

APPRAISAL OF REAL PROPERTY

LOCATED AT:

1235 Chestnut Street
Deed Book 815 Pages 15-County Court Clerk's Office
Bowling Green, KY 42101

FOR:

Estate of David M. Coffey
802 Parkway Street
Bowling Green, KY 42101

AS OF:

March 19, 2015

BY:

Gary R. Murphy, MAI
Murphy, Napier and Company
1115 C Fairview Avenue
Bowling Green, Kentucky 42103

Estate of David M. Coffey
802 Parkway Street
Bowling Green, KY 42101

Re: Property: 1235 Chestnut Street
Bowling Green, KY 42101
Borrower: Estate of David M. Coffey
File No.: 350252

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,



Gary R. Murphy, M.A.

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No. 350252

State KY Zip Code 42101
County Warren

Property Address 1235 Chestnut Street
Legal Description Deed Book 815 Pages 15-County Court Clerk's Office
Assessor's Parcel No. 040B02 063
Borrower Estate of David M. Coffey
Property rights appraised Fee Simple Fee Simple Leasehold
Neighborhood or Project Name Near WKU Campus
Sale Price \$ DNA Date of Sale ---
Lender/Client Estate of David M. Coffey
Appraiser Gary R. Murphy, MAI
Address 802 Parkway Street, Bowling Green, KY 42101
Address 1115 C Fairview Avenue, Bowling Green, KY 42103
Location Urban Suburban Rural
Built up Over 75% 25-75% Under 25%
Growth rate Rapid Stable Slow
Property values Increasing Stable Declining
Demand/supply Shortage In balance Over supply
Marketing time Under 3 mos. 3-6 mos. Over 6 mos.
Tax Year 1 Year R.E. Taxes \$ 1,625.00 Special Assessments \$ 0.00
Current Owner Estate of David M. Coffey
Occupant Owner Tenant Vacant
Project Type PUD Condominium (HUD/VA only) HOA \$ N/A /Mo.
Map Reference 14540 Census Tract 0101.00

Description and \$ amount of loan charges/concessions to be paid by seller N/A

Address 802 Parkway Street, Bowling Green, KY 42101

Address 1115 C Fairview Avenue, Bowling Green, KY 42103

Location Urban Suburban Rural
Built up Over 75% 25-75% Under 25%
Growth rate Rapid Stable Slow
Property values Increasing Stable Declining
Demand/supply Shortage In balance Over supply
Marketing time Under 3 mos. 3-6 mos. Over 6 mos.
Single family housing AGE (yrs) 80
PRICE \$(000) 75 Low 40
350 High 100
Predominant
150 50
Present land use %
One family 80
2-4 family
Multi-family 20
To:
Land use change
Not likely Likely
In process

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood boundaries and characteristics: Bordered on the north by 12th Street, the south by University Blvd., the east by U.S. 31-W ByPass and the west by Center Street.

Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):
The subject property is located in the central section of Bowling Green on Chestnut Street near East 12th Avenue. This is a good residential area with all residential amenities readily available. The appraiser is unaware of any conditions or changes that would adversely affect the marketability of the subject property. Property lies near the WKU campus and is an area that has experienced a relatively strong demand in terms of single family residential. WKU is a market participant in terms of acquiring property for expansion purposes within this neighborhood.

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.):
The appraiser is unaware of any conditions or changes that would adversely affect the marketability of the subject property. Mortgage money is available at attractive rates and it appears supply/demand characteristics are in balance. Marketing time for properties in this price range is estimated to be 180 to 270 days and there appears to be a minimal number of properties on the market for sale.

