PHOTOGRAPHS OF SUBJECT PROPERTY

VIEW OF FRONT AND SOUTHEAST SIDE OF SUBJECT PROPERTY

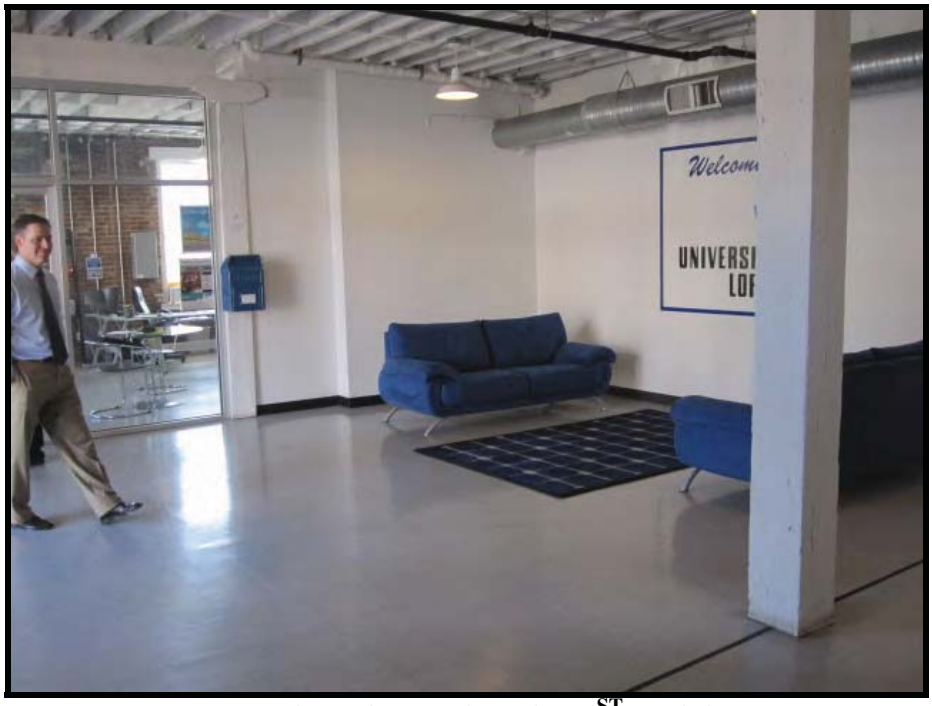
FRONTAL VIEW OF SUBJECT PROPERTY ALONG BOLIVAR STREET

VIEW OF NORTHWEST SIDE OF SUBJECT PROPERTY

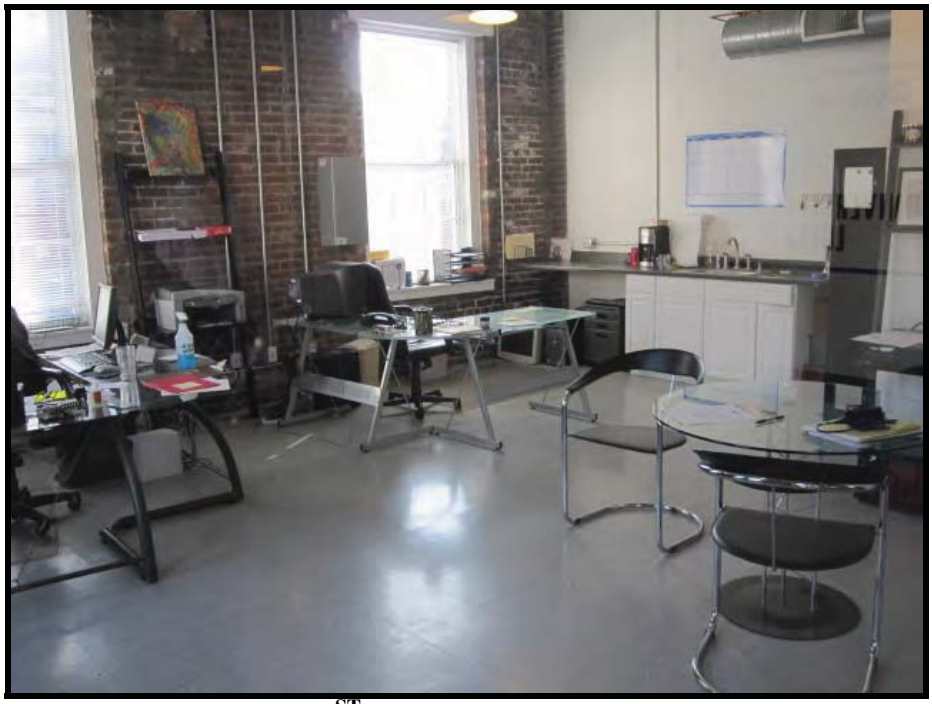
REAR VIEW OF SUBJECT PROPERTY

REAR VIEW OF SUBJECT PROPERTY

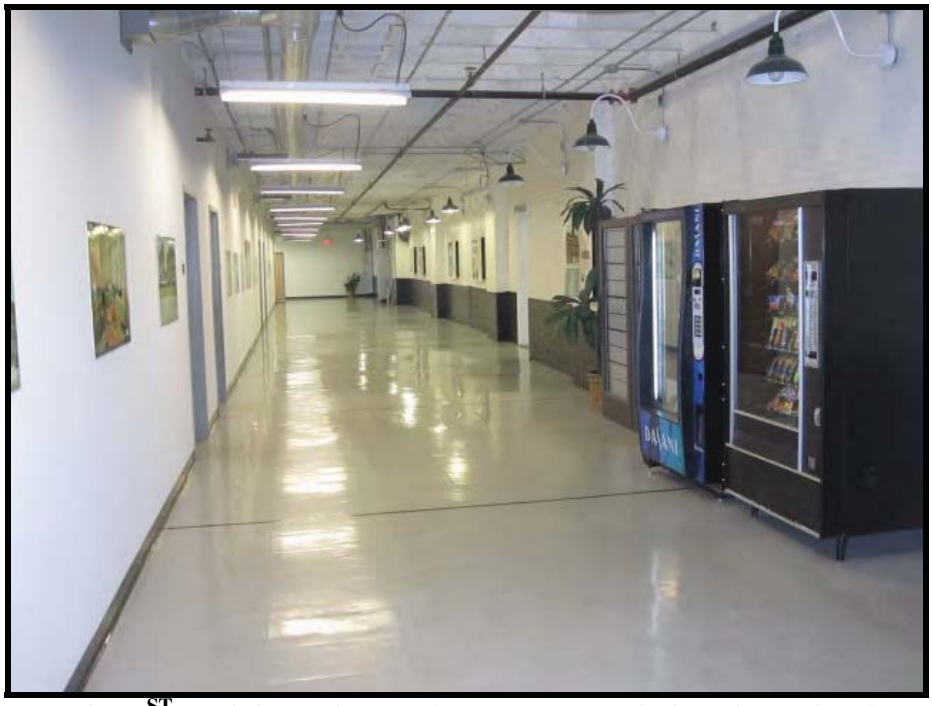
VIEW OF REAR PARKING AREA



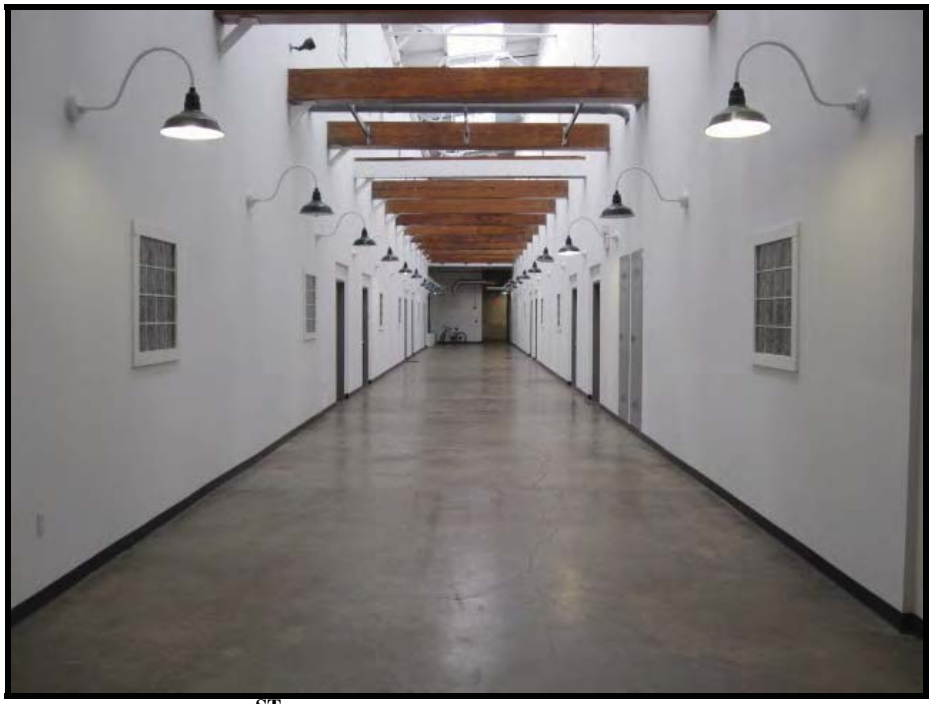
VIEW OF LOBBY AREA – 1ST FLOOR



VIEW OF 1ST FLOOR LEASING OFFICE



VIEW OF 1ST FLOOR HALLWAY – VENDING & MAILBOX AREA



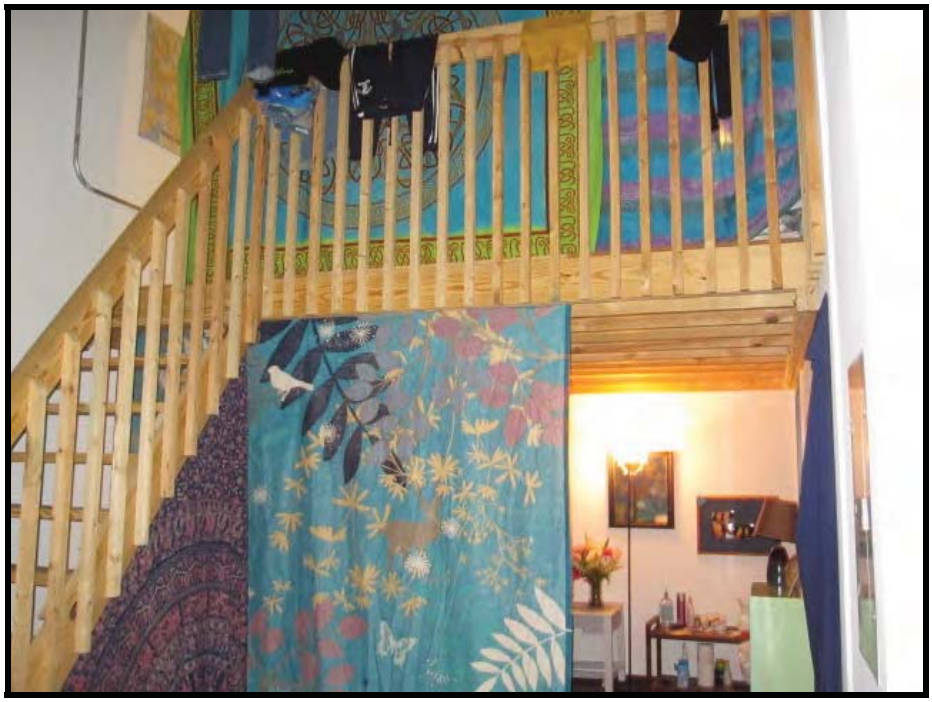
VIEW OF 1ST FLOOR COMMON AREA HALLWAY

