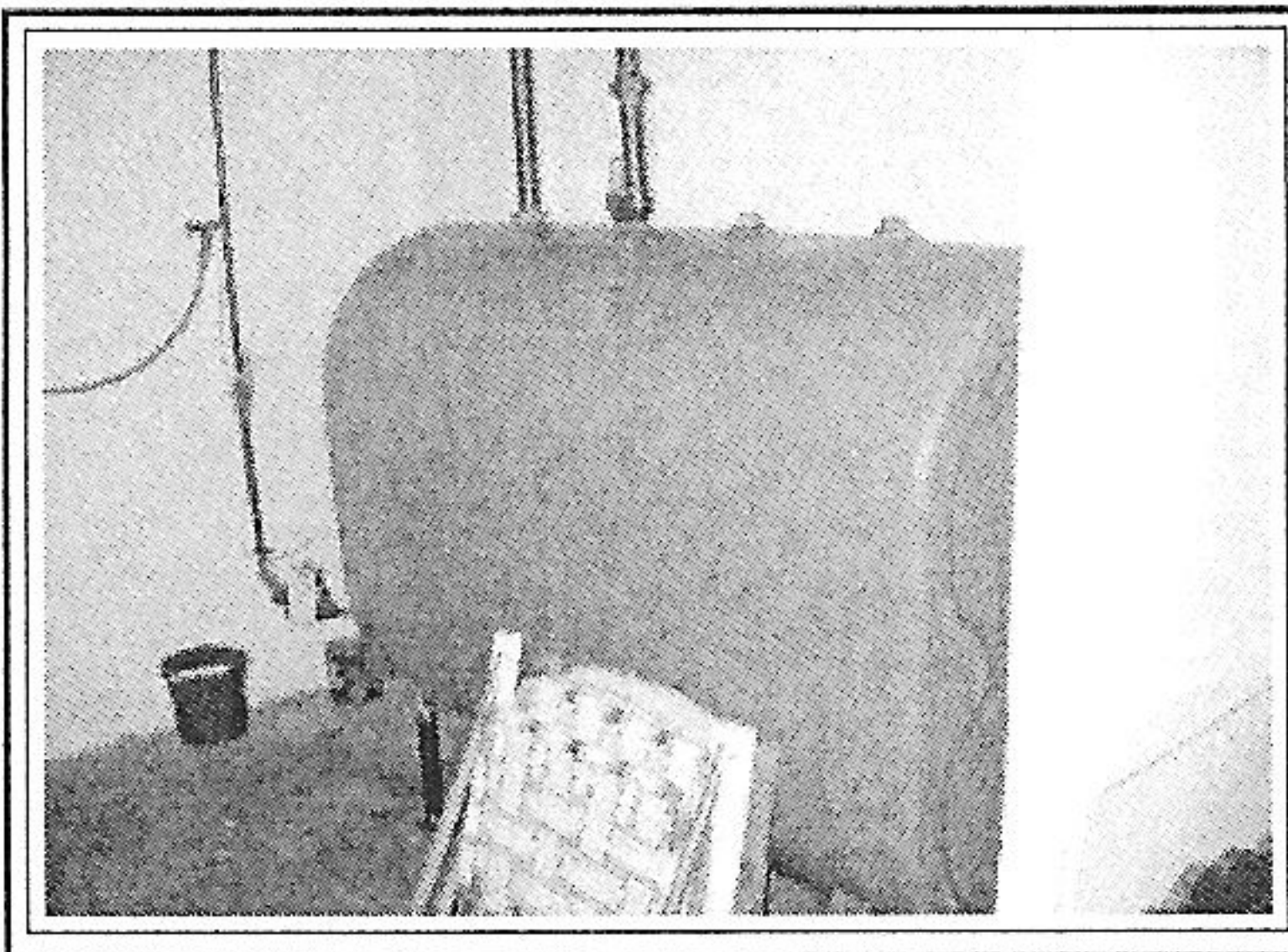


Interior View of Rear Porch

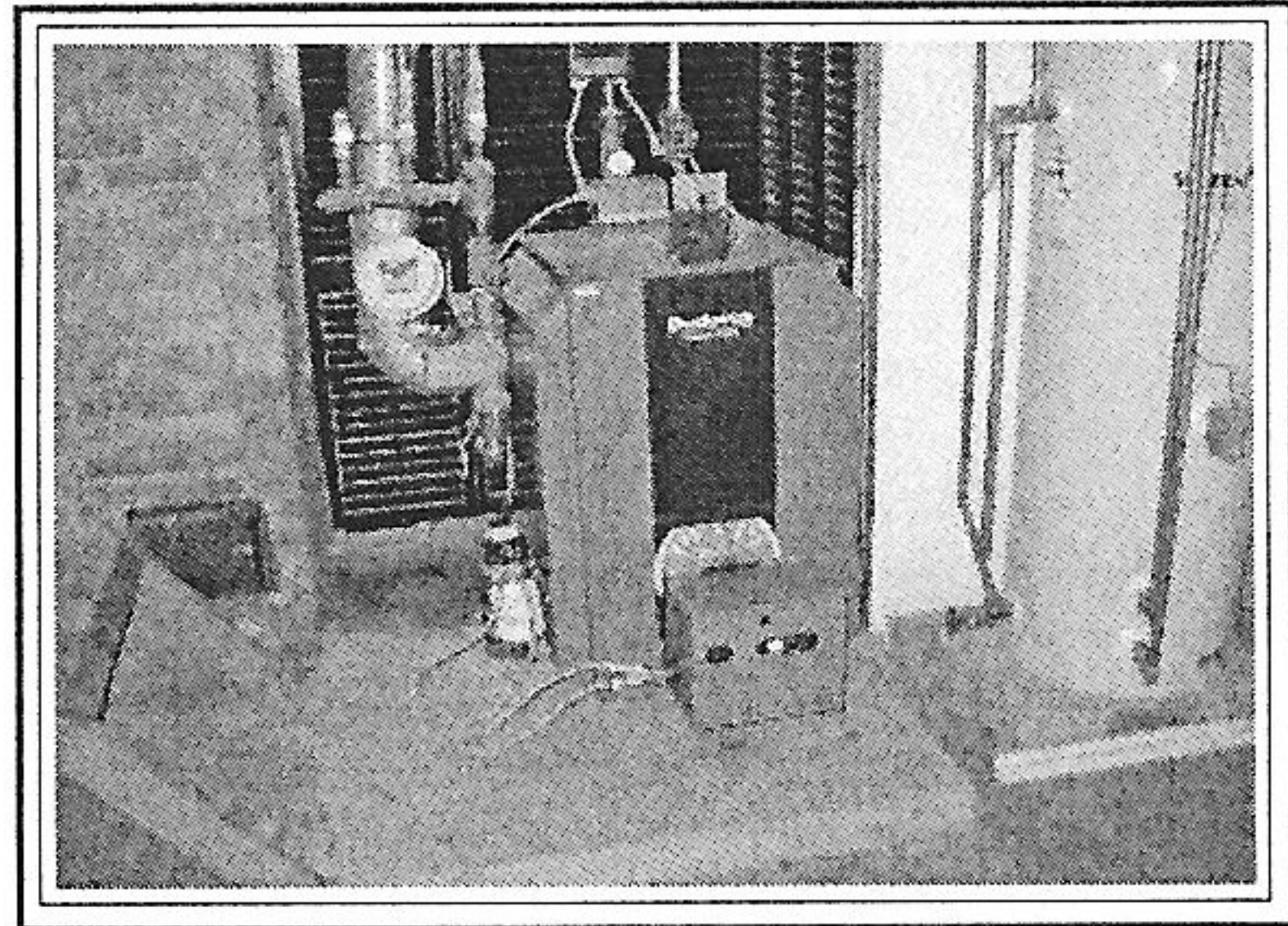
|  |           |                  |  |
|--|-----------|------------------|--|
| Borrower: N/A                                  |           | File No.: 151200 |  |
| Property Address: 541 Washington Road          |           | Case No.:        |  |
| City: Rye                                      | State: NH | Zip: 03870       |  |
| Lender: Town of Rye, Michael Magnant Administ. |           |                  |  |