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
Describe common elements and recreational facilities: Approximate total number of units for sale in the subject project

Dimensions 52' X 200' (see attached deed)
Site area 10,400 SF or 0.24 Acre Corner Lot Yes No
Specific zoning classification and description Residential (RM-3)
Zoning compliance Legal Legal nonconforming (Grandfathered use) Illegal No zoning
Highest & best use as improved: Present use Other use (explain)
Utilities Public Other
Electricity Street Asphalt
Gas Curb/gutter Yes
Water Sidewalk Concrete
Sanitary sewer Street lights Yes
Storm sewer Alley Asphalt
Level and on-grade with street
Topography
Size
Shape
Drainage
View
Landscaping
Driveway Surface
Apparent easements Not Adverse
FEMA Special Flood Hazard Area Yes No
FEMA Zone X Map Date 05/02/2007
FEMA Map No. 21227C0302E

Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.): The appraiser is unaware of easements or encroachments that would adversely affect the marketability of the subject property. Property is surrounded by well maintained properties.

GENERAL DESCRIPTION EXTERIOR DESCRIPTION FOUNDATION BASEMENT INSULATION
No. of Units 1 or 2 Foundation Stone None None
No. of Stories 2 Exterior Walls Brick None
Type (Det./Att.) Detached Roof Surface C/S Basement
Design (Style) Conv. Gutters & Dwnspts. Aluminum Sump Pump
Existing/Proposed Existing Window Type Wood D/H Dampness
Age (Yrs.) 100 Storm/Screens None/Minimal Settlement
Effective Age (Yrs.) 45 Manufactured House No Infestation
ROOMS Foyer Living Dining Kitchen Den Rec. Rm. Bedrooms # Baths Laundry Other Area Sq. Ft.
Basement
Level 1 1 1 2 1
Level 2 1 1 3 1 1,150
977

Finished area above grade contains: 8 Rooms; 5 Bedroom(s); 2 Bath(s); 2,127 Square Feet of Gross Living Area
INTERIOR Materials/Condition HEATING Type F.A.G. KITCHEN EQUIP. Refrigerator Range/Oven Disposal Dishwasher Fan/Hood Microwave Washer/Dryer
Floors Hdw'd. Lam. C.T. Type Fuel Gas Condition Good
Walls D/W: Plstr. Wood Condition Good
Trim/Finish Tile & C.T. COOLING Central Yes
Bath Floor C.T. Other
Bath Wainscot Typical
Doors Condition Good
Additional features (special energy efficient items, etc.): Deck/stairs attached to rear; Most recent improvements include refinished hardwoods, interior paint, and minimal new appliances.

Additional features (special energy efficient items, etc.): Deck/stairs attached to rear; Most recent improvements include refinished hardwoods, interior paint, and minimal new appliances.
Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.: This is an older structure that is conserved as being both physically and functionally adequate. The condition of the structure is regarded as being average and it was observed by the appraiser on the date of inspection that this property does not appear to need repairs. The dwelling has been renovated over the past few years and has been adequately maintained.
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.: No adverse environmental conditions were observed at the time of inspection.

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No. 350252

Valuation Section

ESTIMATED SITE VALUE = \$

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): Based on the difficulty of estimating depreciation and lot value as well as considering the scope of this assignment, the Cost Approach was considered however is not included in this report.

ESTIMATED REPRODUCTION COST-NEW-OF IMPROVEMENTS:

Dwelling 2,126 Sq. Ft. @ \$ = \$

Sq. Ft. @ \$ = \$

Decks = \$

Garage/Carport = \$

Sq. Ft. @ \$ = \$

Total Estimated Cost New = \$

Less Physical Functional External

Depreciation = \$

Depreciated Value of Improvements = \$

'As-is' Value of Site Improvements = \$

INDICATED VALUE BY COST APPROACH = \$

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
1235 Chestnut Street Address Bowling Green, KY 42101	1246 Chestnut Street Bowling Green, KY 42101	657 East 14th Avenue Bowling Green, KY 42101	854 East 11th Avenue Bowling Green, KY 42101	
Proximity to Subject	0.02 miles E	0.02 miles E	0.21 miles SW	0.38 miles SE
Sales Price	\$ DNA	\$ 150,000	\$ 160,000	\$ 170,000
Price/Gross Living Area	\$ 62.21	\$ 62.21	\$ 49.97	\$ 66.80
Data and/or Appraiser	Public Records	MLS 20142935	MLS 20143263	
Verification Source	PVA 040B-02-066	PVA 040B-03-071	PVA 040C-03-020	
VALUE ADJUSTMENTS	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.
Sales or Financing	Conv. Mtg.	Conv. Mtg.	Cash	
Concessions				
Date of Sale/Time	09/25/2014	09/25/2014	01/09/2015	
Location	ResDist;Avg.	ResDist;Avg.	Res Dist;Avg.	
Leasehold/Fee Simple	Fee Simple	Fee Simple	Fee Simple	
Site	10,400 SF or 0.24 Acre	0.25 Acre;Avg	0.20 Acre	0.14 Acre
View	Average	Average	Average	Average
Design and Appeal	2-S Brick;Avg.	2-S Frame;Avg	1.5-S B/V;Avg	1.5-S Stone;Avg
Quality of Construction	Average	Average	Average	Average
Age	A=100 E=45	A=115 E=50	A=84 E=45	A=80 E=40
Condition	Average	Average	Average	Average
Above Grade	Total : Bdrms: Baths	Total : Bdrms: Baths	Total : Bdrms: Baths	Total : Bdrms: Baths
Room Count	8 : 5 : 2	8 : 5 : 2	7 : 3 : 2.5	12 : 3 : 3
Gross Living Area	2,127 Sq. Ft.	2,411 Sq. Ft.	3,202 Sq. Ft.	2,545 Sq. Ft.
Basement & Finished Rooms Below Grade	Cellar Unfinished	None	None	Full Unfinished
Functional Utility	Average	Average	Average	Average
Heating/Cooling	Cent/Cent	Cent/Window	Cent/Cent	Cent/Window
Energy Efficient Items	Adeq. Insul.	Adeq. Insul.	Adeq. Insul.	Adeq. Insul.
Garage/Carport	None	1C CP/1C D.Gar	Carport	Parking on-site
Porch, Patio, Deck, Fireplace(s), etc.	3+ Fireplaces	Porch;Patio	Porch;Patio;Elev. Fireplaces	Patio; Cov. Porches
Fence, Pool, etc.	Kit. Appl.	Kit. Appl.	Kit. Appl.	Kit. Appl.
Net Adj. (total)		\$ -24,200	\$ -29,000	\$ -20,000
Adjusted Sales Price of Comparable		\$ 125,800	\$ 131,000	\$ 150,000

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): It is the opinion of the appraiser these sales represent current market conditions therefore warrant use as comparable sales. Sales are similar in terms of design/appeal, age/condition, location, etc. and are closed market transactions. Sale properties lie within close proximity to subject and involve physically comparable residential structures. Sales reflect reasonable range in value and this range is supported by additional market data. Each sale is improved with a relatively large, older residential structure that is highly comparable in location, strong market sales.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Data Source, for prior sales within year of appraisal	Subject not sold within past 3 years.	No other sale/transfer of Comparable 1 within past year	No other sale/transfer of Comparable 2 within past year	No other sale/transfer of Comparable 3 within past year
Analysis of any current agreement of sale, option, or listing of subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal.	Public Records	Public Records	Public Records	Public Records
None known.				

INDICATED VALUE BY SALES COMPARISON APPROACH

INDICATED VALUE BY INCOME APPROACH (if Applicable) Estimated Market Rent \$ 1,250 /Mo. x Gross Rent Multiplier 110 = \$ 135,000.00

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

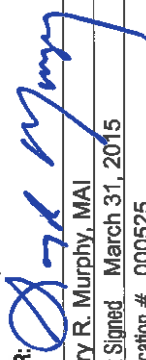
Conditions of Appraisal: See attached limiting conditions. Complete Appraisal Analysis-Appraisal Report.

Final Reconciliation: Based on the availability of strong market sales, the appraiser has relied on the value indicated by the Sales Comparison Approach. The Income Approach has been processed due to the type of property being appraised (multi-family residence-duplex). Income Approach supports value reflected by Sales Comparison Approach.

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/FNMA form 1004B (Revised 6/93).