VIEW OF APARTMENT UNIT - #139 – KITCHEN/DINING AREA

VIEW OF APARTMENT UNIT - #139 – KITCHEN AREA

VIEW OF APARTMENT UNIT - #139 – BEDROOM AREA

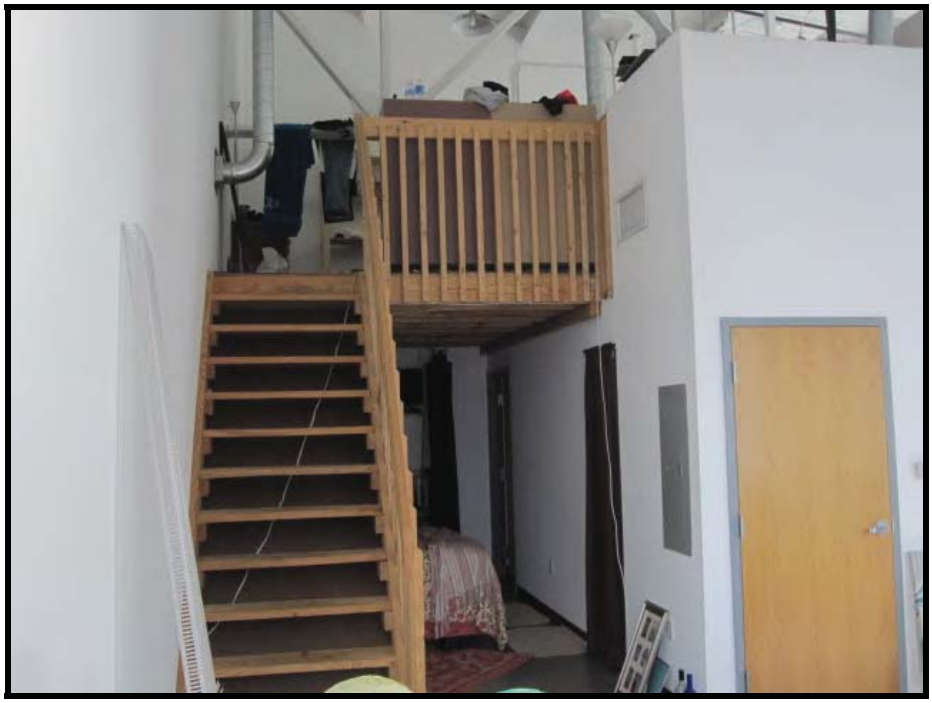
VIEW OF APARTMENT UNIT - #128 – BEDROOM AREA



VIEW OF APARTMENT UNIT - #117 – LOFT BEDROOM AREAS

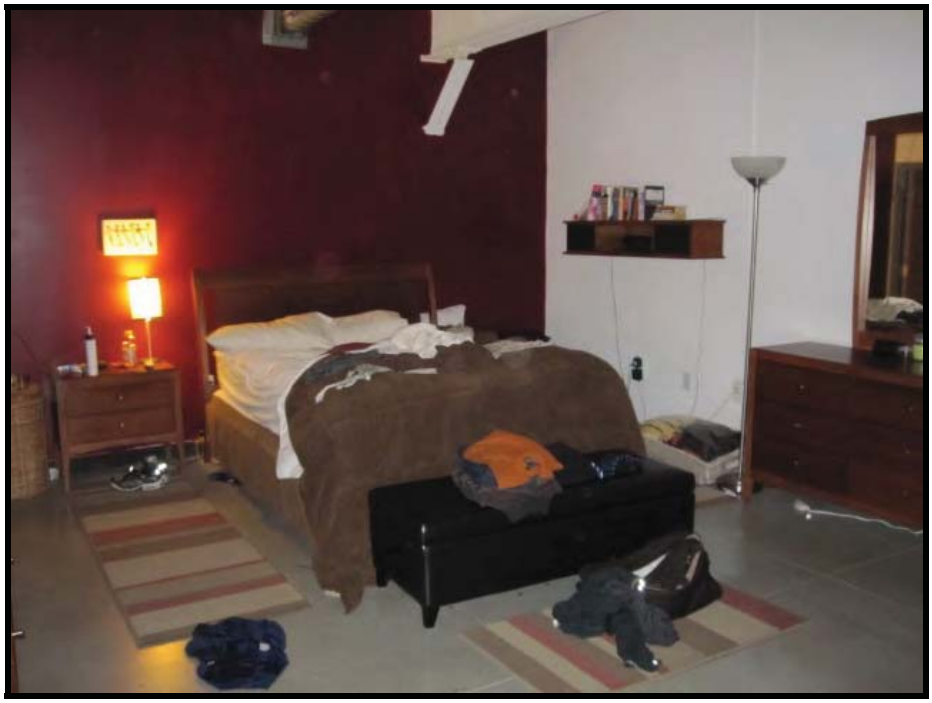
VIEW OF APARTMENT UNIT - #117 – LOFT BEDROOM AREA

VIEW OF APARTMENT UNIT - #214 – KITCHEN/LIVING AREA



VIEW OF APARTMENT UNIT - #214 – LOFT BEDROOM AREA

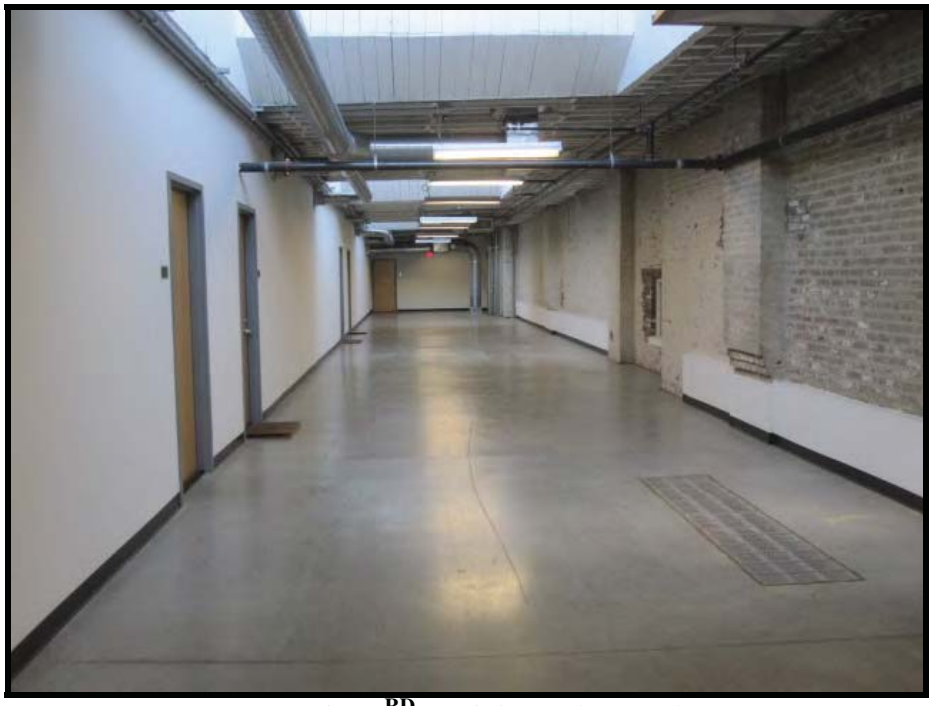
VIEW OF APARTMENT UNIT - #302 – KITCHEN/DINING AREA



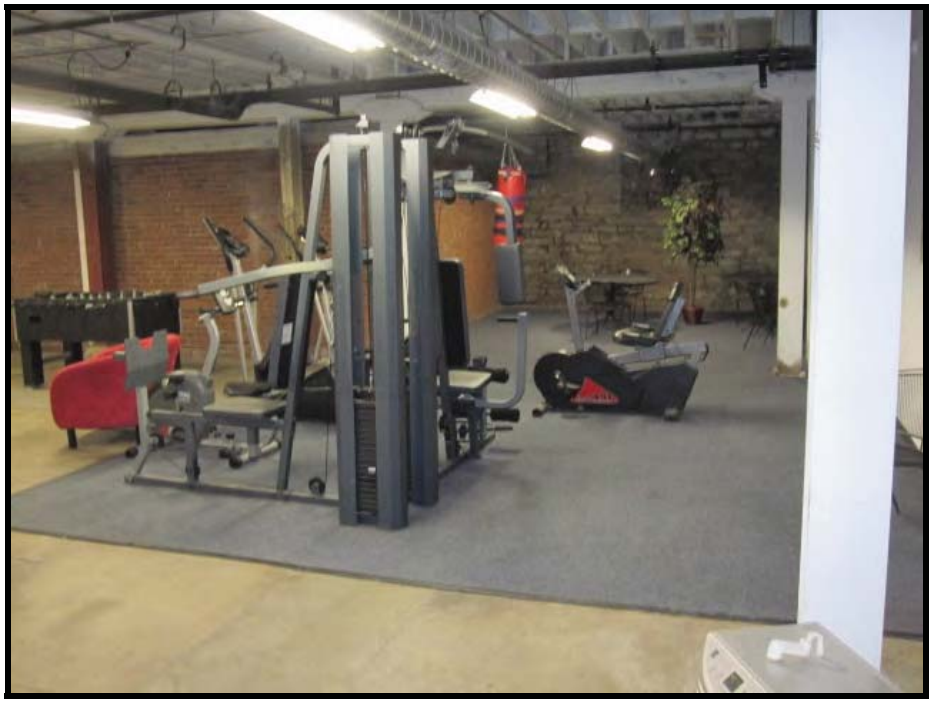
VIEW OF APARTMENT UNIT - #302 – BEDROOM AREA

