

THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

In re:) Chapter 11
)
BOWMAN DAIRY FARMS LLC,) Case No. 17-06475-JMC-11
)
Debtor.)

**DEBTOR’S MOTION TO SELL REAL ESTATE
LOCATED IN HAGERSTOWN, INDIANA**

Bowman Dairy Farms LLC, the debtor and debtor-in-possession (the “Debtor”) in the above-captioned chapter 11 case (this “Chapter 11 Case”), by counsel, files this *Debtor’s Motion to Sell Real Estate Located in Hagerstown, Indiana* (this “Motion”), respectfully requesting that the Court enter an order authorizing the sale of real estate located at 16355 Lamar Road, Hagerstown, Indiana 47346 (the “Real Estate”) pursuant to the terms and conditions as described in this Motion. By separate motion, the Debtor is requesting that notice be shortened on this Motion. The Debtor states the following in support of this Motion:

JURISDICTION AND VENUE

1. On August 27, 2017 (the “Petition Date”), the Debtor filed with the United States Bankruptcy Court for the Southern District of Indiana, Indianapolis Division (this “Court”), its voluntary petition for relief under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.*, as amended (the “Bankruptcy Code”) commencing this Chapter 11 Case. The Debtor continues to operate its business as debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. No trustee or examiner has been appointed, and no committee has yet been appointed or designated.

3. The Debtor filed its proposed reorganization plan and accompanying disclosure statement on February 24, 2018, as subsequently amended. The Debtor intends to further amend its plan and disclosure statement to allow for the structured winddown of its business and to distribute the value to its creditors pursuant to the Bankruptcy Code.

4. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court under 28 U.S.C. §§ 1408 and 1409.

5. The statutory bases for the relief requested are sections 105(a) and 363 of the Bankruptcy Code, Rule 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules B-6004-1 and B-6004-2 of the Local Rules of the United States Bankruptcy Court for the Southern District of Indiana (the “Local Rules”).

THE REAL ESTATE

6. Pursuant to section 541(a) of the Bankruptcy Code, the Debtor’s estate includes all legal and equitable interests of the Debtor in property as of the commencement of this Chapter 11 Case, including real estate.

7. On the Petition Date, the Debtor was the sole owner of the Real Estate located in Wayne County, Indiana, commonly known as 16355 Lamar Road, Hagerstown, Indiana 47346, and more particularly described as being part of the NE Quarter of Section 4 Township 17 North, Range 12 East in Dalton Township, Wayne County, Indiana. The Real Estate consists of 4.27 acres with an unfinished house (no internal framing, wiring, plumbing, etc.), a garage, and an outbuilding. The house is not suitable at this time for occupancy and is in need of repairs, including a roof before winter weather.

8. The Real Estate is not encumbered by any recorded mortgage or liens.

9. The proposed purchasers of the Real Estate are James and Donna Hunsberger (the “Purchasers”). The Purchasers are Jennifer Bowman’s parents and Trent Bowman’s in-laws. The Purchasers are intending to purchase the Real Estate and allow Trent and Jennifer Bowman and their children to occupy the property following additional investment and labor to make the improvements habitable. Trent Bowman and Jennifer Bowman are insiders of the Debtor, and Trent Bowman is a member of the Debtor. At the Petition Date, Trent and Jennifer and their children resided in a house adjacent to and on the same parcel as one of the dairying facilities. All of the Debtor’s real estate will be sold, including the house occupied by the Bowmans to return value to Debtor’s creditors.

10. The offered purchase price for the Real Estate is \$30,000.00 (the “Purchase Price”). The sale will be on an “AS IS WHERE IS BASIS” subject only to an order from this Court authorizing the sale and holding the sale to be free and clear of all liens claims and encumbrances. A copy of the form of Purchase Offer is attached as Exhibit A. The Purchasers will be responsible for all costs of closing on and transferring the Real Estate and will be responsible for the payment of all property taxes and any other assessments due and payable after the closing. No commissions on the sale are owed.

11. The market value of the Real Estate is \$30,000.00, as described in the certified appraisal report, effective as of September 17, 2018, attached as Exhibit B (the “Appraisal”). The Appraisal was requested and paid for by Trent Bowman.

12. The Purchase Offer is for the appraised price plus payment of taxes and all costs of closing and transfer. The Debtor has not undertaken any formal process to market the property. The Debtor has received two informal offers in the last 12 months, both below the appraised price. Given the appraised value and the condition of the Real Estate, the Debtor does

not believe that listing or auctioning the Real Estate will result in a higher value for creditors net of the costs of commission, closing, and property taxes that are due in November. The November 2018 property taxes are \$432.69. Estimated six percent sales or auction commission on \$30,000 would be \$1,800 and closing costs are estimated at \$500. The property tax and all closing costs are proposed to be paid by the Purchasers under the Purchase Offer and no commissions are owed.

13. Upon approval, the Purchasers are prepared to proceed to closing with a Quit Claim Deed and an immediate cash payment.

14. The sale of the Real Estate will be free and clear of all liens, encumbrances, claims, and interests; provided however, the Real Estate is to be sold on a quit claim basis and subject to all easements, covenants, restrictions, declarations, or agreements of record, in addition to those matters that would be disclosed upon a visual inspection of the Real Estate plus the payment of all taxes and assessments due and payable after closing. The Debtor has no basis to believe that any entity other than the Debtor has an interest in the Real Estate other than any interest held by Wayne County for taxes not yet due and payable. The Purchasers have agreed to pay all such property taxes.

RELIEF REQUESTED

15. The Debtor requests the Court enter an order, pursuant to sections 105 and 363 of the Bankruptcy Code and Bankruptcy Rule 6004, as follows:

(a) Authorizing the Debtor to sell the Real Estate to the Purchasers pursuant to the terms and conditions stated above;

(b) Directing the sale of the Real Estate, free and clear of all liens, encumbrances, claims, and interests, provided however, the Real Estate shall be sold

subject all easements, assessments, and other recorded matters and pursuant to the terms of the Purchase Offer;

(c) Authorizing the Debtor to execute any documentation necessary to effectuate the sale of the Real Estate consistent with the terms herein;

(d) Authorizing the Debtor to disburse from the sale proceeds, first to pay any costs and expenses of the sale and to ensure that the all real estate taxes and assessments outstanding and unpaid at the time of the sale are paid by the Purchaser and to hold the sale proceeds pending further orders of this Court for distribution.

BASIS FOR GRANTING RELIEF

A. The Sale is Authorized Under 11 U.S.C. § 363(b)

16. Pursuant to section 363(f) of the Bankruptcy Code, the debtor-in-possession may sell property pursuant to section 363(b) or (c) of the Bankruptcy Code, “free and clear of any interest in such property of an entity other than the estate” if any of the following conditions are satisfied:

(a) applicable nonbankruptcy law permits sale of such property free and clear of such interest; (b) such entity consents; (c) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property; (d) such interest is in bona fide dispute; or (e) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

17. Section 363(b)(1) of the Bankruptcy Code provides that the debtor-in-possession “after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate” 11 U.S.C. § 363(b)(1). Although section 363 of the Bankruptcy Code does not provide an express standard for determining whether a court should approve any particular proposed use, sale, or lease of estate property, case law consistently applies an “articulated business judgment” standard. *See In re Schipper*, 933

F.2d 513, 515 (7th Cir. 1991) (citing *In re Continental Air Lines*, 780 F.2d 1223, 1226 (5th Cir. 1986), *In re Naron & Wagner, Chartered*, 88 B.R. 85, 88 (Bankr. D. Md. 1988)); *see also Colfin Bulls Funding A, LLC v. Paloian (In re Dvorkin Holdings, LLC)*, No. 15-C-3118, 2016 WL 1029387, at *4 (N.D. Ill. Mar. 14, 2016) (“The Seventh Circuit has clarified that a trustee’s justification warrants judicial approval if it ‘makes good business sense’ (i.e., if ‘the creditors as a whole . . . benefit’).”) (citing *United Retired Pilots Ben. Prot. Ass’n v. United Airlines, Inc. (In re UAL Corp.)*, 443 F.3d 565, 571-72 (7th Cir. 2006)).