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF March 19, 2015

(WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 135,000.00

APPRaiser: 

SUPERVISORY APPRAISER (ONLY IF REQUIRED):

Signature _____ Name _____

Date Report Signed March 31, 2015 Date Report Signed _____

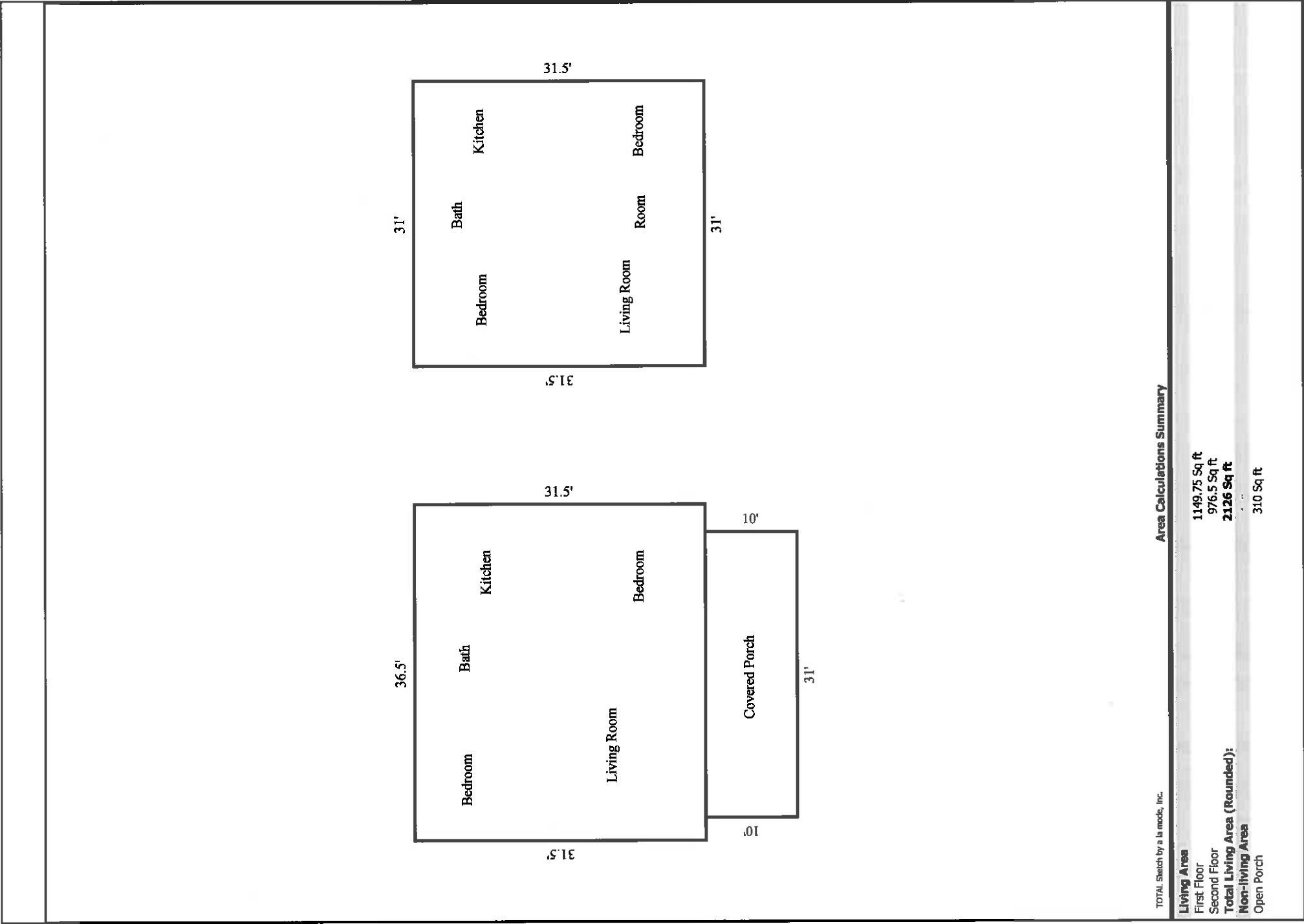
State Certification # 000525 State KY State Certification # _____