VIEW OF OPEN COMMON AREA FROM 2ND FLOOR

VIEW OF 2ND FLOOR HALLWAY AREA



VIEW OF 3RD FLOOR HALLWAY



VIEW OF BASEMENT – FITNESS AREA

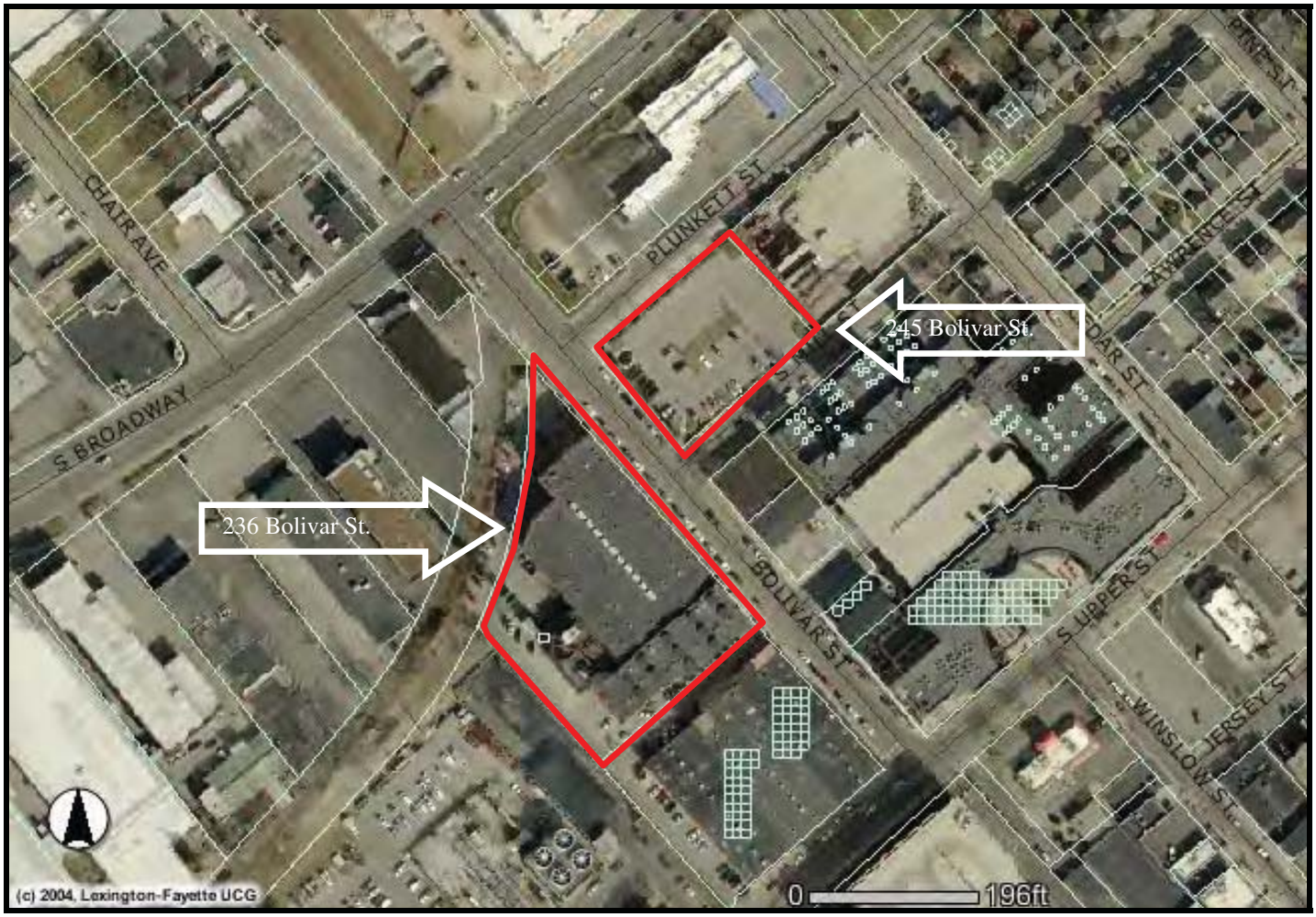
VIEW OF BASEMENT – LAUNDRY ROOM

VIEW OF BASEMENT – STORAGE AREA

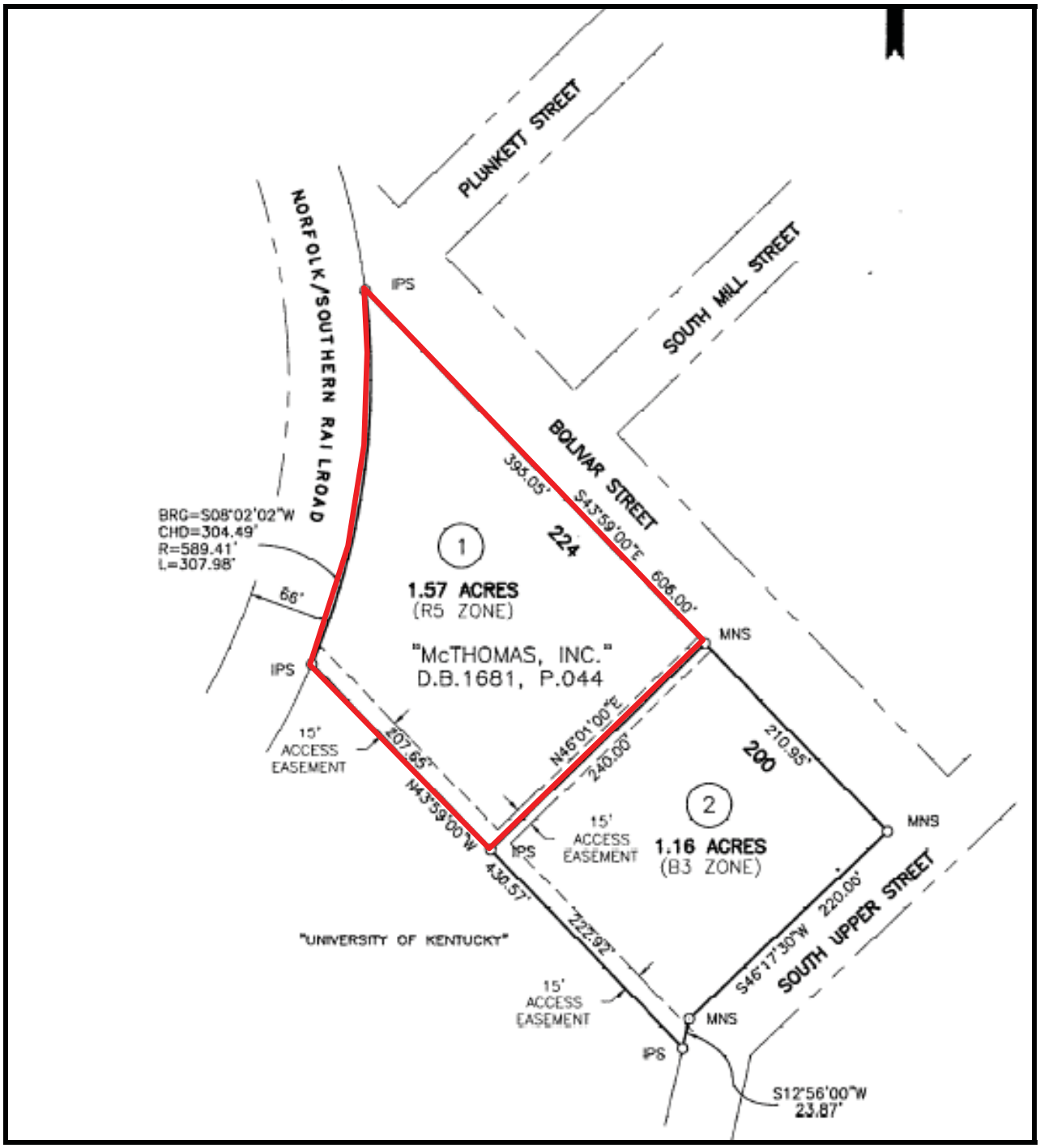
VIEW OF PARKING LOT AT 245 BOLIVAR STREET