B. A Private Sale of the Purchased Assets is Appropriate.

18. Pursuant to Bankruptcy Rule 6004, “All sales not in the ordinary course of business may be by private sale or by public auction.” Fed. R. Bankr. P. 6004(f)(1). A bankruptcy court has discretion in determining whether a private sale of a debtor’s assets should be approved. *See In re Nicole Energy Servs.*, 385 B.R. 201, 230 (Bankr. S.D. Ohio 2008); *see also In re Embrace Sys. Corp.*, 178 B.R. 112, 123 (Bankr. W.D. Mich. 1995).

19. The Debtor, in the sound exercise of its business judgment, has determined that the sale of the Real Estate to the Purchasers represents a reasonable and best recovery for the estate. The Debtor submits that, based on the Appraisal, the Purchase Price reflects the fair market value of the Real Estate, the Purchasers will cover all costs including property taxes, and on a quit claim and as-is basis represents the best and highest return at the least cost.

20. Pursuant to Local Rule B-6004-2(b)(8), the Debtor is not aware of any personally identifiable information that is contained in the Real Estate, and as such, there are no measures that need to be taken to comply with section 363(b)(1) of the Bankruptcy Code.

21. Bankruptcy Rule 6004(h) provides that “[a]n order authorizing the sale, use or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.” Fed. R. Bankr. P. 6004(h). The Debtor requests the Court order that such an order be effective immediately upon entry to allow the Debtor to timely and expeditiously consummate the proposed transaction.

22. Based upon these factors and those discussed above, the Debtor has demonstrated a valid business justification and good business reason for the proposed transaction.

WHEREFORE, the Debtor respectfully requests that the Court authorize the above-described sale and grant the Debtor all other proper relief.

Respectfully submitted,

FAEGRE BAKER DANIELS LLP

By: /s/ Elizabeth M. Little

Counsel for the Debtor and Debtor-in-Possession

Terry E. Hall (#22041-49)
300 N. Meridian Street, Suite 2700
Indianapolis, IN 46204
Telephone: (317) 237-0300
Facsimile: (317) 237-1000
terry.hall@faegrebd.com

Elizabeth M. Little (#34096-49)
600 East 96th Street, Suite 600
Indianapolis, IN 46240
Telephone: (317) 569-9600
Facsimile: (317) 569-4800
elizabeth.little@faegrebd.com

CERTIFICATE OF SERVICE

I hereby certify that on October 3, 2018, a copy of the foregoing pleading was filed electronically. Notice of this filing will be sent to the following parties through the Court's Electronic Case Filing System. Parties may access this filing through the Court's system.

Wendy D Brewer on behalf of Debtor Bowman Dairy Farms LLC
wbrewer@fmdlegal.com, cbellner@fmdlegal.com

Bradley J. Buchheit on behalf of Creditor Irving Materials, Inc.
Bradley.J.Buchheit@msth.com, Elaina.M.Tindall@msth.com;cathy.a.evans@msth.com

Jamie Cassel on behalf of Creditor Furst-McNess Company
jsc@renozahm.com

Rachana Nagin Fischer on behalf of Creditor United States of America, Internal Revenue Service
rachana.fischer@usdoj.gov, Kristie.baker@usdoj.gov

Michael W. Hile on behalf of Creditors Dean Dairy Holdings LLC and Suiza Dairy Group, LLC
mhile@jacobsonhile.com, assistant@jacobsonhile.com

John R. Humphrey on behalf of Creditor The St. Henry Bank
jhumphrey@taftlaw.com, aolave@taftlaw.com

Christine K. Jacobson on behalf of Creditors Dean Dairy Holdings LLC and Suiza Dairy Group, LLC
cjacobson@jacobsonhile.com, assistant@jacobsonhile.com

W Randall Kammeyer on behalf of Creditor CNH Industrial Capital America, LLC
wrkammeyer@hawkhaynie.com

Karen L. Lobring on behalf of Creditor John Deere Financial f.s.b f/k/a FPC Financial f.s
lobring@msn.com

Jonathan Dale Madison on behalf of Creditor Harvest Land Co-Op, Inc.
jmadison@defur.com

Harley K Means on behalf of Creditor DLL Finance LLC f/k/a Agricredit Acceptance LLC
hkm@kgrlaw.com, kwhigham@kgrlaw.com;cjs@kgrlaw.com;tjf@kgrlaw.com

Mykolaj J Petruniw on behalf of Creditor Beacon Credit Union
jpetruniw@wabashlaw.com

Mark H Ralston on behalf of Creditor Dean Dairy Holdings LLC
mralston@fjrpllc.com

Brady J Rife on behalf of Creditor Ashley Petty
brady.j.rife@msth.com,
lisa.m.cook@msth.com;kim.m.spears@msth.com;Natasha.r.zieleniuk@msth.com

Harrison Edward Strauss on behalf of U.S. Trustee U.S. Trustee
harrison.strauss@usdoj.gov

U.S. Trustee
ustpreion10.in.ecf@usdoj.gov

I hereby certify that on October 3, 2018, a copy of the foregoing pleading was mailed via United States first class mail on the following:

Rabo AgriFinance LLC
Attn: Aaron Bixby
6919 Chancellor Dr
Cedar Falls, IA 50613

/s/ Elizabeth M. Little

PURCHASE OFFER

James and Donna Hunsberger (“Buyers”) make this offer to purchase from Bowman Dairy Farms LLC (“Seller”) the real estate and all improvements located at 16355 Lamar Road, Hagerstown, IN 47346, Local Parcel No. 02-04-000-208.000-06 and described as

Being a part of the Northeast Quarter of Section Four (4) Township Seventeen (17) North, Range Twelve (12) East, in Dalton Township, Wayne County, Indiana and being more particularly described as follows: Beginning one hundred sixty-two and one tenth (162.1) feet west of the northeast corner of the northeast quarter of section four (4), township seventeen (17) north, range twelve (12) east, and running thence south twenty (20) degrees and thirty-three (33) minutes east, along the center line of Dalton Road, three hundred forty-six and twenty-eight hundredths (346.28) feet; thence south eighty-nine (89) degrees and four (4) minutes west, two hundred seventy-nine (279) feet; thence north eighty-seven (87) degrees and six (6) minutes west, one hundred twelve and nine tenth (112.9) feet; thence north two (2) degrees and two (2) minutes east, sixty (60) feet; thence north eighty-eight (88) degrees and six (6) minutes west, three hundred twelve and sixty-five hundredths (312.65) feet; thence north three (3) degrees and eighteen (18) minutes East, two hundred fifty-three (253) feet, to the north line of said quarter; thence east along said north line, five hundred sixty-five and six tenths (565.6) feet to the place of beginning, containing an area of four and twenty-seven hundredths (4.27) acres, more or less.

(“Property”). Subject to the conditions set forth herein Buyers offer to pay the sum of Thirty Thousand Dollars and No Cents (\$30,000.00) for the Property (“Purchase Price”). The Purchase Price shall be paid in cash at the closing of the sale of the Property.

Buyers agree that the Property will be sold “AS IS WHERE IS AND WITH ALL FAULTS” by Quit Claim Deed of Seller with the only conditions being (1) that Seller shall be authorized to transfer the Property to Buyer by the entry of an order of the United States Bankruptcy Court for the Southern District of Indiana in Seller’s Case No. 17-06475, and (2) that the Property shall be transferred to Buyers free and clear of all liens, claims, and encumbrances.

Buyers shall be responsible for all property taxes and other assessments coming due on and after the closing and shall be responsible for all costs, if any, of closing on and transferring the Property. Buyers represent that no broker has been hired by Buyers and no commission is owed.

Offered this ____ day of October 2018. This offer expires at midnight on October ____, 2018.