Basement/Electrical



Basement/Oil Tank



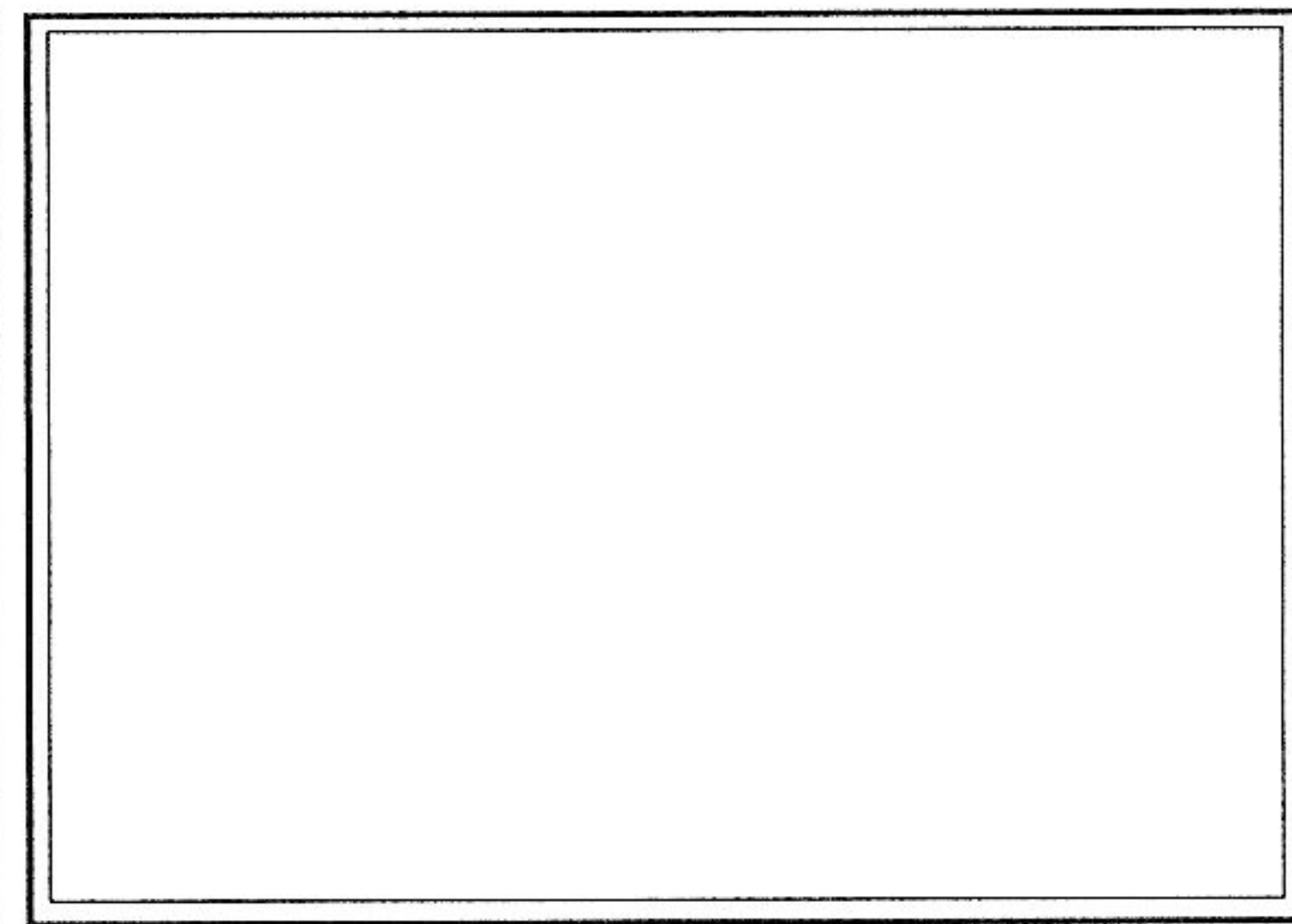