VIEW OF PARKING LOT AT 245 BOLIVAR STREET TOWARD APARTMENTS

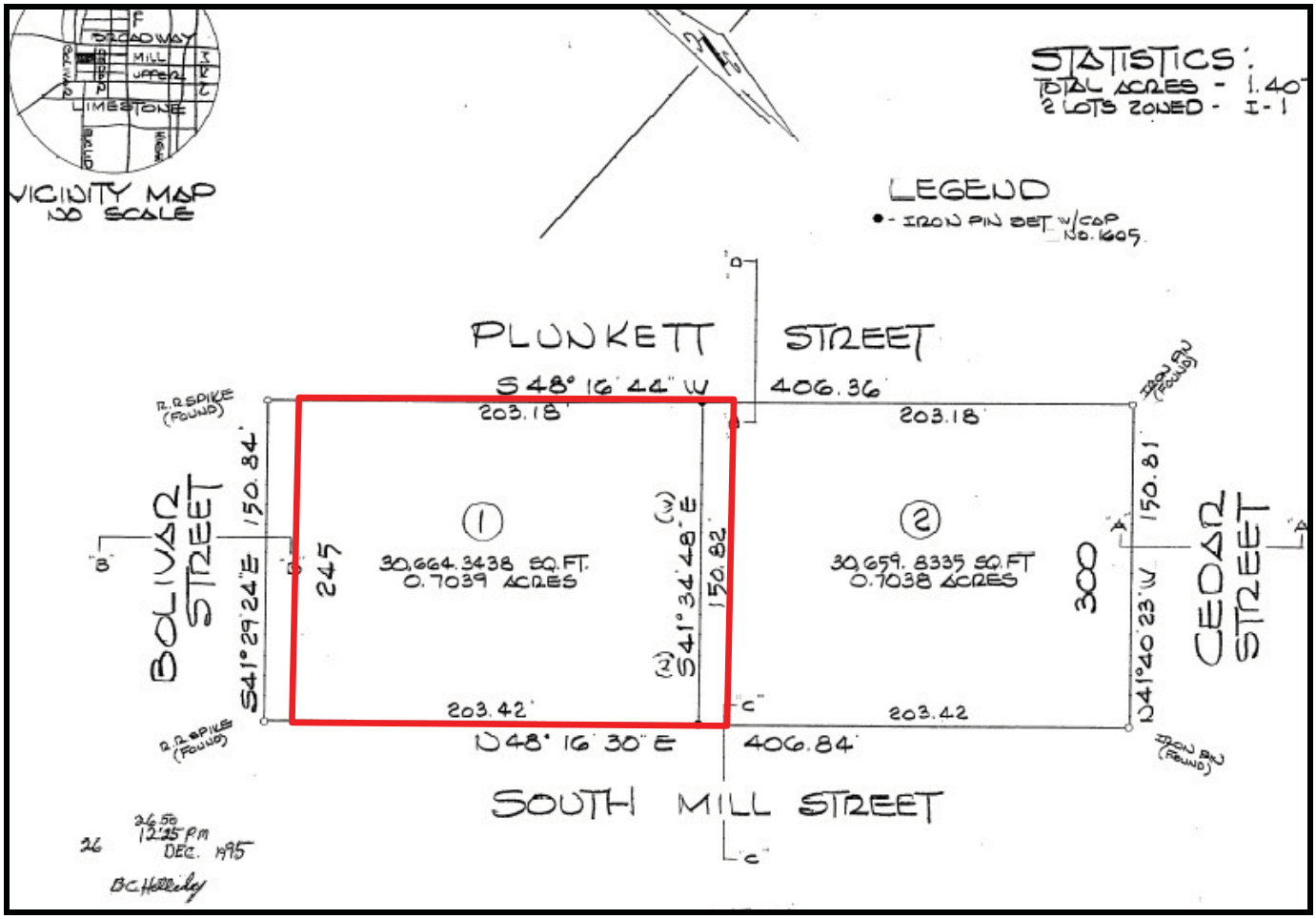
AERIAL PHOTOGRAPH OF SUBJECT PROPERTY



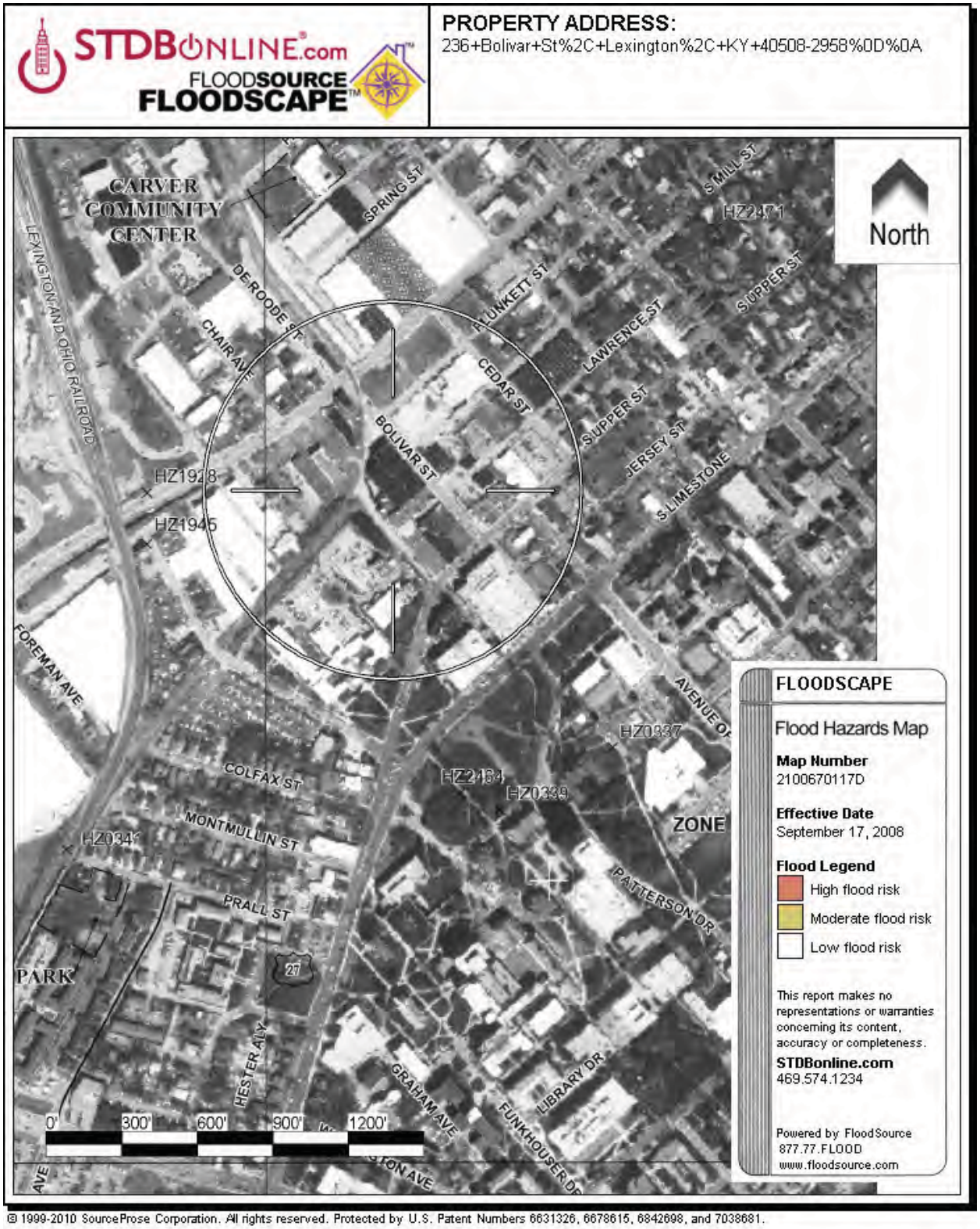
PLAT OF SUBJECT SITE – 236 BOLIVAR STREET