James Hunsberger

Donna Hunsberger

APPRAISAL OF REAL PROPERTY



LOCATED AT

16355 Lamar Rd
Hagerstown, IN 47346
PT NE SEC 4-17-12 4.27A

FOR

OPINION OF VALUE

\$30,000

AS OF

09/17/2018

BY

Mark Baker
Mark A. Baker
PO Box 39
Richmond, IN 47375
(765) 969-4327
info@bakersappraisals.us

Mark A. Baker
PO Box 39
Richmond, IN 47375
(765) 969-4327

09/19/2018

Re: Property: 16355 Lamar Rd
Hagerstown, IN 47346
Borrower:
File No.: 16355 Lamar Rd/Bowman

Opinion of Value: \$ 30,000
Effective Date: 09/17/2018

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

The purpose of the appraisal is to develop an opinion of market value for 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 opinion of value reported above is as of the stated effective date and is 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,



Mark Baker
Indiana Certified
License or Certification #: CR60200230
State: IN Expires: 06/30/2020
info@bakersappraisals.us

RESIDENTIAL APPRAISAL REPORT

File No. 16355 Lamar Rd/Bowman

SUBJECT	Property Address: 16355 Lamar Rd City: Hagerstown State: IN Zip Code: 47346																																																												
	County: Wayne Legal Description: PT NE SEC 4-17-12 4.27A	Assessor's Parcel #: 89-05-04-000-208.000-010																																																											
	Tax Year: 2018 R.E. Taxes: \$ 865 Special Assessments: \$ 0 Borrower (if applicable):																																																												
ASSIGNMENT	Current Owner of Record: BOWMAN DAIRY FARMS LLC Occupant: <input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant <input type="checkbox"/> Manufactured Housing																																																												
	Project Type: <input type="checkbox"/> PUD <input type="checkbox"/> Condominium <input type="checkbox"/> Cooperative <input type="checkbox"/> Other (describe)	HOA: \$ 0 per year <input type="checkbox"/> per month																																																											
	Market Area Name: DALTON TOWNSHIP Map Reference: 02-04-000-208.000-06 Census Tract: 0103.00																																																												
MARKET AREA DESCRIPTION	The purpose of this appraisal is to develop an opinion of: <input checked="" type="checkbox"/> Market Value (as defined), or <input type="checkbox"/> other type of value (describe)																																																												
	This report reflects the following value (if not Current, see comments): <input checked="" type="checkbox"/> Current (the Inspection Date is the Effective Date) <input type="checkbox"/> Retrospective <input type="checkbox"/> Prospective																																																												
	Approaches developed for this appraisal: <input checked="" type="checkbox"/> Sales Comparison Approach <input type="checkbox"/> Cost Approach <input type="checkbox"/> Income Approach (See Reconciliation Comments and Scope of Work)																																																												
SITE DESCRIPTION	Property Rights Appraised: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Leased Fee <input type="checkbox"/> Other (describe)																																																												
	Intended Use: Market Value																																																												
	Intended User(s) (by name or type): Client																																																												
MARKET AREA DESCRIPTION	Client: Trent Bowman Address:																																																												
	Appraiser: Mark Baker Address: PO Box 39, Richmond, IN 47375																																																												
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Location: <input type="checkbox"/> Urban <input type="checkbox"/> Suburban <input checked="" type="checkbox"/> Rural</td> <td rowspan="2">Predominant Occupancy</td> <td colspan="2">One-Unit Housing</td> <td colspan="2">Present Land Use</td> <td colspan="2">Change in Land Use</td> </tr> <tr> <td>Built up: <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%</td> <td>PRICE \$ (000)</td> <td>AGE (yrs)</td> <td>One-Unit</td> <td>30 %</td> <td colspan="2"><input checked="" type="checkbox"/> Not Likely</td> <td><input type="checkbox"/> Likely * <input type="checkbox"/> In Process *</td> </tr> <tr> <td>Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow</td> <td>30</td> <td>Low 5</td> <td>2-4 Unit</td> <td>%</td> <td colspan="2"></td> <td></td> </tr> <tr> <td>Property values: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining</td> <td>750</td> <td>High 180</td> <td>Multi-Unit</td> <td>%</td> <td colspan="2"></td> <td></td> </tr> <tr> <td>Demand/supply: <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply</td> <td>150</td> <td>Pred 50</td> <td>Comm'l</td> <td>%</td> <td colspan="2"></td> <td></td> </tr> <tr> <td>Marketing time: <input type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos.</td> <td></td> <td></td> <td>Vacant</td> <td>70 %</td> <td colspan="2"></td> <td></td> </tr> </table>		Location: <input type="checkbox"/> Urban <input type="checkbox"/> Suburban <input checked="" type="checkbox"/> Rural	Predominant Occupancy	One-Unit Housing		Present Land Use		Change in Land Use		Built up: <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	PRICE \$ (000)	AGE (yrs)	One-Unit	30 %	<input checked="" type="checkbox"/> Not Likely		<input type="checkbox"/> Likely * <input type="checkbox"/> In Process *	Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	30	Low 5	2-4 Unit	%				Property values: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	750	High 180	Multi-Unit	%				Demand/supply: <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	150	Pred 50	Comm'l	%				Marketing time: <input type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos.			Vacant	70 %														
Location: <input type="checkbox"/> Urban <input type="checkbox"/> Suburban <input checked="" type="checkbox"/> Rural	Predominant Occupancy	One-Unit Housing			Present Land Use		Change in Land Use																																																						
Built up: <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%		PRICE \$ (000)	AGE (yrs)	One-Unit	30 %	<input checked="" type="checkbox"/> Not Likely		<input type="checkbox"/> Likely * <input type="checkbox"/> In Process *																																																					
Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	30	Low 5	2-4 Unit	%																																																									
Property values: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	750	High 180	Multi-Unit	%																																																									
Demand/supply: <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	150	Pred 50	Comm'l	%																																																									
Marketing time: <input type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos.			Vacant	70 %																																																									
Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends): Current market data indicated that demand is in balance. Properties properly priced sell in less than 120 days. Estimated exposure time based on analysis of past events in an open market is 120 days. Current unemployment is 4.4% and is 17th out of 92 counties per the Indiana Workforce Development. Highest and best use is residential.																																																													
DESCRIPTION OF THE IMPROVEMENTS	Dimensions: 4.27 ac Site Area: 4.27 ac																																																												
	Zoning Classification: A-1 Description: Agriculture Intensive/Residential																																																												
	Zoning Compliance: <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal nonconforming (grandfathered) <input type="checkbox"/> Illegal <input type="checkbox"/> No zoning																																																												
Are CC&Rs applicable? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Unknown Have the documents been reviewed? <input type="checkbox"/> Yes <input type="checkbox"/> No Ground Rent (if applicable) \$ /																																																													
Highest & Best Use as improved: <input checked="" type="checkbox"/> Present use, or <input type="checkbox"/> Other use (explain)																																																													
Actual Use as of Effective Date: Single Family Dwelling Use as appraised in this report: For Market Value																																																													
Summary of Highest & Best Use: Housing for single family.																																																													
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Utilities</th> <th>Public</th> <th>Other</th> <th>Provider/Description</th> <th>Off-site Improvements</th> <th>Type</th> <th>Public</th> <th>Private</th> <th>Topography</th> <th>Level/Sloping</th> </tr> </thead> <tbody> <tr> <td>Electricity</td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td></td> <td>Street</td> <td>Paved</td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td>Size</td> <td>Typical</td> </tr> <tr> <td>Gas</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td>Propane</td> <td>Curb/Gutter</td> <td>Open Ditch</td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td>Shape</td> <td>Irregular</td> </tr> <tr> <td>Water</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td>Well</td> <td>Sidewalk</td> <td>None</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td>Drainage</td> <td>Average</td> </tr> <tr> <td>Sanitary Sewer</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td>Septic</td> <td>Street Lights</td> <td>None</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td>View</td> <td>N;Res;Ag</td> </tr> <tr> <td>Storm Sewer</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td></td> <td>Alley</td> <td>None</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td></td> <td></td> </tr> </tbody> </table>		Utilities	Public	Other	Provider/Description	Off-site Improvements	Type	Public	Private	Topography	Level/Sloping	Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Street	Paved	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Size	Typical	Gas	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Propane	Curb/Gutter	Open Ditch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Shape	Irregular	Water	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Well	Sidewalk	None	<input type="checkbox"/>	<input type="checkbox"/>	Drainage	Average	Sanitary Sewer	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Septic	Street Lights	None	<input type="checkbox"/>	<input type="checkbox"/>	View	N;Res;Ag	Storm Sewer	<input type="checkbox"/>	<input type="checkbox"/>		Alley	None	<input type="checkbox"/>	<input type="checkbox"/>		