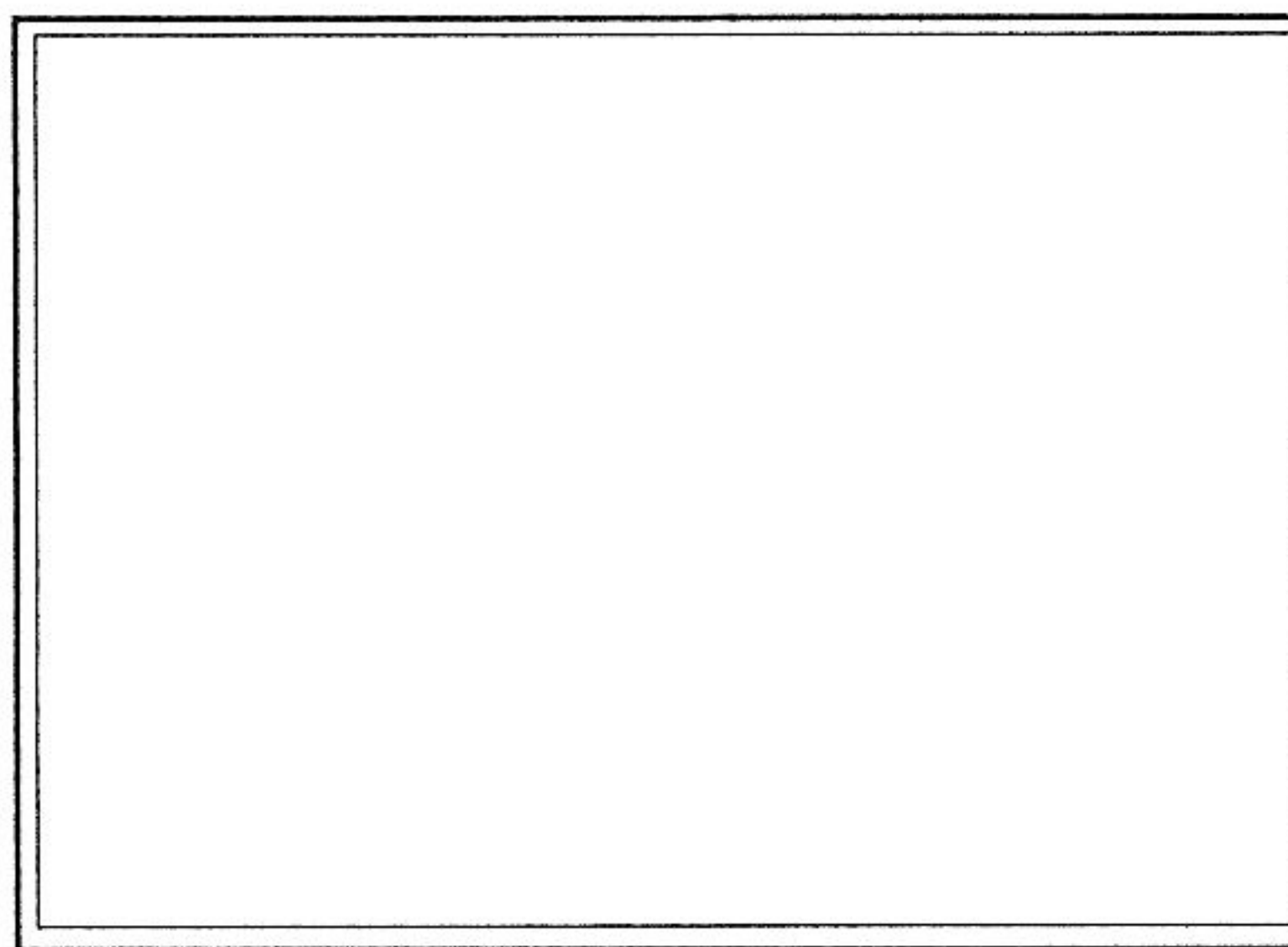