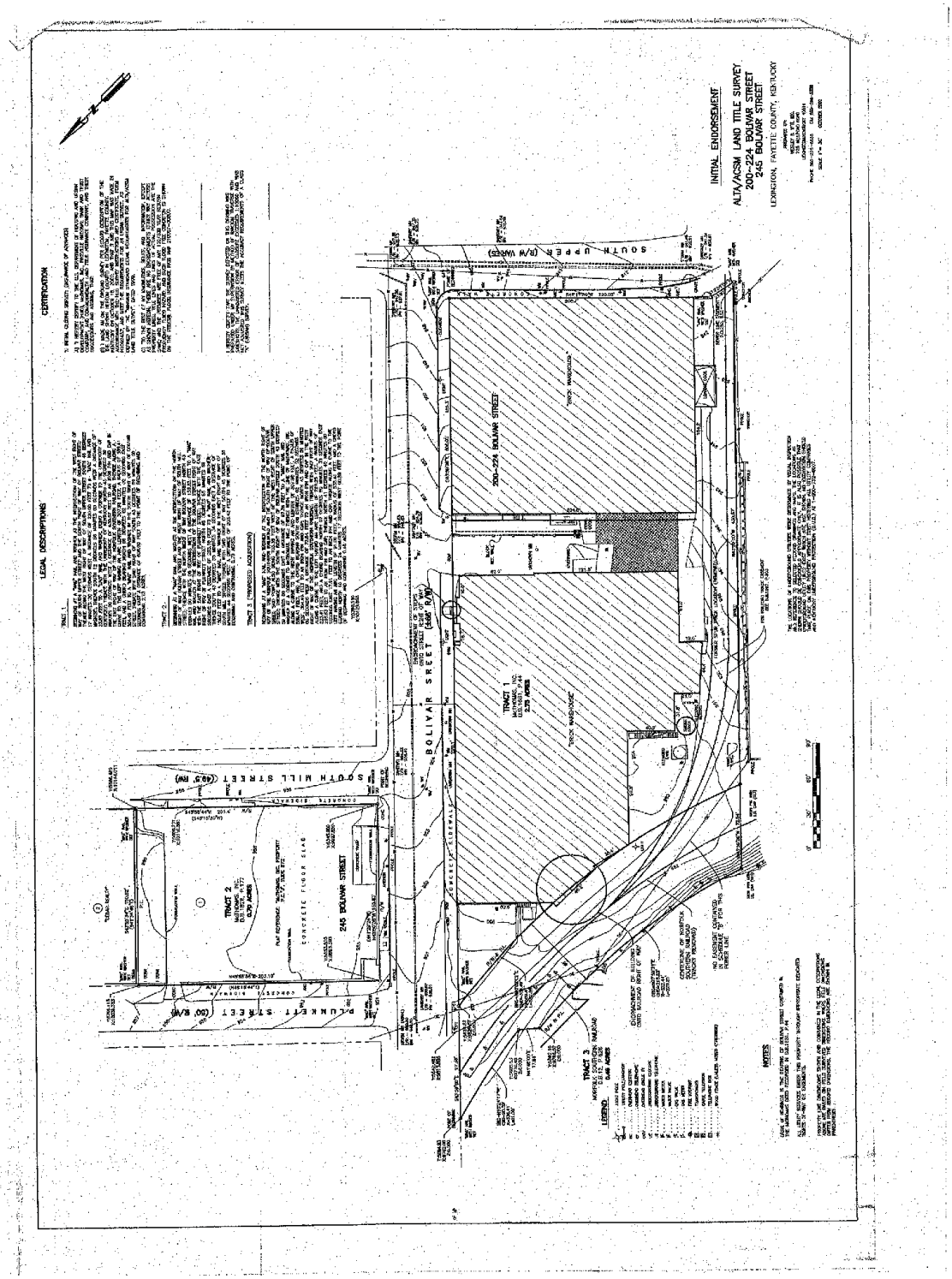
PLAT FOR 245 BOLIVAR STREET

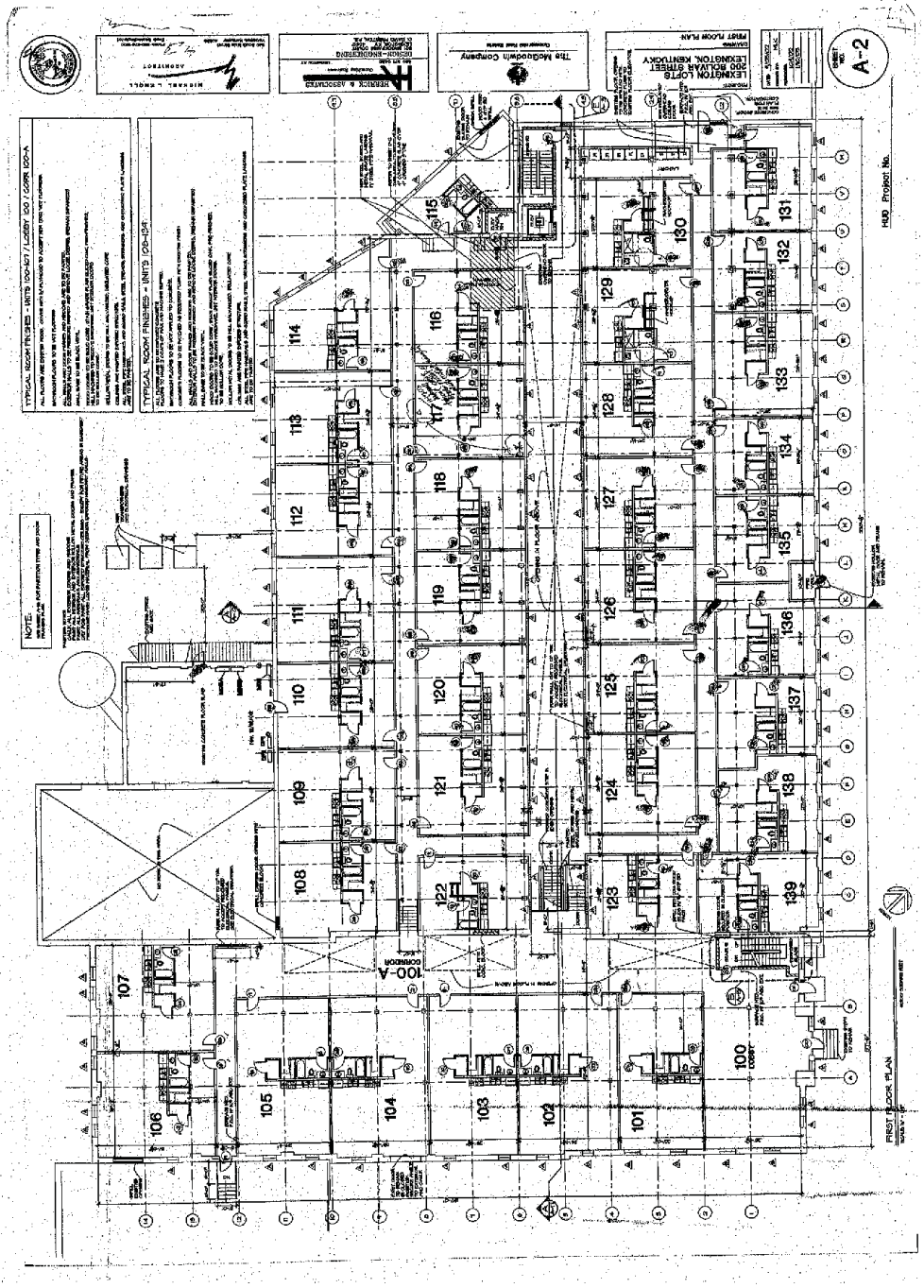


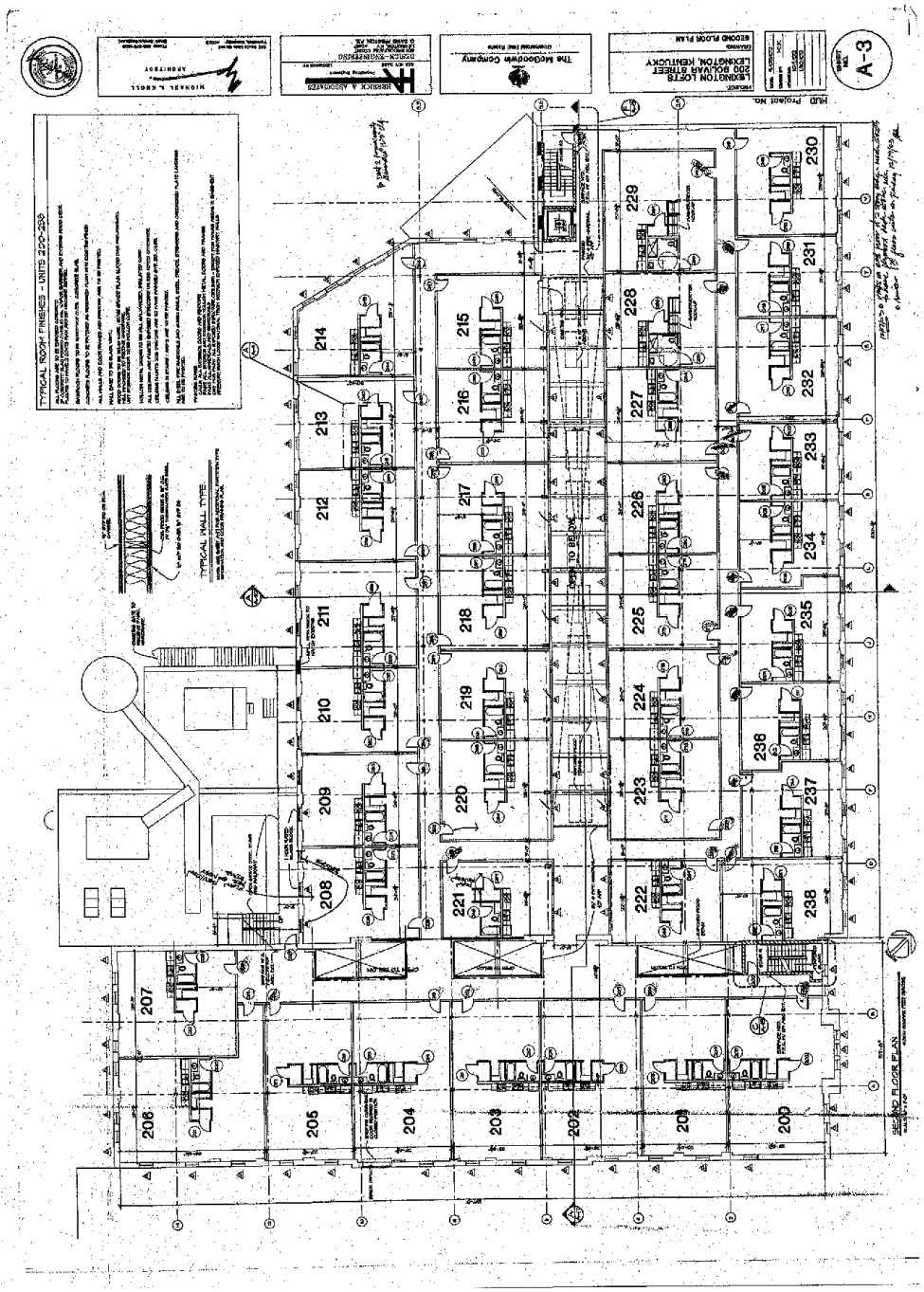
FLOOD MAP FOR SUBJECT PROPERTY

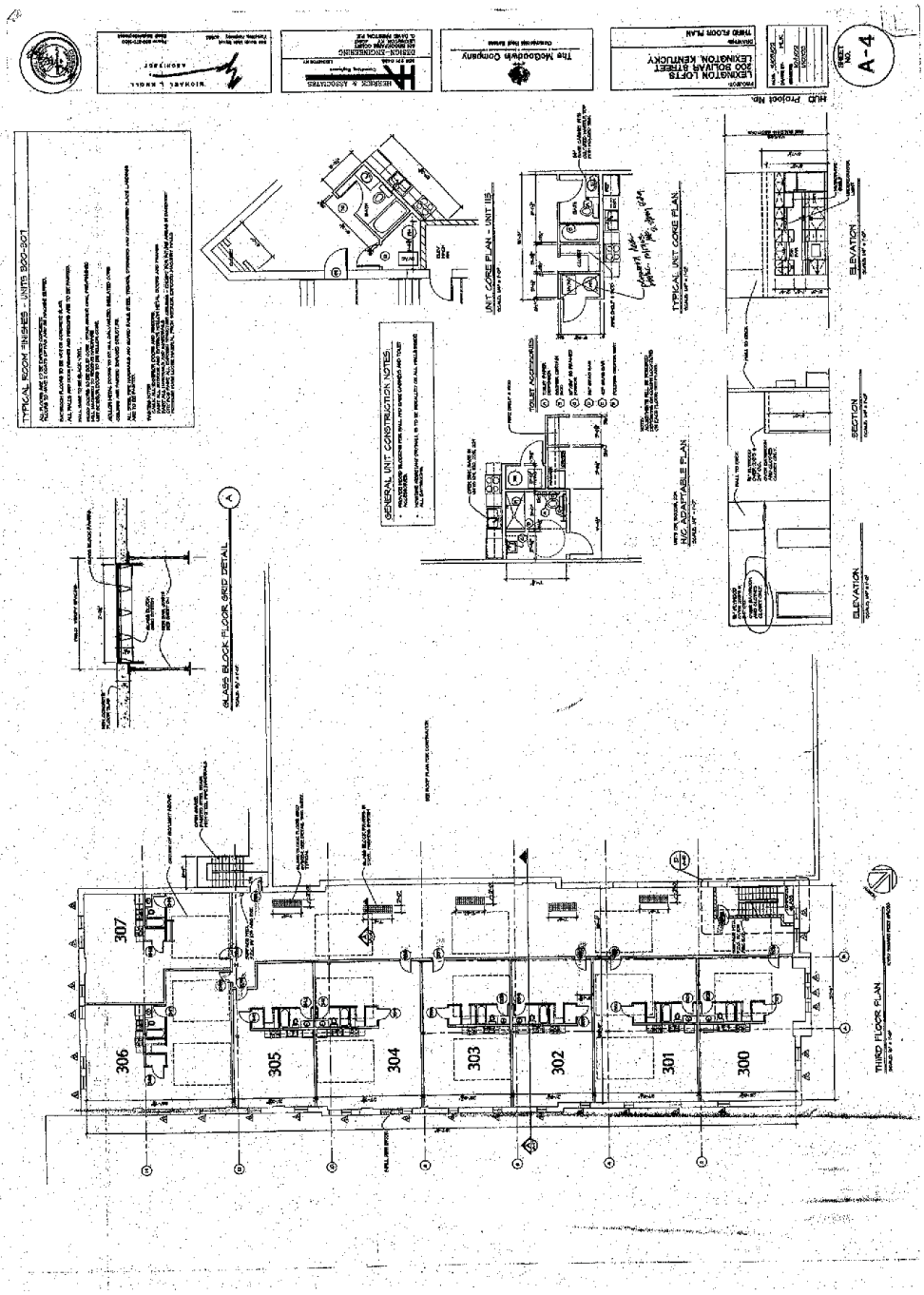


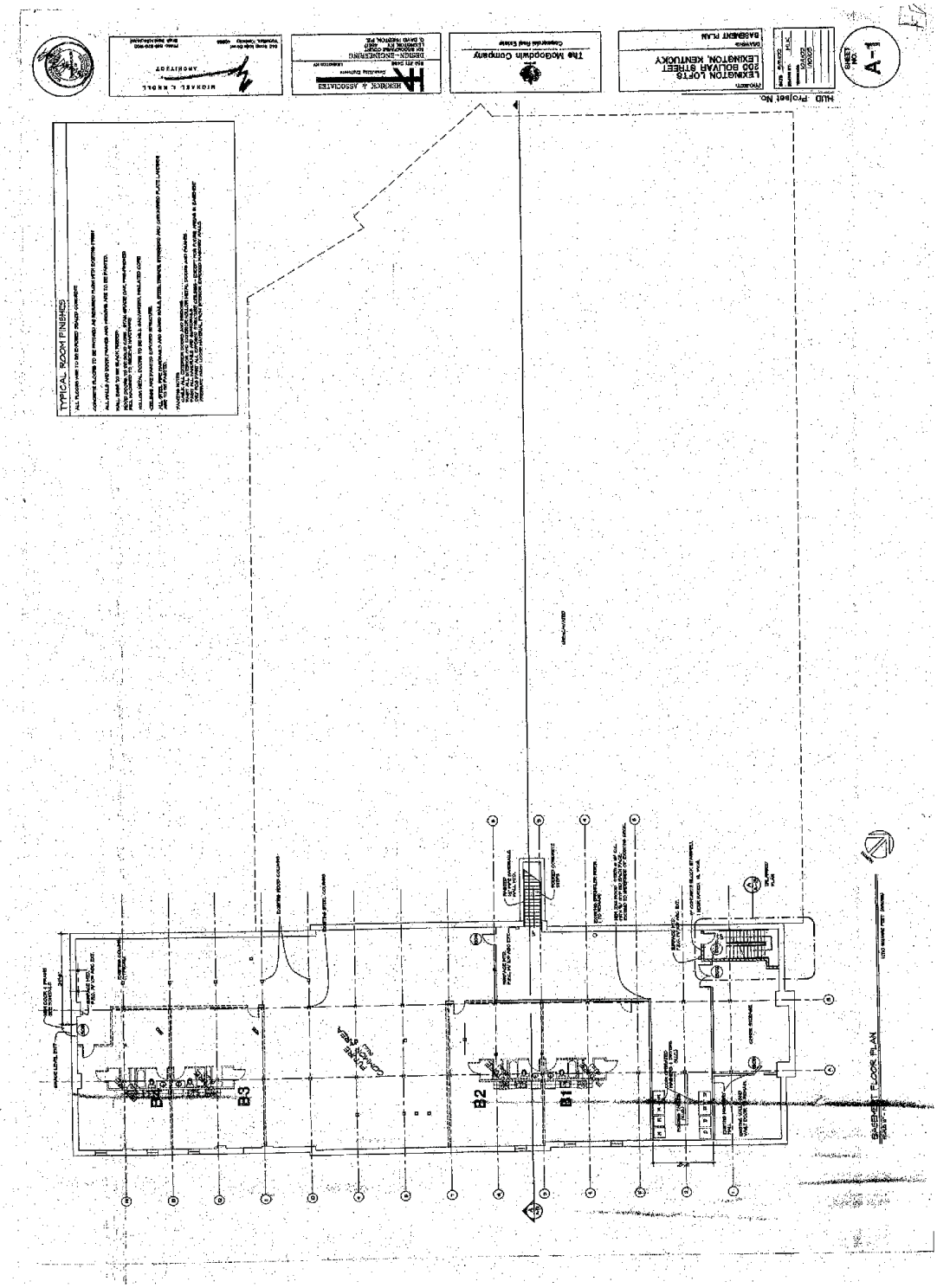
BUILDING PLANS AND SPECIFICATIONS

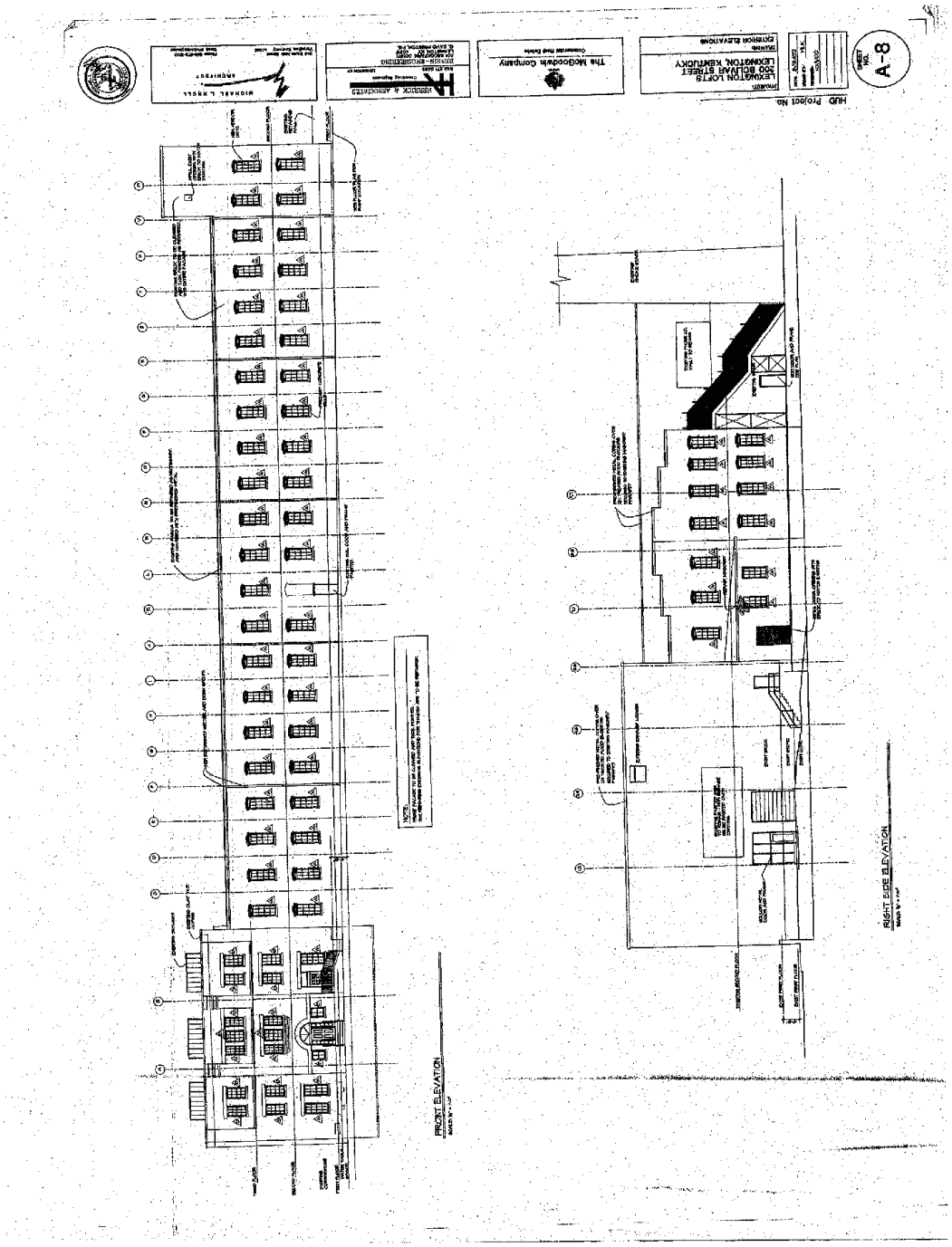

ALTA/ACSM LAND TITLE SURVEY
200-224 BOLIVAR STREET
245 BOLIVAR STREET
LEXINGTON, FAYETTE COUNTY, KENTUCKY
INITIAL ENDORSEMENT
LEGAL DESCRIPTIONS
CERTIFICATION
NOTES
LEGEND
SOUTH UPPER (R/W VARIES)
200-224 BOLIVAR STREET
TRACT 1
245 BOLIVAR STREET
TRACT 2
TRACT 3
BOLIVAR STREET
SOUTH MILL STREET (49.5' R/W)
PLUNKETT STREET (60' R/W)
TRUCK WAREHOUSE
CONCRETE FLOOR SLAB