Utilities	Public	Other	Provider/Description	Off-site Improvements	Type	Public	Private	Topography	Level/Sloping																																																				
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Street	Paved	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Size	Typical																																																				
Gas	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Propane	Curb/Gutter	Open Ditch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Shape	Irregular																																																				
Water	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Well	Sidewalk	None	<input type="checkbox"/>	<input type="checkbox"/>	Drainage	Average																																																				
Sanitary Sewer	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Septic	Street Lights	None	<input type="checkbox"/>	<input type="checkbox"/>	View	N;Res;Ag																																																				
Storm Sewer	<input type="checkbox"/>	<input type="checkbox"/>		Alley	None	<input type="checkbox"/>	<input type="checkbox"/>																																																						
Other site elements: <input type="checkbox"/> Inside Lot <input checked="" type="checkbox"/> Corner Lot <input type="checkbox"/> Cul de Sac <input type="checkbox"/> Underground Utilities <input type="checkbox"/> Other (describe)																																																													
FEMA Spec'l Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No FEMA Flood Zone X FEMA Map # 18177C0110E FEMA Map Date 04/02/2015																																																													
Site Comments: No apparent adverse easements, encroachments, or adverse conditions were readily observed.																																																													
DESCRIPTION OF THE IMPROVEMENTS	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>General Description</td> <td>Exterior Description</td> <td>Foundation</td> <td>Basement</td> <td>Heating</td> </tr> <tr> <td># of Units 1 <input type="checkbox"/> Acc. Unit</td> <td>Foundation Concrete</td> <td>Slab None</td> <td>Area Sq. Ft. _____</td> <td>Type None</td> </tr> <tr> <td># of Stories 1</td> <td>Exterior Walls Brick/Vinyl</td> <td>Crawl Space Full</td> <td>% Finished _____</td> <td>Fuel _____</td> </tr> <tr> <td>Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/></td> <td>Roof Surface Shingle</td> <td>Basement None</td> <td>Ceiling _____</td> <td></td> </tr> <tr> <td>Design (Style) DT1;Ranch</td> <td>Gutters & Dwnspts. Aluminum</td> <td>Sump Pump <input type="checkbox"/> None</td> <td>Walls _____</td> <td>Cooling</td> </tr> <tr> <td><input type="checkbox"/> Existing <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Und.Cons.</td> <td>Window Type Aluminum</td> <td>Dampness <input type="checkbox"/> None Noted</td> <td>Floor _____</td> <td>Central _____</td> </tr> <tr> <td>Actual Age (Yrs.) 58</td> <td>Storm/Screen Storm Window</td> <td>Settlement None Noted</td> <td>Outside Entry _____</td> <td>Other _____</td> </tr> <tr> <td>Effective Age (Yrs.) _____</td> <td></td> <td>Infestation None Noted</td> <td></td> <td></td> </tr> </table>		General Description	Exterior Description	Foundation	Basement	Heating	# of Units 1 <input type="checkbox"/> Acc. Unit	Foundation Concrete	Slab None	Area Sq. Ft. _____	Type None	# of Stories 1	Exterior Walls Brick/Vinyl	Crawl Space Full	% Finished _____	Fuel _____	Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/>	Roof Surface Shingle	Basement None	Ceiling _____		Design (Style) DT1;Ranch	Gutters & Dwnspts. Aluminum	Sump Pump <input type="checkbox"/> None	Walls _____	Cooling	<input type="checkbox"/> Existing <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Und.Cons.	Window Type Aluminum	Dampness <input type="checkbox"/> None Noted	Floor _____	Central _____	Actual Age (Yrs.) 58	Storm/Screen Storm Window	Settlement None Noted	Outside Entry _____	Other _____	Effective Age (Yrs.) _____		Infestation None Noted																					
	General Description	Exterior Description	Foundation	Basement	Heating																																																								
	# of Units 1 <input type="checkbox"/> Acc. Unit	Foundation Concrete	Slab None	Area Sq. Ft. _____	Type None																																																								
# of Stories 1	Exterior Walls Brick/Vinyl	Crawl Space Full	% Finished _____	Fuel _____																																																									
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/>	Roof Surface Shingle	Basement None	Ceiling _____																																																										
Design (Style) DT1;Ranch	Gutters & Dwnspts. Aluminum	Sump Pump <input type="checkbox"/> None	Walls _____	Cooling																																																									
<input type="checkbox"/> Existing <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Und.Cons.	Window Type Aluminum	Dampness <input type="checkbox"/> None Noted	Floor _____	Central _____																																																									
Actual Age (Yrs.) 58	Storm/Screen Storm Window	Settlement None Noted	Outside Entry _____	Other _____																																																									
Effective Age (Yrs.) _____		Infestation None Noted																																																											
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Interior Description</td> <td>Appliances</td> <td>Attic <input checked="" type="checkbox"/> None</td> <td>Amenities</td> <td>Car Storage <input type="checkbox"/> None</td> </tr> <tr> <td>Floors None</td> <td>Refrigerator <input type="checkbox"/></td> <td>Stairs <input type="checkbox"/></td> <td>Fireplace(s) # 1</td> <td>Garage # of cars (2 Tot.)</td> </tr> <tr> <td>Walls None</td> <td>Range/Oven <input type="checkbox"/></td> <td>Drop Stair <input type="checkbox"/></td> <td>Patio None</td> <td>Attach. 2</td> </tr> <tr> <td>Trim/Finish None</td> <td>Disposal <input type="checkbox"/></td> <td>Scuttle <input type="checkbox"/></td> <td>Deck None</td> <td>Detach. _____</td> </tr> <tr> <td>Bath Floor None</td> <td>Dishwasher <input type="checkbox"/></td> <td>Doorway <input type="checkbox"/></td> <td>Porch Uncovered</td> <td>Bit-In _____</td> </tr> <tr> <td>Bath Wainscot None</td> <td>Fan/Hood <input type="checkbox"/></td> <td>Floor <input type="checkbox"/></td> <td>Fence None</td> <td>Carport _____</td> </tr> <tr> <td>Doors None</td> <td>Microwave <input type="checkbox"/></td> <td>Heated <input type="checkbox"/></td> <td>Pool None</td> <td>Driveway _____</td> </tr> <tr> <td></td> <td>Washer/Dryer <input type="checkbox"/></td> <td>Finished <input type="checkbox"/></td> <td>Outldg Outbuildings</td> <td>Surface Concrete</td> </tr> </table>		Interior Description	Appliances	Attic <input checked="" type="checkbox"/> None	Amenities	Car Storage <input type="checkbox"/> None	Floors None	Refrigerator <input type="checkbox"/>	Stairs <input type="checkbox"/>	Fireplace(s) # 1	Garage # of cars (2 Tot.)	Walls None	Range/Oven <input type="checkbox"/>	Drop Stair <input type="checkbox"/>	Patio None	Attach. 2	Trim/Finish None	Disposal <input type="checkbox"/>	Scuttle <input type="checkbox"/>	Deck None	Detach. _____	Bath Floor None	Dishwasher <input type="checkbox"/>	Doorway <input type="checkbox"/>	Porch Uncovered	Bit-In _____	Bath Wainscot None	Fan/Hood <input type="checkbox"/>	Floor <input type="checkbox"/>	Fence None	Carport _____	Doors None	Microwave <input type="checkbox"/>	Heated <input type="checkbox"/>	Pool None	Driveway _____		Washer/Dryer <input type="checkbox"/>	Finished <input type="checkbox"/>	Outldg Outbuildings	Surface Concrete																				
Interior Description	Appliances	Attic <input checked="" type="checkbox"/> None	Amenities	Car Storage <input type="checkbox"/> None																																																									
Floors None	Refrigerator <input type="checkbox"/>	Stairs <input type="checkbox"/>	Fireplace(s) # 1	Garage # of cars (2 Tot.)																																																									
Walls None	Range/Oven <input type="checkbox"/>	Drop Stair <input type="checkbox"/>	Patio None	Attach. 2																																																									
Trim/Finish None	Disposal <input type="checkbox"/>	Scuttle <input type="checkbox"/>	Deck None	Detach. _____																																																									
Bath Floor None	Dishwasher <input type="checkbox"/>	Doorway <input type="checkbox"/>	Porch Uncovered	Bit-In _____																																																									
Bath Wainscot None	Fan/Hood <input type="checkbox"/>	Floor <input type="checkbox"/>	Fence None	Carport _____																																																									
Doors None	Microwave <input type="checkbox"/>	Heated <input type="checkbox"/>	Pool None	Driveway _____																																																									
	Washer/Dryer <input type="checkbox"/>	Finished <input type="checkbox"/>	Outldg Outbuildings	Surface Concrete																																																									
Finished area above grade contains: 5 Rooms 3 Bedrooms 1.0 Bath(s) 1,398 Square Feet of Gross Living Area Above Grade																																																													
Additional features: 30' x 45' Outbuilding																																																													
Describe the condition of the property (including physical, functional and external obsolescence): Subjects' current condition is not livable. Subject is missing walls, ceiling, insulation, kitchen, bathroom, flooring, heat, lighting, electric, and doors. Functional use of well and septic is unknown. Overhead doors on outbuilding are damaged. Overhead door on subjects garage is not functional.																																																													