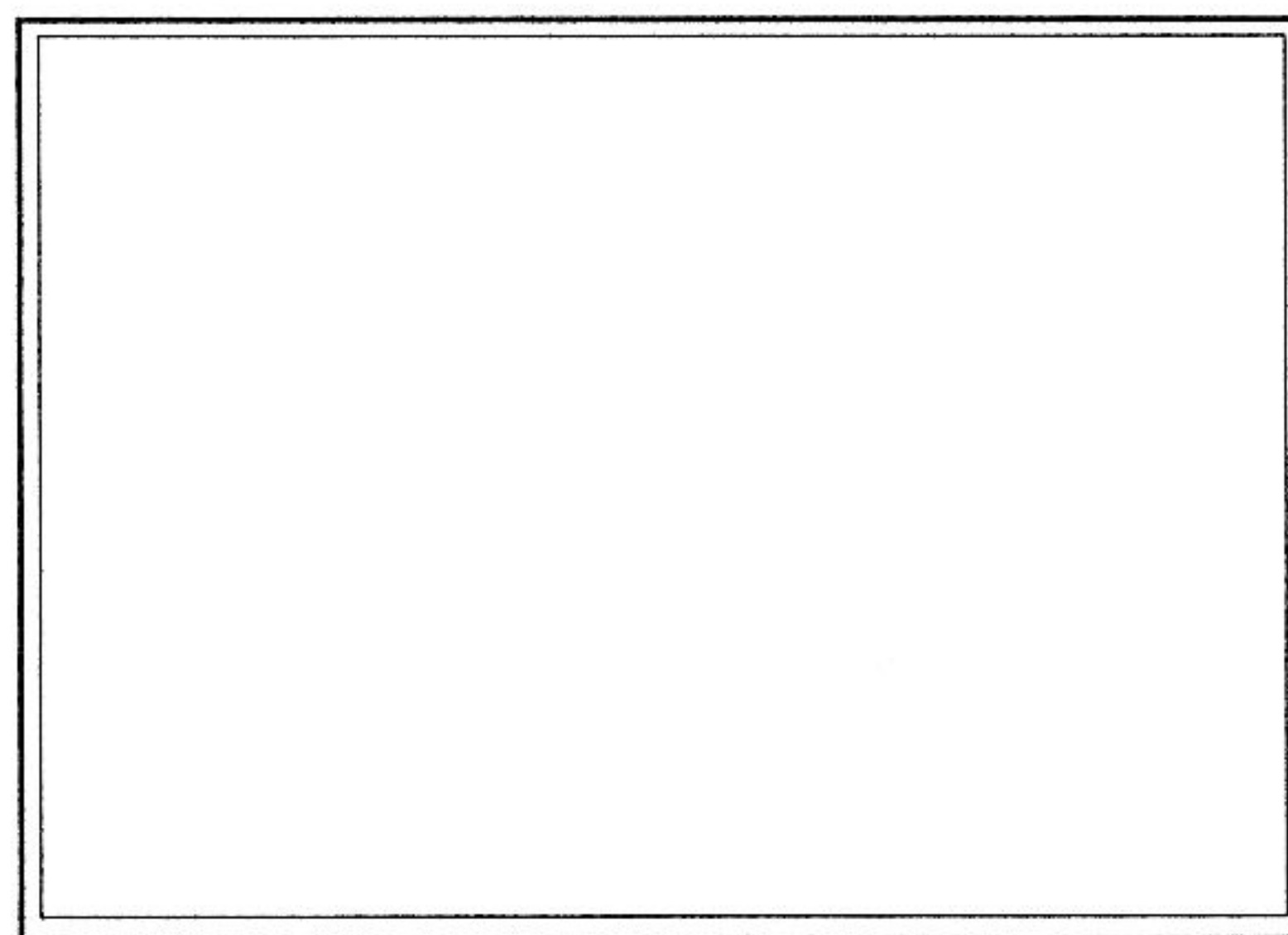
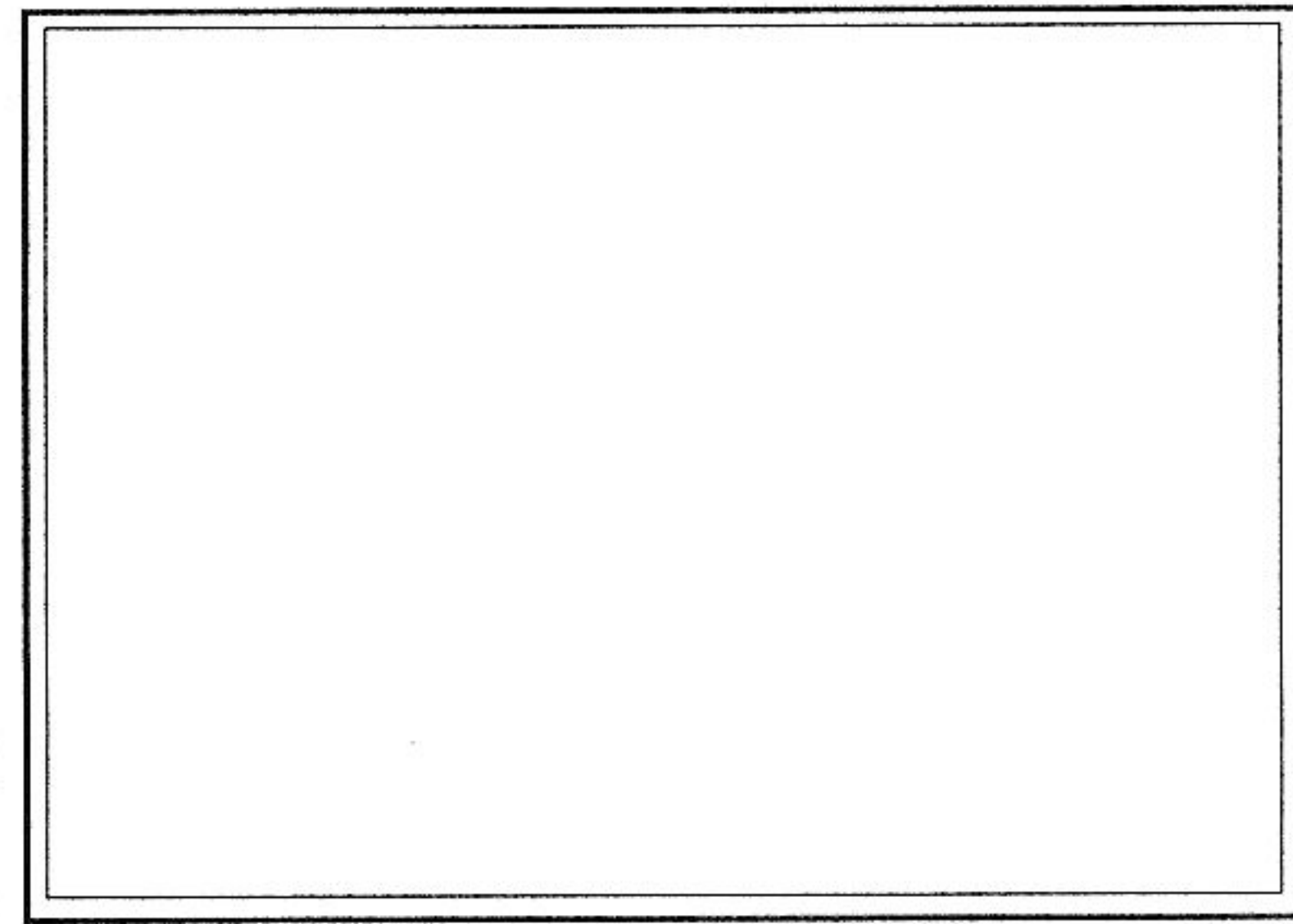