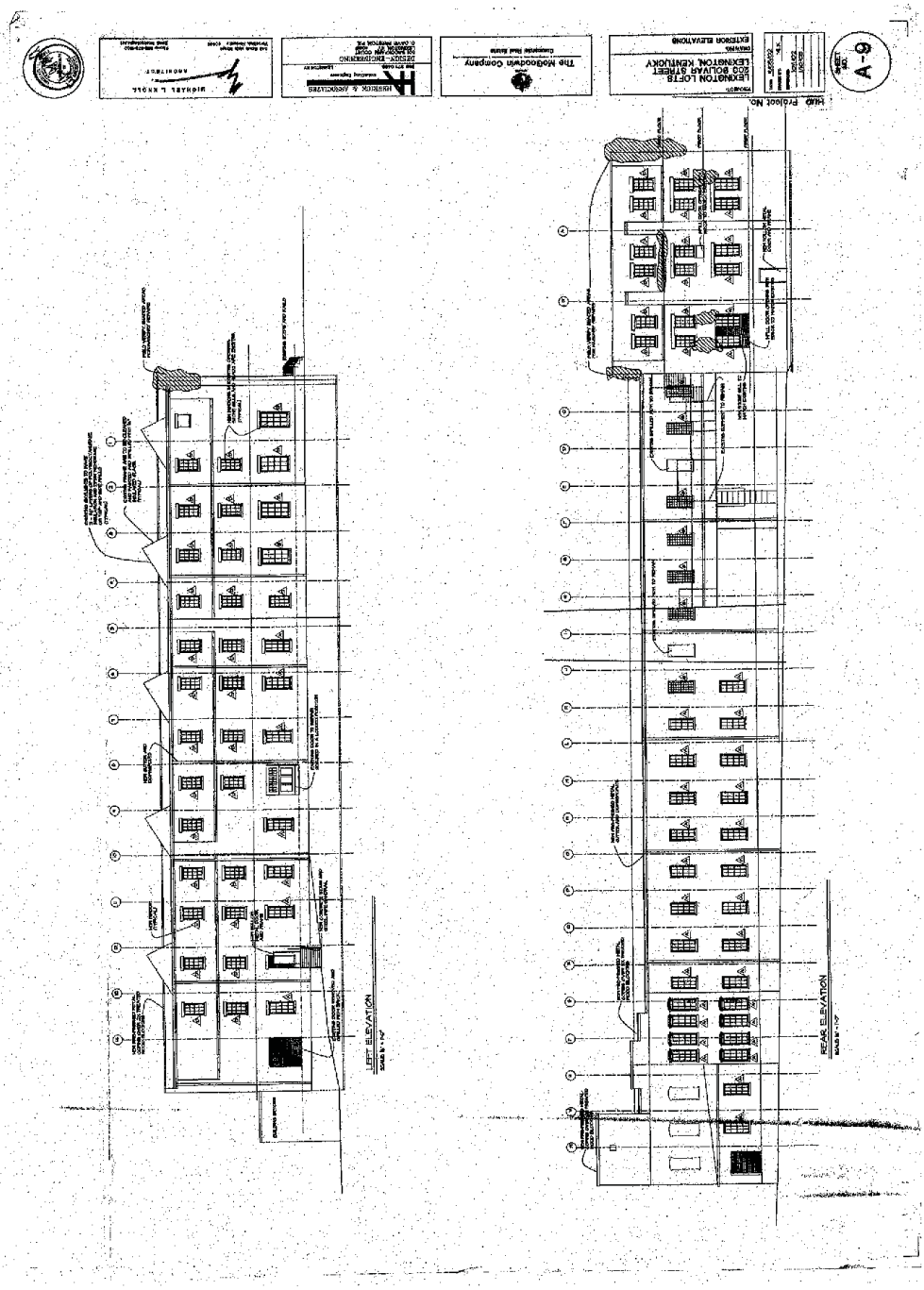



A-3
SECOND FLOOR PLAN
TYPICAL WALL TYPE
TYPICAL ROOM FINISHES – UNITS 200-238


A-4
TYPICAL ROOM FINISHES - UNITS 300-307
GENERAL UNIT CONSTRUCTION NOTES
UNIT CORE PLAN - UNIT 115
TYPICAL UNIT CORE PLAN
H/C ADAPTABLE PLAN
ELEVATION
SECTION
GLASS BLOCK FLOOR GRID DETAIL
THIRD FLOOR PLAN
307
306
305
304
303
302
301
300

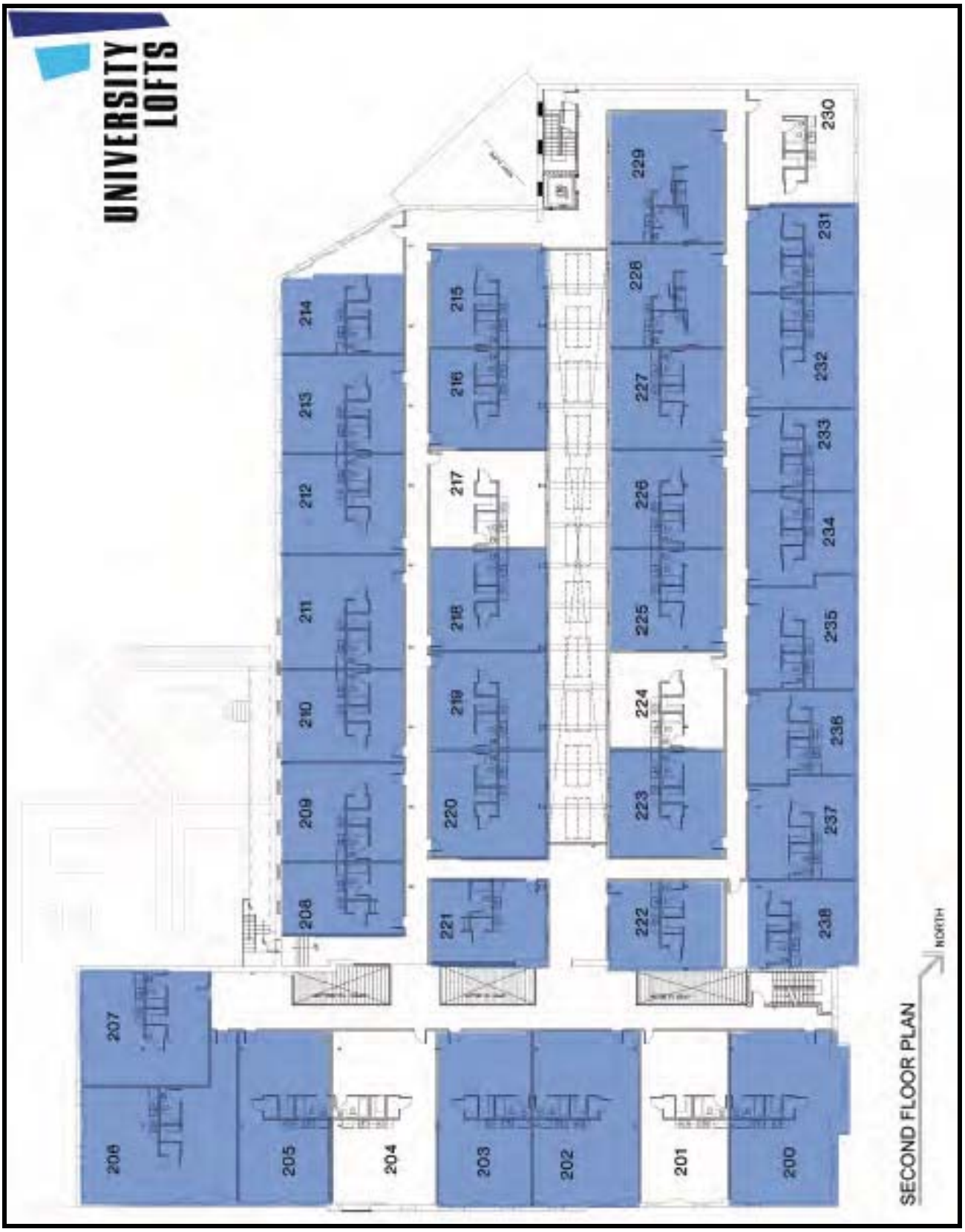

TYPICAL ROOM FINISHES
The Motorcoach Company
LEXINGTON LOFTS
250 BOLIVAR STREET
LEXINGTON, KENTUCKY
BASEMENT PLAN
A-1
B3
B2
B1
BASEMENT FLOOR PLAN


A-8
LEXINGTON LOFTS
245 BOLIVAR STREET
LEXINGTON, KENTUCKY
EXTERIOR ELEVATIONS
The McGoodwin Company
HARRICK & ASSOCIATES
MICHAEL L. PROLL
ARCHITECT
FRONT ELEVATION
RIGHT SIDE ELEVATION

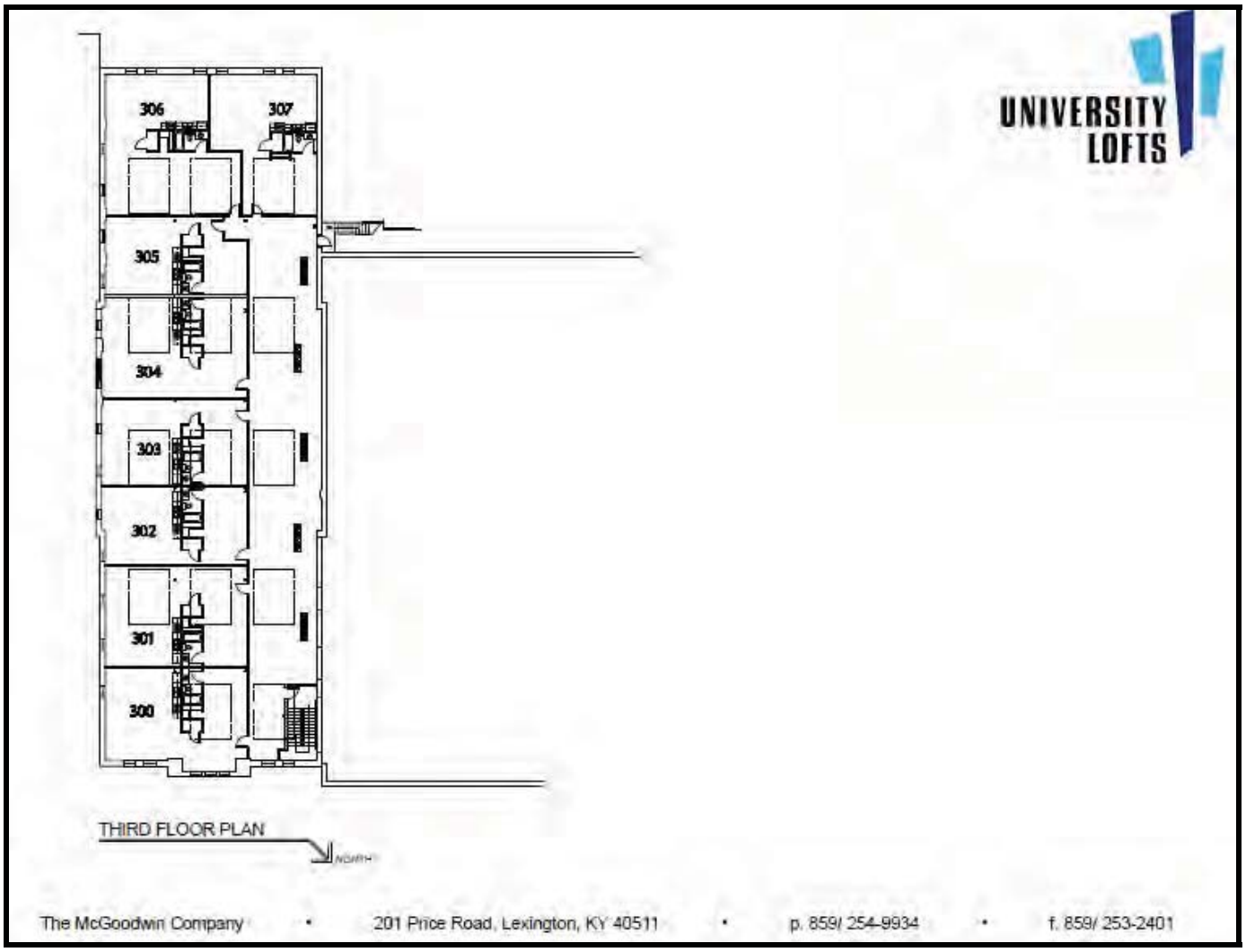

LEFT ELEVATION
REAR ELEVATION

FLOOR PLAN – 1ST FLOOR

FLOOR PLAN – 2ND FLOOR



FLOOR PLAN – 3RD FLOOR



ZONING

The subject property at 236 Bolivar Street, which is improved with the apartment units, is zoned R-5 for High Rise Apartment Use. "The intent of this zone is primarily for multi-family dwellings and particularly for high rise apartments." The existing improvement of this property with a former tobacco processing facility that has been converted to a loft style apartment building containing 86 units and related amenities is a legally permissible use under the applicable zoning regulations.