RESIDENTIAL APPRAISAL REPORT

File No. 16355 Lamar Rd/Bowman

My research did did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s): **Richmond Real Estate MLS/County Property Records**

1st Prior Subject Sale/Transfer	Analysis of sale/transfer history and/or any current agreement of sale/listing:	Subject had a prior sale for \$35,000 on
Date: 06/09/2016	06/09/2016 by executor deed. No other prior sale or transfer for the subject in the past thirty-six	
Price: 35,000	months and no prior sale for the comparables in the past twelve months were readily available.	
Source(s): County Records	Subject property has not been appraised within the past three years by the assigned appraiser.	
2nd Prior Subject Sale/Transfer		
Date:		
Price:		
Source(s):		

SALES COMPARISON APPROACH TO VALUE (if developed) The Sales Comparison Approach was not developed for this appraisal.


FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3
Address	16355 Lamar Rd Hagerstown, IN 47346	318 Boundry St Cambridge City, IN 47327	716 S Washington St Hagerstown, IN 47346	5843 N Mineral Springs Rd Greens Fork, IN 47345
Proximity to Subject		10.46 miles S	4.17 miles S	8.28 miles SE
Sale Price	\$ N/A	\$ 40,000	\$ 54,000	\$ 61,200
Sale Price/GLA	\$ /sq.ft.	\$ 26.60 /sq.ft.	\$ 32.77 /sq.ft.	\$ 75.18 /sq.ft.
Data Source(s)	Interior Inspection	RRE MLS#10033831;DOM 32	RRE MLS#10032341;DOM 189	RRE MLS#10032504;DOM 148
Verification Source(s)	County Records	Soaring Eagle Real Estate	Robinson Real Estate	Robinson Real Estate
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION +(-) \$ Adjust.	DESCRIPTION +(-) \$ Adjust.	DESCRIPTION +(-) \$ Adjust.
Sales or Financing	None	ArmLth	ArmLth	ArmLth
Concessions	N/A	Conv;0	Cash;0	Conv;1836
Date of Sale/Time	None	s08/18;c07/18	s06/18;c05/18	s06/18;c03/18
Rights Appraised	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Location	N;Res;Ag	N;Res;Ag	N;Res;Ag	N;Res;Ag
Site	4.27 ac	2.00 ac +4,540	6.65 ac -4,760	1.00 ac +6,540
View	N;Res;Ag	N;Res;Ag	N;Res;Ag	N;Res;Ag
Design (Style)	DT1;Ranch	DT1.5;Traditional	DT1.5;Traditional	DT1;Ranch
Quality of Construction	Average	Average	Average	Average
Age	58	178	98	31
Condition	Fair	Fair	Average	Average/Good
Above Grade	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths
Room Count	5 3 1.0	7 3 1.0	7 4 2.0	5 3 1.0
Gross Living Area	1,398 sq.ft.	1,504 sq.ft.	1,648 sq.ft.	814 sq.ft.
Basement & Finished	0sf	224sf +1,120	483sf -2,415	0sf
Rooms Below Grade	None	None	None	None
Functional Utility	Poor	Average -10,000	Average -10,000	Average -10,000
Heating/Cooling	None	GFWA/CAC -7,000	GFWA/CAC -7,000	GFWA/CAC -7,000
Energy Efficient Items	Some St Wind	Storm Windows -1,000	Thermo/St. Wind -1,000	Thermopane -2,000
Garage/Carport	2 Car Garage	3gd -2,000	None +4,000	2ga 0
Porch/Patio/Deck	Porch	Porch	Porch/Patio/Deck 0	Deck 0
Outbuildings	Outbuildings	None +5,000	Outbuilding	None +5,000
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -9,840	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -33,975	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -30,396
Adjusted Sale Price of Comparables		Net 24.6 % Gross 77.9 % \$ 30,160	Net 62.9 % Gross 77.7 % \$ 20,025	Net 49.7 % Gross 96.9 % \$ 30,804

Summary of Sales Comparison Approach Data is extremely limited for the subject. Due to limited data, appraiser had no choice but to exceed a

five mile proximity to locate comparables for the subject, which is common for the area. Major arteries dividing subject from comparables would not pose any market division or neighborhood barrier. Net, single line and gross percentages exceed normal guidelines which were necessary to reflect condition, functional and site size. All comparables used would have the same marketability and appeal to the same type of buyer as the subject. Adjustments for bedroom counts were not made, market data does not reflect an adjustment. Comparable 2 exceeded normal marketing time because original listing price was not within a reasonable range. Comparables differ in age by more than 5 years and were used due to limited data. Basement area is valued at \$5 per square foot. All adjustments made are based on market data and cost depreciation. Comparables used are a reasonable and reliable indicator of the subject market area.