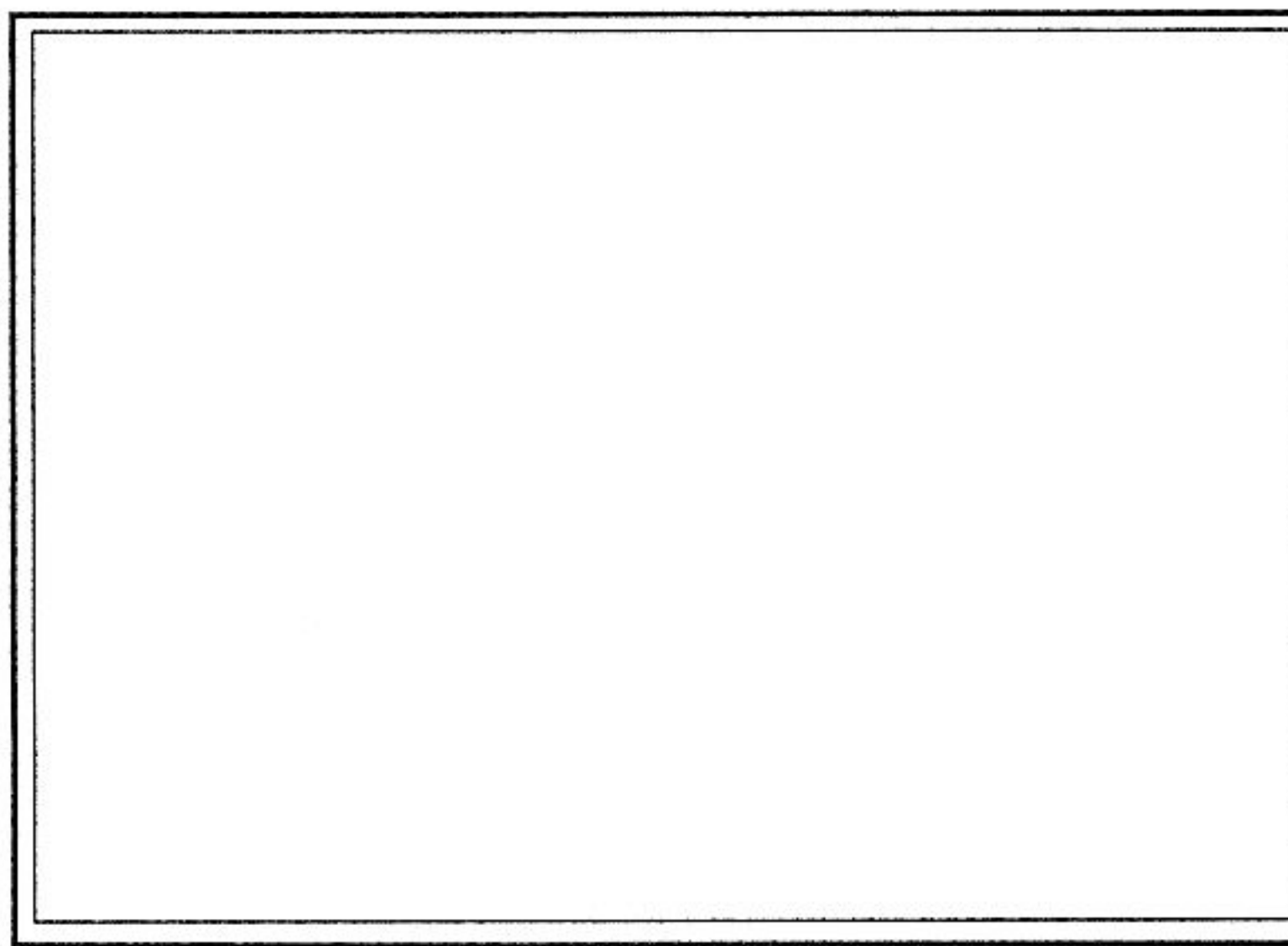
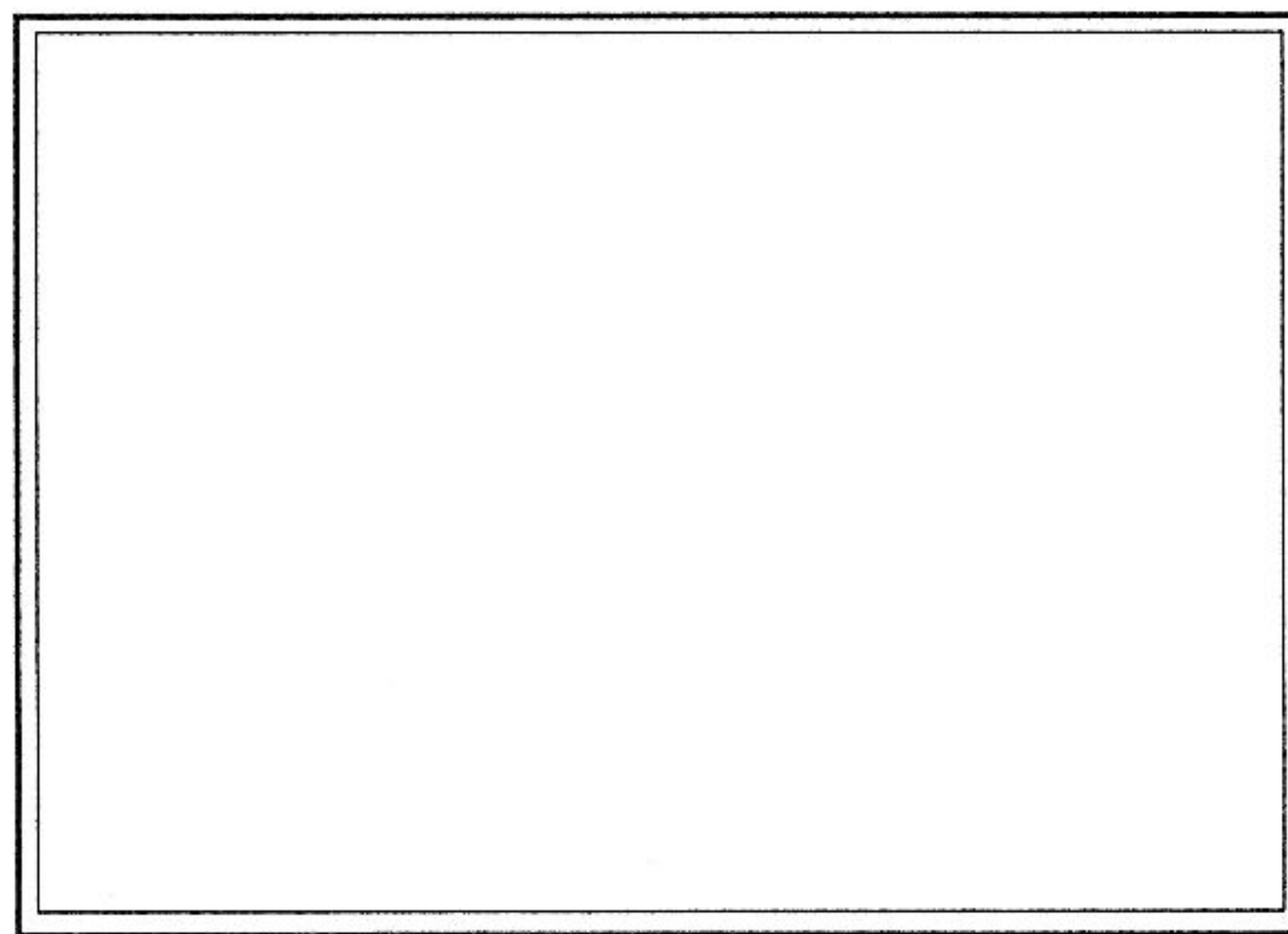