Or State License # _____ Or State License # _____

State _____ State _____

Building Sketch

Borrower/Client	Estate of David M. Coffey		
Property Address	1235 Chestnut Street		
City	Bowling Green	County	Warren
		State	KY
		Zip Code	42101
Lender	Estate of David M. Coffey		



Subject Photos

Borrower/Client	Estate of David M. Coffey		
Property Address	1235 Chestnut Street		
City	Bowling Green	County	Warren
		State	KY
Lender	Estate of David M. Coffey	Zip Code	42101



Subject Front
1235 Chestnut Street



Subject Rear



Subject Street

Subject Photos

Borrower/Client	Estate of David M. Coffey				
Property Address	1235 Chestnut Street				
City	Bowling Green	County	Warren	State	KY
Lender	Estate of David M. Coffey				
				Zip Code	42101



Interior Photograph
1235 Chestnut Street



Interior Photograph



Interior Photograph

Subject Photo Page

Borrower/Client	Estate of David M. Coffey		
Property Address	1235 Chestnut Street		
City	Bowling Green	County	Warren
		State	KY
Lender	Estate of David M. Coffey		
		Zip Code	42101



Interior Photograph
1235 Chestnut Street



Interior Photograph



Interior Photograph

Comparable Photo Page

Borrower/Client	Estate of David M. Coffey				
Property Address	1235 Chestnut Street				
City	Bowling Green	County	Warren	State	KY
				Zip Code	42101
Lender	Estate of David M. Coffey				



Comparable 1
1246 Chestnut Street



Comparable 2
657 East 14th Avenue



Comparable 3
854 East 11th Avenue

FIRREA / USPAP ADDENDUM

Purpose of the appraisal is to estimate the market value of the subject property as defined herein.

Scope

[illegible]

— 42 —

History of Property

Exposure Time / Marketing Time
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[illegible]

Personal (non-realty) Transfers

[illegible]

Additional Comments

Certification Supplement

Appraiser(s): Gary R. Murphy, MAI
Effective date / Report date: March 19, 2015

Supervisory Appraiser(s): _____
Effective date / Report date: _____

ENVIRONMENTAL ADDENDUM
APPARENT* HAZARDOUS SUBSTANCES AND/OR DETRIMENTAL ENVIRONMENTAL CONDITIONS

Borrower/Client	Estate of David M. Coffey				
Address	1235 Chestnut Street				
City	Bowling Green	County	Warren	State	KY
Lender	Estate of David M. Coffey			Zip code	42101

*Apparent is defined as that which is visible, obvious, evident or manifest to the appraiser.

This universal Environmental Addendum is for use with any real estate appraisal. Only the statements which have been checked by the appraiser apply to the property being appraised.

This addendum reports the results of the appraiser's routine inspection of and inquiries about the subject property and its surrounding area. It also states what assumptions were made about the existence (or nonexistence) of any hazardous substances and/or detrimental environmental conditions. **The appraiser is not an expert environmental inspector** and therefore might be unaware of existing hazardous substances and/or detrimental environmental conditions which may have a negative effect on the safety and value of the property. It is possible that tests and inspections made by a qualified environmental inspector would reveal the existence of hazardous materials and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.

DRINKING WATER

- ☐ Drinking Water is supplied to the subject from a municipal water supply which is considered safe. However the only way to be absolutely certain that the water meets published standards is to have it tested at all discharge points.
- ☐ Drinking Water is supplied by a well or other non-municipal source. It is recommended that tests be made to be certain that the property is supplied with adequate pure water.
- ☐ Lead can get into drinking water from its source, the pipes, at all discharge points, plumbing fixtures and/or appliances. The only way to be certain that water does not contain an unacceptable lead level is to have it tested at all discharge points.
- ☐ The value estimated in this appraisal is based on the assumption that there is an adequate supply of safe, lead-free Drinking Water.