Indicated Value by Sales Comparison Approach \$ 30,000

RESIDENTIAL APPRAISAL REPORT

COST APPROACH	COST APPROACH TO VALUE (if developed) <input checked="" type="checkbox"/> The Cost Approach was not developed for this appraisal.			
	Provide adequate information for replication of the following cost figures and calculations. Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value):			
	ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW		OPINION OF SITE VALUE -----=\$	
	Source of cost data:	DWELLING	Sq.Ft. @ \$	-----=\$
	Quality rating from cost service:	Effective date of cost data:	Sq.Ft. @ \$	-----=\$
	Comments on Cost Approach (gross living area calculations, depreciation, etc.):		Sq.Ft. @ \$	-----=\$
			Sq.Ft. @ \$	-----=\$
			Sq.Ft. @ \$	-----=\$
			Sq.Ft. @ \$	-----=\$
			Garage/Carport	Sq.Ft. @ \$ -----=\$
Total Estimate of Cost-New -----=\$				
		Less Physical	Functional External -----=\$	
		Depreciation	-----=\$	
		Depreciated Cost of Improvements	-----=\$	
		"As-is" Value of Site Improvements	-----=\$	
			-----=\$	
			-----=\$	
Estimated Remaining Economic Life (if required):		Years	INDICATED VALUE BY COST APPROACH -----=\$	
INCOME APPROACH	INCOME APPROACH TO VALUE (if developed) <input checked="" type="checkbox"/> The Income Approach was not developed for this appraisal.			
	Estimated Monthly Market Rent \$	X Gross Rent Multiplier	= \$	Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM):				
PUD	PROJECT INFORMATION FOR PUDs (if applicable) <input type="checkbox"/> The Subject is part of a Planned Unit Development.			
	Legal Name of Project: Describe common elements and recreational facilities:			
RECONCILIATION	Indicated Value by: Sales Comparison Approach \$ <u>30,000</u>		Cost Approach (if developed) \$ _____	
	Income Approach (if developed) \$ _____		Final Reconciliation <u>The sales comparison approach is the most reliable as it measures buyer/seller action in the market. Cost approach and income approaches were not applicable. Opinion of value was determined by the weighted average of the adjusted sales price of the comparables used. Comparable 1-35%, Comparable 2-35%, Comparable 3-30%.</u>	
	This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, <input type="checkbox"/> subject to the following required inspection based on the Extraordinary Assumption that the condition or deficiency does not require alteration or repair: <u>This appraisal is for value estimate only and not intended to guarantee the condition of the property. Home inspection recommended on all properties.</u>			
	<input type="checkbox"/> This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.			
	Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ <u>30,000</u> , as of: <u>09/17/2018</u> , which is the effective date of this appraisal. If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.			
ATTACHMENTS	A true and complete copy of this report contains <u>18</u> pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.			
	Attached Exhibits:			
	<input checked="" type="checkbox"/> Scope of Work <input checked="" type="checkbox"/> Map Addenda <input type="checkbox"/> Hypothetical Conditions	<input checked="" type="checkbox"/> Limiting Cond./Certifications <input type="checkbox"/> Additional Sales <input type="checkbox"/> Extraordinary Assumptions	<input type="checkbox"/> Narrative Addendum <input type="checkbox"/> Cost Addendum	<input checked="" type="checkbox"/> Photograph Addenda <input checked="" type="checkbox"/> Flood Addendum
SIGNATURES	Client Contact: _____ Client Name: <u>Trent Bowman</u>		Address: _____	
	APPRAISER		SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)	
			Supervisory or Co-Appraiser Name: _____	
	Appraiser Name: <u>Mark Baker</u> Company: <u>Mark A. Baker</u> Phone: <u>(765) 969-4327</u> Fax: _____ E-Mail: <u>info@bakersappraisals.us</u>		Company: _____ Phone: _____ Fax: _____ E-Mail: _____	
	Date of Report (Signature): <u>09/19/2018</u> License or Certification #: <u>CR60200230</u> State: <u>IN</u> Designation: <u>Indiana Certified</u> Expiration Date of License or Certification: <u>06/30/2020</u> Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: <u>09/17/2018</u>		Date of Report (Signature): _____ License or Certification #: _____ State: _____ Designation: _____ Expiration Date of License or Certification: _____ Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: _____	



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. (Source: FDIC Interagency Appraisal and Evaluation Guidelines, October 27, 1994.)

* 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 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 valued on the basis of it being under responsible ownership.
2. Any sketch provided in the appraisal report may show approximate dimensions of the improvements and is included only to assist the reader of the report in visualizing the property. The appraiser has made no survey of the property.
3. 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, or as otherwise required by law.
4. Any distribution of valuation between land and improvements in the report applies only under the existing program of utilization. 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.
5. The appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous waste, 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. This appraisal report must not be considered an environmental assessment of the subject property.
6. 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.
7. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
8. 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.
9. 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.
10. The appraiser is not an employee of the company or individual(s) ordering this report and compensation is not contingent upon the reporting of a predetermined value or direction of value or upon an action or event resulting from the analysis, opinions, conclusions, or the use of this report. This assignment is not based on a required minimum, specific valuation, or the approval of a loan.

CERTIFICATION: The appraiser certifies and agrees that:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
9. Unless otherwise indicated, I have made a personal inspection of the interior and exterior areas of the property that is the subject of this report, and the exteriors of all properties listed as comparables.
10. Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

ADDRESS OF PROPERTY ANALYZED: 16355 Lamar Rd, Hagerstown, IN 47346

APPRAISER: 
 Signature: _____
 Name: Mark Baker
 Title: Indiana Certified
 State Certification #: CR60200230
 or State License #: _____
 State: IN Expiration Date of Certification or License: 06/30/2020
 Date Signed: 09/19/2018

SUPERVISORY or CO-APPRAISER (if applicable):
 Signature: _____
 Name: _____
 Title: _____
 State Certification #: _____
 or State License #: _____
 State: _____ Expiration Date of Certification or License: _____
 Date Signed: _____
 Did Did Not Inspect Property

Borrower
 Property Address 16355 Lamar Rd
 City Hagerstown County Wayne State IN Zip Code 47346

Lender/Client

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

- Appraisal Report (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- Restricted Appraisal Report (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

Reasonable Exposure Time

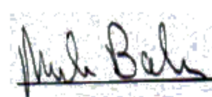
(USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)

My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 120 Days

Comments on Appraisal and Report Identification

Note any USPAP-related issues requiring disclosure and any state mandated requirements:

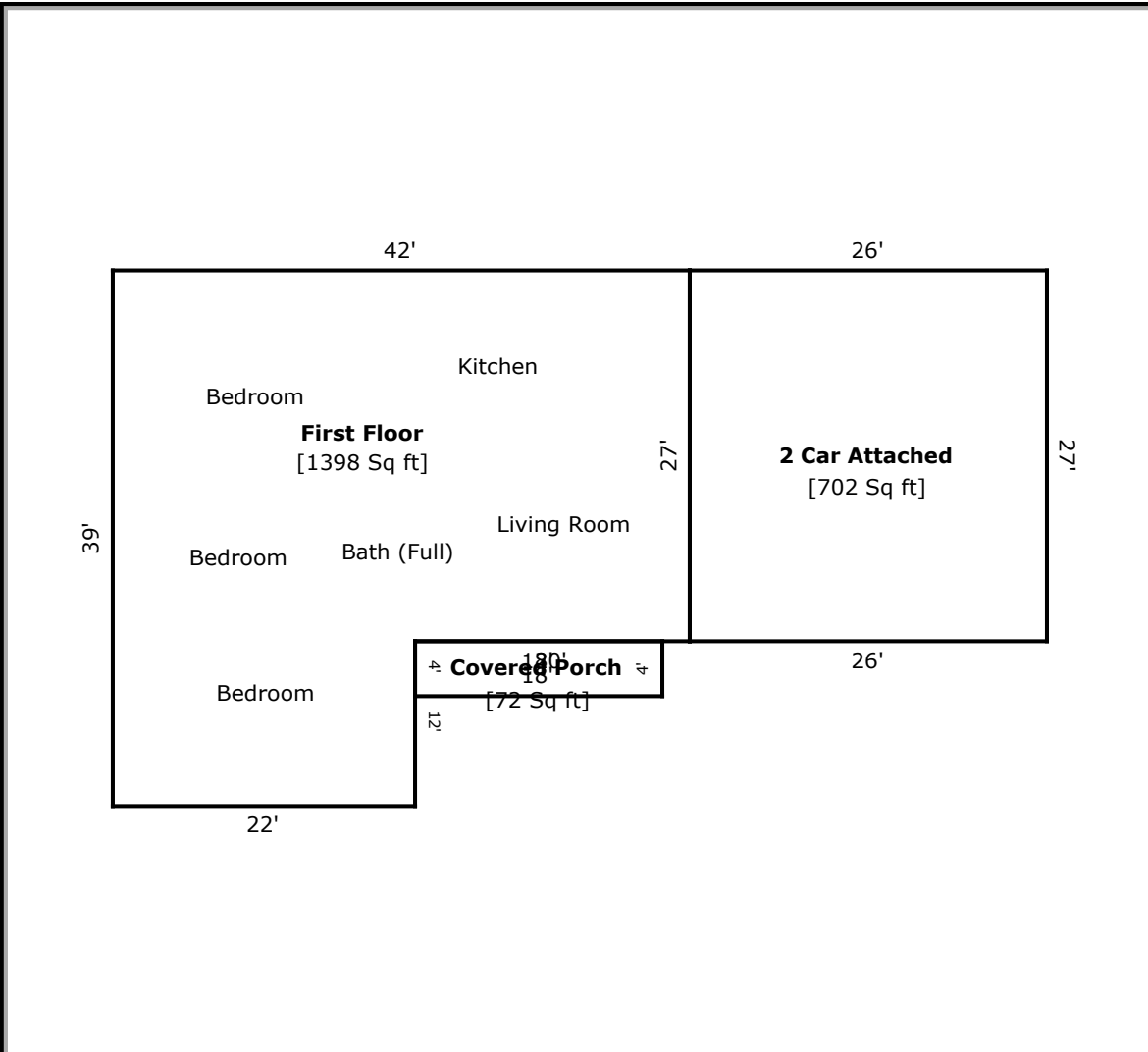
APPRAISER:

Signature: 
 Name: Mark Baker
 Indiana Certified
 State Certification #: CR60200230
 or State License #: _____
 State: IN Expiration Date of Certification or License: 06/30/2020
 Date of Signature and Report: 09/19/2018
 Effective Date of Appraisal: 09/17/2018
 Inspection of Subject: None Interior and Exterior Exterior-Only
 Date of Inspection (if applicable): 09/17/2018

SUPERVISORY or CO-APPRAISER (if applicable):

Signature: _____
 Name: _____
 State Certification #: _____
 or State License #: _____
 State: _____ Expiration Date of Certification or License: _____
 Date of Signature: _____
 Inspection of Subject: None Interior and Exterior Exterior-Only
 Date of Inspection (if applicable): _____

Borrower						
Property Address	16355 Lamar Rd					
City	Hagerstown	County	Wayne	State	IN	Zip Code 47346
Lender/Client						



TOTAL Sketch by a la mode, inc.

Area Calculations Summary

Living Area		Calculation Details
First Floor	1398 Sq ft	27 × 20 = 540 39 × 22 = 858
Total Living Area (Rounded):		1398 Sq ft
Non-living Area		Calculation Details
Covered Porch	72 Sq ft	4 × 18 = 72
2 Car Attached	702 Sq ft	27 × 26 = 702

Borrower							
Property Address	16355 Lamar Rd						
City	Hagerstown	County	Wayne	State	IN	Zip Code	47346
Lender/Client							



Subject Front
16355 Lamar Rd



Subject Rear



Subject Street

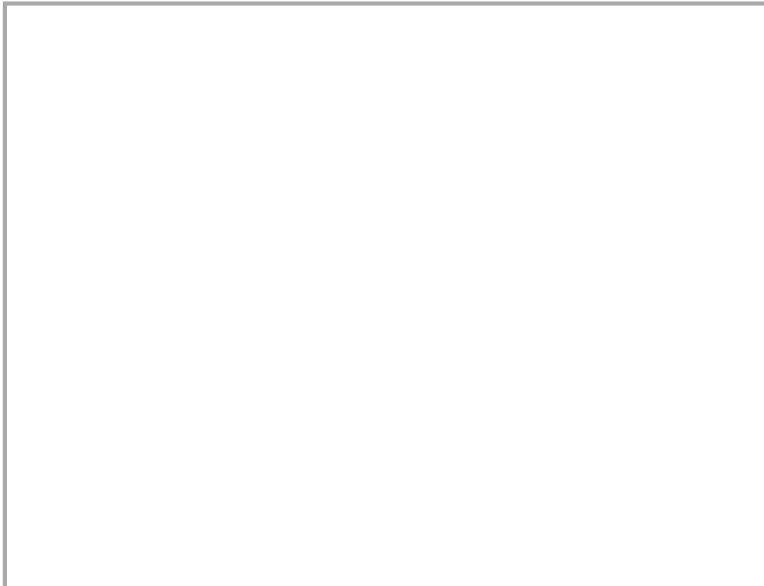
Borrower						
Property Address	16355 Lamar Rd					
City	Hagerstown	County	Wayne	State	IN	Zip Code 47346
Lender/Client						



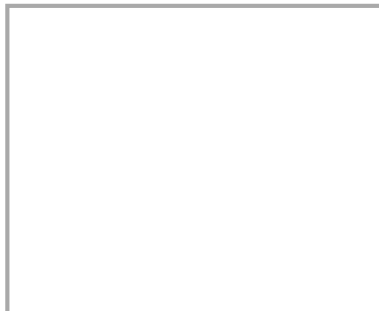
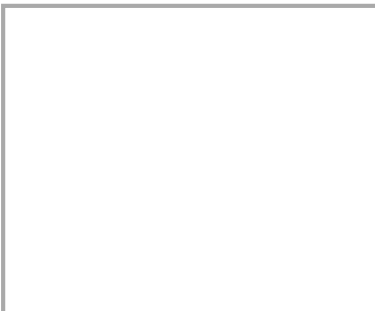
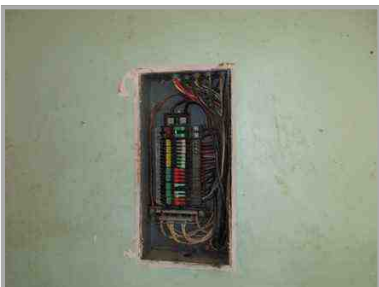
Subject Side



Subject Side



Borrower						
Property Address	16355 Lamar Rd					
City	Hagerstown	County	Wayne	State	IN	Zip Code 47346
Lender/Client						



Borrower					
Property Address	16355 Lamar Rd				
City	Hagerstown	County	Wayne	State	IN Zip Code 47346
Lender/Client					



Borrower						
Property Address	16355 Lamar Rd					
City	Hagerstown	County	Wayne	State	IN	Zip Code 47346
Lender/Client						



Comparable 1

318 Boundry St	
Prox. to Subject	10.46 miles S
Sale Price	40,000
Gross Living Area	1,504
Total Rooms	7
Total Bedrooms	3
Total Bathrooms	1.0
Location	N;Res;Ag
View	N;Res;Ag
Site	2.00 ac
Quality	Average
Age	178



Comparable 2

716 S Washington St	
Prox. to Subject	4.17 miles S
Sale Price	54,000
Gross Living Area	1,648
Total Rooms	7
Total Bedrooms	4
Total Bathrooms	2.0
Location	N;Res;Ag
View	N;Res;Ag
Site	6.65 ac
Quality	Average
Age	98