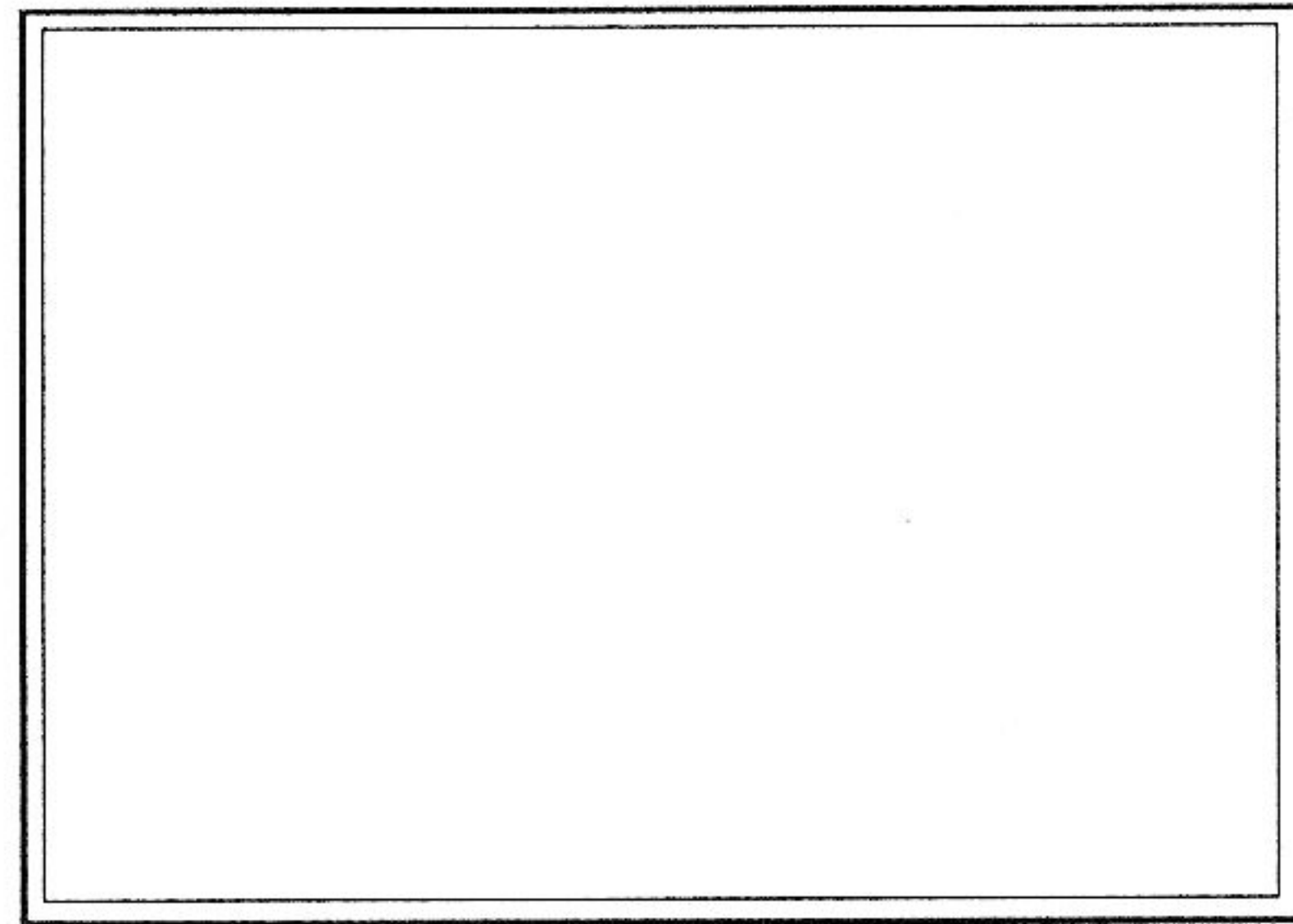
Basement/Boiler