Comments

SANITARY WASTE DISPOSAL

- ☐ Sanitary Waste is removed from the property by a municipal sewer system.
- ☐ Sanitary Waste is disposed of by a septic system or other sanitary on site waste disposal system. The only way to determine that the disposal system is adequate and in good working condition is to have it inspected by a qualified inspector.
- ☐ The value estimated in this appraisal is based on the assumption that the Sanitary Waste is disposed of by a municipal sewer or an adequate property permitted alternate treatment system in good condition.

Comments

SOIL CONTAMINANTS

- ☐ There are no apparent signs of Soil Contaminants on or near the subject property (except as reported in Comments below). It is possible that research, inspection and testing by a qualified environmental inspector would reveal existing and/or potential hazardous substances and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.
- ☐ The value estimated in this appraisal is based on the assumption that the subject property is free of Soil Contaminants.

Comments

ASBESTOS

- ☐ All or part of the improvements were constructed before 1979 when Asbestos was a common building material. The only way to be certain that the property is free of friable and non-friable Asbestos is to have it inspected and tested by a qualified asbestos inspector.
- ☐ The improvements were constructed after 1979. No apparent friable Asbestos was observed (except as reported in Comments below).
- ☐ The value estimated in this appraisal is based on the assumption that there is no uncontained friable Asbestos or other hazardous Asbestos material on the property.

Comments

PCBs (POLYCHLORINATED BIPHENYLS)

- ☐ There were no apparent leaking fluorescent light ballasts, capacitors or transformers anywhere on or nearby the property (except as reported in Comments below).
- ☐ There was no apparent visible or documented evidence known to the appraiser of soil or groundwater contamination from PCBs anywhere on the property (except as reported in Comments below).
- ☐ The value estimated in this appraisal is based on the assumption that there are no uncontained PCBs on or nearby the property.

Comments

RADON

- ☐ The appraiser is not aware of any Radon tests made on the subject property within the past 12 months (except as reported in Comments below).
- ☐ The appraiser is not aware of any indication that the local water supplies have been found to have elevated levels of Radon or Radium.
- ☐ The appraiser is not aware of any nearby properties (except as reported in Comments below) that were or currently are used for uranium, thorium or radium extraction or phosphate processing.
- ☐ The value estimated in this appraisal is based on the assumption that the Radon level is at or below EPA recommended levels.

Comments

USTs (UNDERGROUND STORAGE TANKS)

- ☒ There is no apparent visible or documented evidence known to the appraiser of any USTs on the property nor any known historical use of the property that would likely have had USTs.
- ☒ There are no apparent petroleum storage and/or delivery facilities (including gasoline stations or chemical manufacturing plants) located on adjacent properties (except as reported in Comments below).
- ☐ There are apparent signs of USTs existing now or in the past on the subject property. It is recommended that an inspection by a qualified UST inspector be obtained to determine the location of any USTs together with their condition and proper registration if they are active; and if they are inactive, to determine whether they were deactivated in accordance with sound industry practices.
- ☒ The value estimated in this appraisal is based on the assumption that any functioning USTs are not leaking and are properly registered and that any abandoned USTs are free from contamination and were properly drained, filled and sealed.

Comments

NEARBY HAZARDOUS WASTE SITES

- ☒ There are no apparent Hazardous Waste Sites on the subject property or nearby the subject property (except as reported in Comments below). Hazardous Waste Site search by a trained environmental engineer may determine that there is one or more Hazardous Waste Sites on or in the area of the subject property.
- ☒ The value estimated in this appraisal is based on the assumption that there are no Hazardous Waste Sites on or nearby the subject property that negatively affect the value or safety of the property.

Comments

UREA FORMALDEHYDE (UFFI) INSULATION

- ☒ All or part of the improvements were constructed before 1982 when UREA foam insulation was a common building material. The only way to be certain that the property is free of UREA formaldehyde is to have it inspected by a qualified UREA formaldehyde inspector.
- ☐ The improvements were constructed after 1982. No apparent UREA formaldehyde materials were observed (except as reported in Comments below).
- ☒ The value estimated in this appraisal is based on the assumption that there is no significant UFFI insulation or other UREA formaldehyde material on the property.