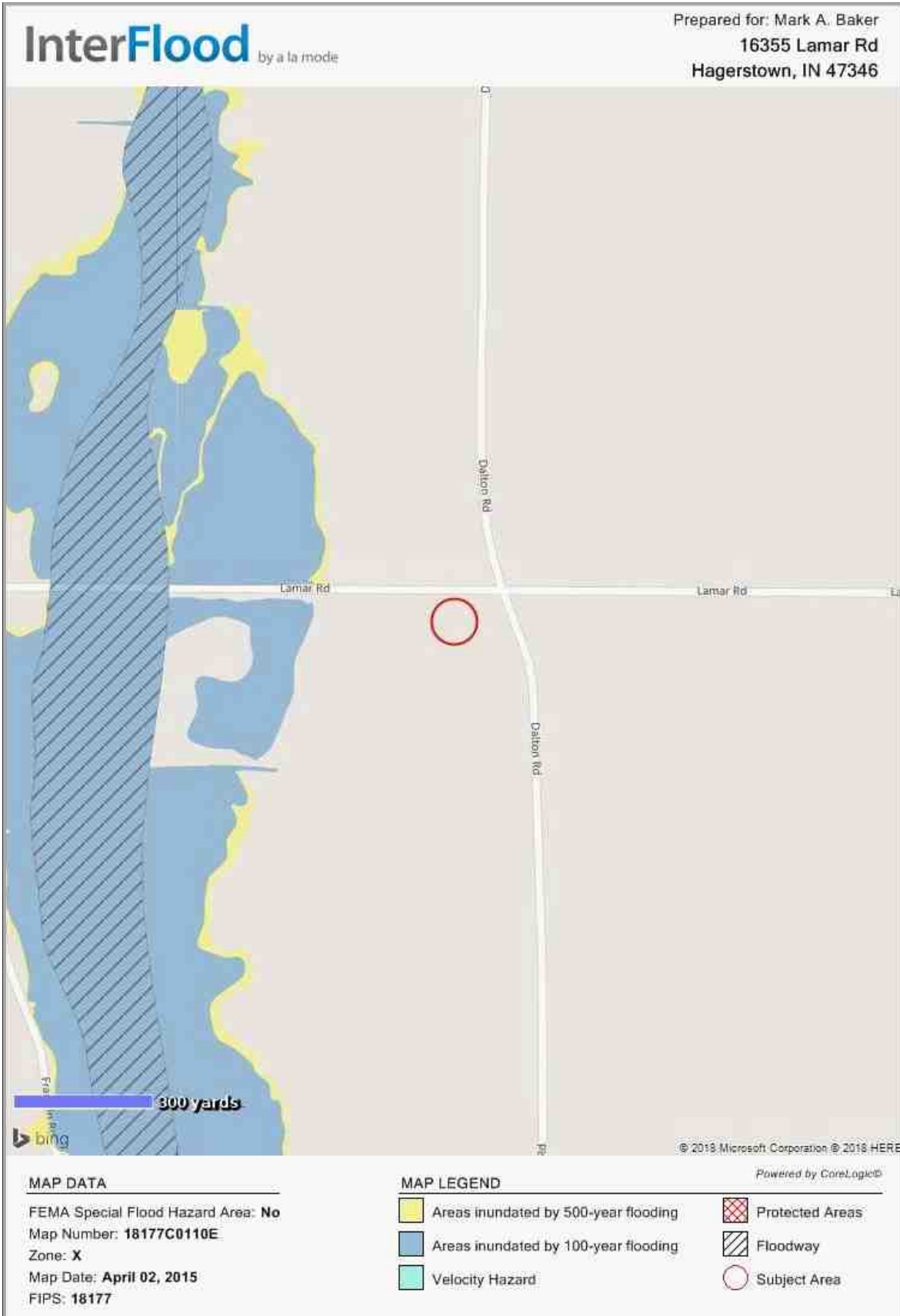


Comparable 3

5843 N Mineral Springs Rd	
Prox. to Subject	8.28 miles SE
Sale Price	61,200
Gross Living Area	814
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	1.0
Location	N;Res;Ag
View	N;Res;Ag
Site	1.00 ac
Quality	Average
Age	31

Flood Map

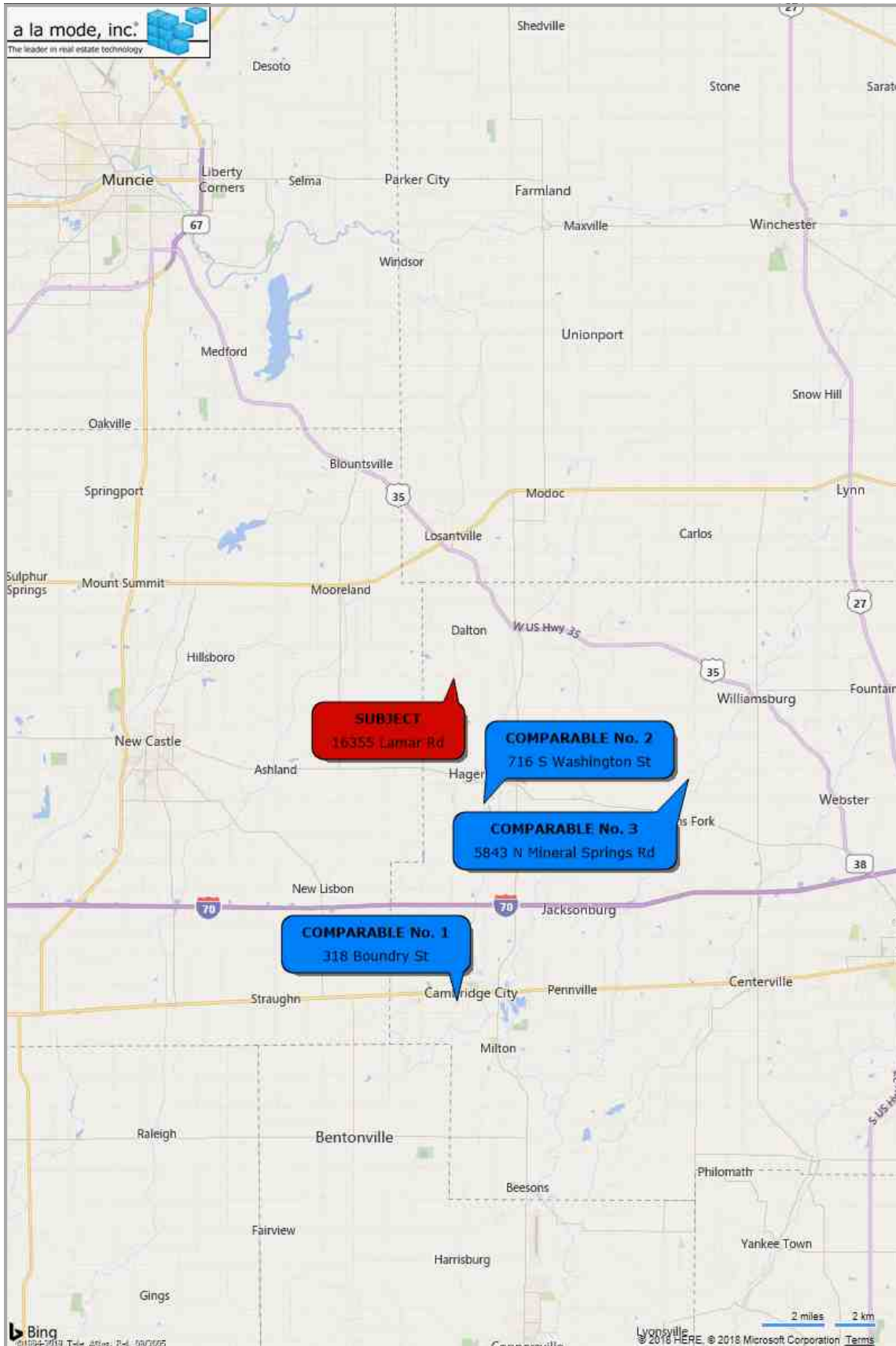
Borrower						
Property Address	16355 Lamar Rd					
City	Hagerstown	County	Wayne	State	IN	Zip Code 47346
Lender/Client						



Borrower							
Property Address	16355 Lamar Rd						
City	Hagerstown	County	Wayne	State	IN	Zip Code	47346
Lender/Client							



Borrower						
Property Address	16355 Lamar Rd					
City	Hagerstown	County	Wayne	State	IN	Zip Code 47346
Lender/Client						





Indiana Professional Licensing Agency
Real Estate Appraiser Board
402 West Washington St., Room W072, Indianapolis, IN 46204 (317) 234-3009

Certified Residential Appraiser License

License Number	Expiration Date	License Status
CR60200230	06/30/2020	Active

Mark Baker
P.O Box 39
Richmond IN 47375

Eric J. Holcomb
Eric J. Holcomb
Governor
State of Indiana

Deborah J. Frye
Deborah J. Frye
Executive Director
Indiana Professional Licensing Agency