Bathroom 2



Bathroom 2



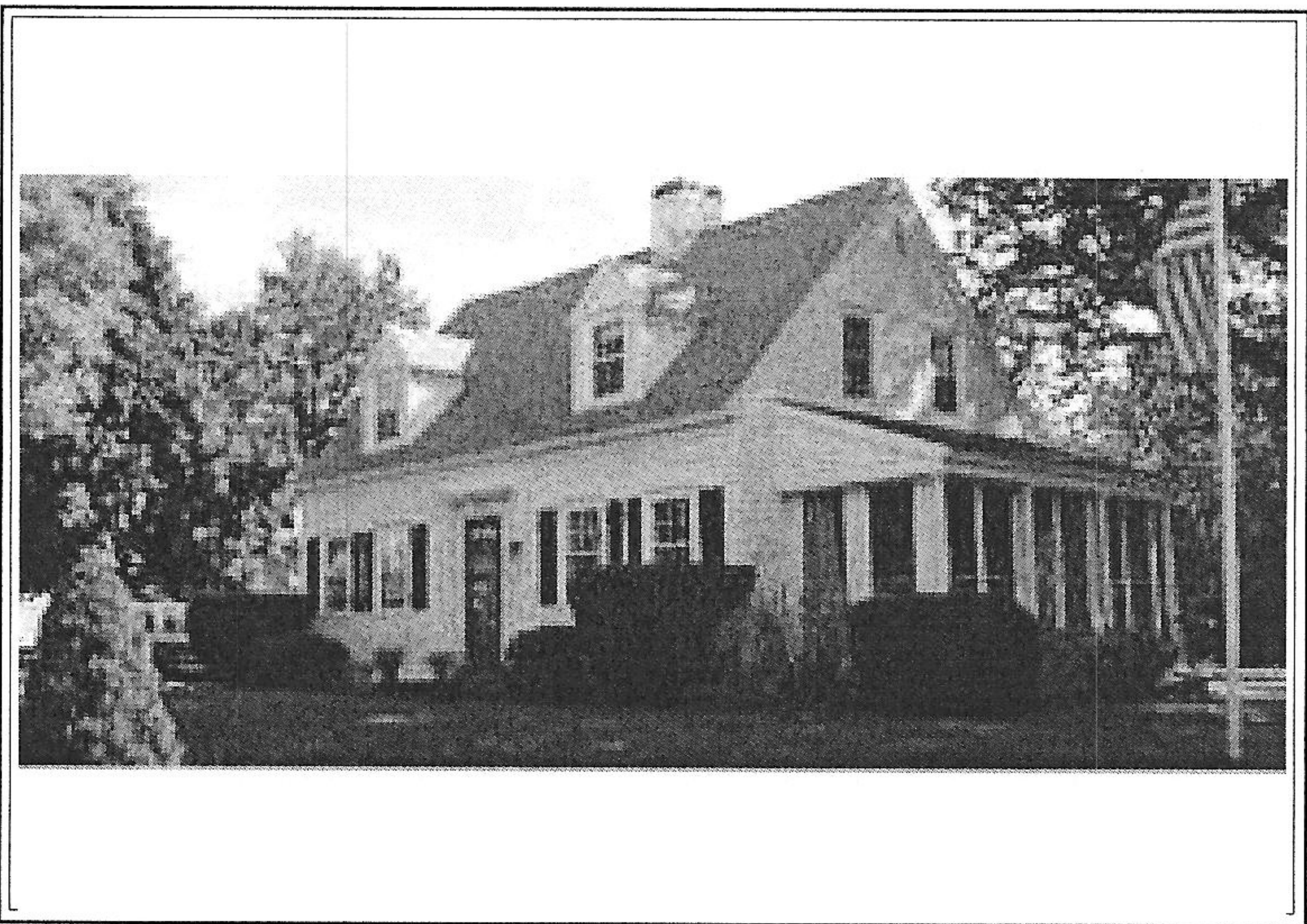
COMPARABLE PROPERTY PHOTO ADDENDUM

|  |                      |
|--|----------------------|
| Borrower: N/A                                  | File No.: 151200     |
| Property Address: 541 Washington Road          | Case No.:            |
| City: Rye                                      | State: NH Zip: 03870 |