Comments

LEAD PAINT

- ☒ All or part of the improvements were constructed before 1980 when Lead Paint was a common building material. There is no apparent visible or known documented evidence of peeling or flaking Lead Paint on the floors, walls or ceilings (except as reported in Comments below). The only way to be certain that the property is free of surface or subsurface Lead Paint is to have it inspected by a qualified inspector.
- ☐ The improvements were constructed after 1980. No apparent Lead Paint was observed (except as reported in Comments below).
- ☒ The value estimated in this appraisal is based on the assumption that there is no flaking or peeling Lead Paint on the property.

Comments

AIR POLLUTION

- ☒ There are no apparent signs of Air Pollution at the time of the inspection nor were any reported (except as reported in Comments below). The only way to be certain that the air is free of pollution is to have it tested.
- ☒ The value estimated in this appraisal is based on the assumption that the property is free of Air Pollution.

Comments

WETLANDS/FLOOD PLAINS

- ☒ The site does not contain any apparent Wetlands/Flood Plains (except as reported in Comments below). The only way to be certain that the site is free of Wetlands/Flood Plains is to have it inspected by a qualified environmental professional.
- ☒ The value estimated in this appraisal is based on the assumption that there are no Wetlands/Flood Plains on the property (except as reported in Comments below).

Comments

MISCELLANEOUS ENVIRONMENTAL HAZARDS

- ☒ There are no other apparent miscellaneous hazardous substances and/or detrimental environmental conditions on or in the area of the site except as indicated below:

- ☐ Excess Noise

☐ Radiation + Electromagnetic Radiation

☐ Light Pollution

☐ Waste Heat

☐ Acid Mine Drainage

☐ Agricultural Pollution

☐ Geological Hazards

☐ Nearby Hazardous Property

☐ Infectious Medical Wastes

☐ Pesticides

☐ Others (Chemical Storage + Storage Drums, Pipelines, etc.)

- ☒ The value estimated in this appraisal is based on the assumption that there are no Miscellaneous environmental Hazards (except those reported above) that would negatively affect the value of the property.

When any of the environmental assumptions made in this addendum are not correct, the estimated value in this appraisal may not be valid.

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 judgement.

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.

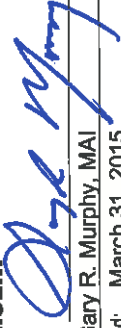
APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

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: 1235 Chestnut Street, Bowling Green, KY 42101

APPRAISER:

Signature:  Signature: _____
Name: Gary R. Murphy, MAI Name: _____
Date Signed: March 31, 2015 Date Signed: _____
State Certification #: 000525 State Certification #: _____
or State License #: _____ or State License #: _____
State: _____ State: _____
Expiration Date of Certification or License: 6/1/2015 Expiration Date of Certification or License: _____

☐ Did ☐ Did Not Inspect Property

Recorded Deed

Borrower/Client	Estate of David M. Coffey		
Property Address	1235 Chestnut Street		
City	Bowling Green	County	Warren
		State	KY
		Zip Code	42101
Lender	Estate of David M. Coffey		

KOOK D815 PAGE 015

00110900 DEED AND CONSIDERATION CERTIFICATE

THIS DEED, dated December 18, 2000, between Thala Thompson, an unmarried widow, by and through her attorney in fact, Juanita Marshall, hereinafter referred to as GRANTOR, of 1235 Chestnut Street, Bowling Green, Kentucky 42101 and David M Coffey, hereinafter referred to as GRANTEE, of 1242 Chestnut St. Bowling Green, Kentucky 42101.