| Lender: Town of Rye, Michael Magnant Administ. |                      |



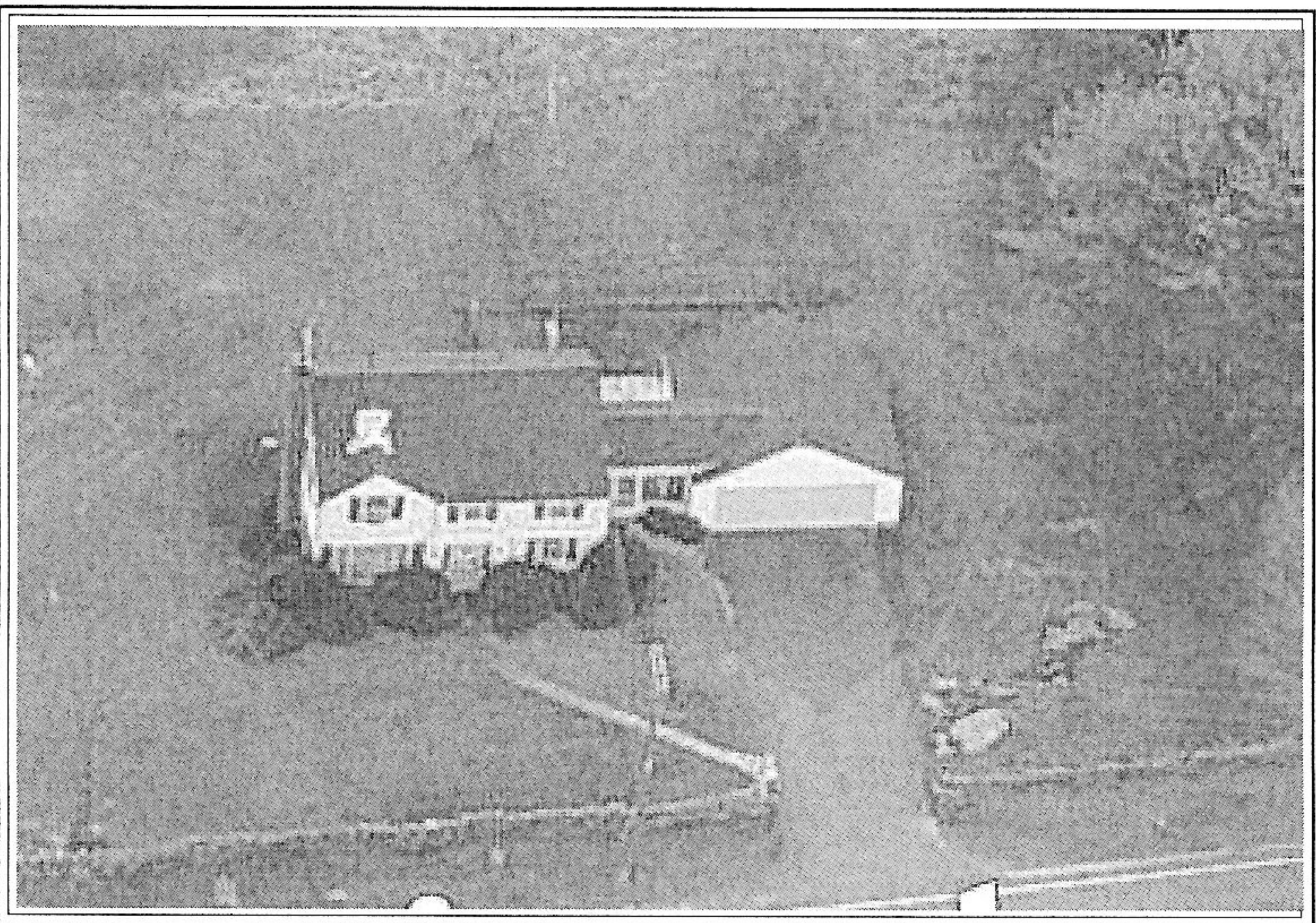
COMPARABLE SALE #1

81 Central Road  
Rye, NH 03870  
Sale Date: 04/2014 +4.25%  
Sale Price: \$ 350,000



COMPARABLE SALE #2

476 Wallis Road  
Rye, NH 03870  
Sale Date: 06/2015 +.75%  
Sale Price: \$ 440,000



COMPARABLE SALE #3

328 Washington Road  
Rye, NH 03870  
Sale Date: 05/2015 +1%  
Sale Price: \$ 445,000