WITNESSETH:

That for and in consideration of the total purchase price of Seventy Four Thousand and 00/100 Dollars (\$74,000.00), the receipt of which is hereby acknowledged, GRANTOR Bargained and Sold and hereby Grant and Convey unto GRANTEE, his heirs and assigns forever, the following described real estate situated in Warren County, Kentucky, and more particularly described as follows:

A house and lot designated as No. 1235 Chestnut Street, in the City of Bowling Green, Kentucky, and more particularly described and bounded as follows:

Beginning at a point on Chestnut Street, at the Southwesternly corner of a lot conveyed to Miss Sue Morton by Sallie A Willis and husband, by deed of date May 15, 1911; thence toward State Street, and on the line of said Morton lot, 200 feet, more or less, to a 12 foot alley; thence to the left and with the line of said alley 52 feet to a stake; thence to the left with JC Hiles' line 200, more or less, to Chestnut Street; thence to the left and with Chestnut Street 52 feet to the point of beginning.

Being the same property conveyed to Brade S Thompson and wife, Thala Thompson, by deed from Isabelle B Rentek, widow, of record in Deed Book 398 Page 148, in the office of the Warren County Clerk. The said Brade S Thompson (being the same person as Brade Thompson) died testate, vesting his interest in the above described property to his widow, Thala Thompson, as shown in his Will of record in Will Book 25 Page 502, Warren County Clerk's Office.

TO HAVE AND TO HOLD the above described property, together with all appurtenances and privileges thereunto belonging, unto GRANTEE, his heirs and assigns forever.

GRANTOR hereby release and relinquish unto GRANTEE, his heirs and assigns forever, all of right, title and interest in and to said property, and covenant with GRANTEE, his heirs and assigns forever, that GRANTOR lawfully seized in fee simple title to said property, and good and lawful right to sell and convey same as is herein done, that the title to said property is clear, perfect and unencumbered, and subject to the hereinafter set out exceptions, the will WARRANT GENERALLY the title to said property.

Appraiser's License

Borrower/Client	Estate of David M. Coffey
Property Address	1235 Chestnut Street
City	Bowling Green
Lender	Estate of David M. Coffey
	County Warren
	State KY
	Zip Code 42101

Kentucky Real Estate Appraisers Board
2014-15

Hereby grants a
Certified General Real Property Appraiser
License No 000525
Certificate

To
Gary R. Murphy
Murphy, Napier & Company
1115 C. Fairview Avenue
Bowling Green, KY 42103

who has complied with the provisions of Chapter 324A of the Kentucky Revised Statutes IN WITNESS
WHEREOF, we have caused the official seal to be affixed and attested for the year shown above.

Harold G. Branley, Chair
Sam E. Blackburn, Vice Chair
G. Herbert Pritchett
Kathy J. Mayfield
Thomas W. Oliver



THIS CERTIFICATE EXPIRES

June 30, 2015

Control No 39951

FROM:

Mr. Gary R. Murphy, MAI
Murphy, Napier & Co. Real Estate Appraisers
1115C Fairview Avenue
Bowling Green, KY 42103

Telephone Number: (270) 781-2162

Fax Number: 1-888-559-9706

TO:

Daniel A. Myers, Executor
Estate of David M. Coffey
802 Parkway Street
Bowling Green, KY 42101

Telephone Number: (270) 745-3684

Fax Number: (270) 745-3190

Alternate Number:

E-Mail: dan.myers@wku.edu

INVOICE

INVOICE NUMBER	
	350252
DATE	
	March 19, 2015

REFERENCE	
Internal Order #:	
Lender Case #:	
Client File #:	
Main File # on form:	350252
Other File # on form:	
Federal Tax ID:	EIN 62-1665853
Employer ID:	

DESCRIPTION

Lender: Estate of David M. Coffey

Client: Estate of David M. Coffey

Purchaser/Borrower: Estate of David M. Coffey

Property Address: 1235 Chestnut Street

City: Bowling Green

County: Warren

State: KY

Zip: 42101

Legal Description: Deed Book 815 Pages 15-County Court Clerk's Office

FEES

AMOUNT

375.00

SUBTOTAL

375.00

PAYMENTS

AMOUNT

Check #:

Date:

Description:

Check #:

Date:

Description:

Check #:

Date:

Description:

SUBTOTAL

TOTAL DUE

\$

375.00