The property at 245 Bolivar Street, which is a parking lot, is zoned B-4 for Wholesale and Warehouse Business Use. This zone is "intended primarily for wholesaling, warehousing, storage operations and establishments whose activity is of the same general character as the above. To a lesser extent, this zone is also intended to provide for a mixture of professional offices and warehouses that promote reuse and redevelopment of older warehouses, allowing businesses to combine their entire operation in one building as recommended for the Office/Warehouse land use category in the Comprehensive Plan." (LFUCG Zoning Ordinance pp. 8-65)

Additionally, this property has been designated as RTPS which is a mixture of Retail Trade, Personal Services, Professional Services and Office uses by the LFUCG Comprehensive Plan. The current use as a parking lot in conjunction with the University Loft Apartments is legally conforming and legally required in conjunction with the use of the property at 236 Bolivar Street as apartments.

PROPERTY DESCRIPTIONS

245 Bolivar Street – Parking Lot

Site Description

The property at 245 Bolivar Street includes approximately 0.7039 acre (30,664 square feet) of land. This site is rectangular in shape with 150.84 feet of frontage along Bolivar Street, 203.42 feet of frontage along South Mill Street, 203.18 feet of frontage along Plunkett Street and a rear width (northeast boundary) of 150.82 feet. Access to the property currently is from one curb cut along South Mill Street and is considered adequate. The topography of the site is level to gradually sloping uphill from Bolivar Street toward the rear.

According to FEMA Flood Map Panel # 210067-0117D, which is dated September 18, 2008, the subject property is not located within an established flood hazard area. No soil tests have been furnished, but it is assumed the soil conditions are adequate to support commercial development. No indications of subsidence were observed at adjoining properties at the time of the inspection. Municipal water and sewer, electricity and natural gas are all available to the site.

In summary, the subject site is rectangular in shape with level to gently sloping topography, good frontage and adequate access, has available all conventional utilities, and is generally well suited for most forms of development that would be anticipated.

This property is utilized solely as parking for the residents of the Apartment units at 236 Bolivar Street and an alternative use is not anticipated so long as the property at 236 Bolivar Street continues to operate as apartments.

Site Improvements

Site improvements to the property at 245 Bolivar Street include asphalt paving, concrete sidewalks, landscaping, lot lighting and a stack stone retaining wall along the Bolivar Street frontage. The parking lot is configured for a total of approximately 85

parking spaces. The quality and condition of the site improvements is considered average to good.

236 Bolivar Street – University Lofts Apartments

Site Description

The property at 236 Bolivar Street includes approximately 1.57 acres (68,389+/- square feet) of land. This site is semi-rectangular in shape with the western boundary of the property curving along the boundary of the Norfolk/Southern Railroad Right of Way and tapering to a point at the northwest corner. The property includes 395.05 feet of frontage along Bolivar Street, a depth along the southwest boundary of 240 feet, a depth along the northwestern boundary of 307.98 feet (following the curvature of the Railroad Right of Way) and a width along the rear of 207.65 feet. The topography of the site is level along Bolivar Street and slopes downhill toward the rear. Access to the property is from two curb cuts along Bolivar Street and is considered adequate.

According to FEMA Flood Map Panel # 210067-0117D, which is dated September 18, 2008, the subject property is not located within an established flood hazard area. No soil tests have been furnished, but it is assumed the soil conditions are adequate to support commercial development. No indications of subsidence were observed at adjoining properties at the time of the inspection. Municipal water and sewer, electricity and natural gas are all available to the site.

In summary, the subject site is semi-rectangular in shape with level to sloping topography, good frontage and adequate access, has available all conventional utilities, and is generally well suited for most forms of development that would be anticipated.

Site Improvements

Site improvements to the property at 236 Bolivar Street include asphalt paving, concrete sidewalks, landscaping and lot lighting. The parking lot is configured for a total of approximately 60 parking spaces. The quality and condition of the site improvements is considered average.

Improvements Description:

The following improvement description is based on a physical inspection of the subject property on November 19, 2010 and is supported by building plans and specifications for the property.

The subject property is known as University Lofts Apartments and consists of a former Tobacco Processing Facility, which was constructed in 1899 and was converted to an apartment building containing 86 apartment units in 2004. The structure is a two and three story building with a partial basement. The ground or 1st floor includes approximately 41,500 square feet of gross building area, the 2nd floor includes approximately 41,500 gross square feet and the 3rd floor includes approximately 11,750 gross square feet for a total gross building area of 94,750+/- square feet plus 11,710 square feet of partially finished basement area. Based on the apartment sizes provided by the property owner, the 1st floor includes 29,189 square feet of rentable area, the 2nd floor includes 30,538 rentable square feet and the 3rd floor includes 7,880 rentable square feet.

Construction of the building includes stone and concrete foundation with concrete slab floor in the basement, stone, poured concrete and solid brick walls in the basement and solid brick walls supported by steel frame for the upper floors. The roof is flat and slightly pitched with steel and wood frame, metal and wood decking and a 1 piece rubber membrane cover. The rubber membrane was installed as a part of the conversion project in 2004 and as a result of the age, the condition is assumed average.

The conversion of the property to apartment units was conducted by formation of units along the perimeter of the building and construction of two rows of units in the interior of the structure. Interior perimeter walls include a mixture of solid brick, concrete block and glazed concrete block with interior partition walls consisting of wood frame and drywall cover. The floors throughout the structure are concrete slab with the lobby/reception area, leasing/management office and entry corridor having Vinyl Composition Tile (VCT) and virtually the remainder of the building includes smooth finished concrete slab floors. The main entrance to the building is from double glass entrance doors in metal frames along the Bolivar Street side. Additional egress is from a

variety of metal doors in metal doors on all sides of the building and is considered adequate. A rolling over-head door is located on the northwest side of the building and allows convenient move-in/move-out of furniture and related larger items. The building is pass-code/card swipe secured after hours and there are exterior security cameras.

The ground floor includes a lobby/reception area with a leasing/management office and 39 apartment units. The main corridor for this floor also includes a 15' wide hallway that includes a post-office box station and vending machines. Due to the design of the building most of the perimeter units have windows; however the interior units do not have windows. Of the 39 apartment units on this floor, 21 have windows and 18 units do not have windows. The second floor includes 39 apartment units with 24 having windows and 15 do not have windows. The third floor includes 8 apartment units and all of these units have windows.

Finish of the individual units varies but they typically include concrete slab floors. Perimeter units include exposed brick or glazed concrete block walls and the ceilings are unfinished with exposed wood decking and trim. The interior partition walls of all of the units are wood framed with finished drywall walls. The ceiling heights of the units are in excess of 12 feet, which is above the norm in the local market area and for modern construction. The bathroom units have VCT floor coverings and finished drywall ceilings.

The unit sizes vary from 530 to 1,233 square feet with an average unit size of 786 square feet. On the date of the inspection, the appraisers were allowed to see the interior of 6 of the units (#139, #128, #117, #130, #214 and #302) and the following description is based on the assumption that all of the units are of similar finish and condition as the units inspected.

The units include the same general floor plan, regardless of size, consisting of two open rooms with a center section containing a full bathroom, closet and HVAC closet separating the two rooms. The kitchen area is attached to this center section and includes a refrigerator, dishwasher, microwave and double bowl stainless steel sink. The cabinets are standard grade wood veneer and counter-tops are Formica. The room on the kitchen

side of the units serves as a kitchen, dining and living area with the area on the opposite side serving as the bedroom area. As a result of the design, the units are essentially one bedroom units. However as a result of the ceiling heights lofts have been constructed in 10 of the units and essentially convert them to 2 bedroom units. Construction of the lofts include wood staircase and wood frame with plywood decking. The majority if not all of the units have the potential to have lofts installed as a result of the ceiling heights. The property also includes a total of 4 handicap accessible units, which include wider doorways, handrails and washer/dryer hookups.

The basement includes approximately 11,710 square feet and is partially finished (1/2+/-) with an exercise area and laundry room and the remainder is unfinished and utilized as storage area. The property owner indicated that the basement has the potential to be improved with 8 additional apartment units.

HVAC consists of individual split heat pump heat and air conditioning units, which are not individually metered. The property owner has indicated that he has an estimate to install individual electric and water sub-meters on each unit for $45,000 and it appears from our analysis that this cost could be recouped in approximately 6 months. The entire building is equipped with a wet sprinkler system. Access between floors is from one elevator (3,500 lb capacity) and two stairwells and is considered adequate.

Current rental rates for the units range from $410 to $1,250 per month with an average of $757 per month. The range in rates on the basis of rent per square foot is between $0.54 to $1.51 on a monthly basis with an average rate of $0.99 per square foot. A table detailing the individual unit's sizes, units with windows and lofts and current rental rates is included in the income approach that follows. Rental rates do not appear to be affected by the floor they are located on, but are impacted by size and the presence of windows and lofts.

Functional Utility: The functional utility of the improvements is adequate for the present use as an apartment building. The structure has a functional design and floor plan, although the load or building efficiency ratio is significantly lower than is typical for

apartment buildings due to the significant amount of common areas. As determined, the structure represents the highest and best use of the site.

Deferred Maintenance: The building was constructed in 1899 and underwent significant renovation during the conversion to apartments in 2004. The renovation project included essentially gutting the structure to a shell and new extensive interior construction with a broad range of items including a new roof, new electrical systems, new plumbing, new mechanical components, installation of a sprinkler system and elevator, new stairs and related items. Since that project, the property has been well maintained. On the date of the inspection, the appraisers noted typical levels of deferred maintenance for a building of its actual and effective ages. As such, the property is considered to be able to generate market rates and is anticipated to have many years of remaining economic life. This factor is supported by the recent and current occupancy and rental levels.

Effective Age/Economic Life: The building was constructed in 1899, which would indicate an actual age of 111 years. However, the property has been renovated and updated over the years and underwent a major renovation project in 2004 that converted it to an apartment building. That project resulted in essentially stripping the structure to a shell and installation of new interior, mechanical, electrical and plumbing components, windows, doors, stairs and an elevator. Since that time, the property has been well maintained with typical levels of deferred maintenance. Considering the condition of the structure, the effective age is estimated to be approximately 15 years. Structures of this type have a typical economic life based on Marshall & Swift specifications of 50 years, which indicates a remaining economic life without major renovations of approximately 35 years.

Tax Assessment: The property at 236 Bolivar Street is assessed as two different parcels, the Apartment Property and the cell-tower site. The Apartment Property has a current fair cash value assessment of $4,347,000 and the Cell Tower has a current assessment of $38,400 for a total assessment of $4,385,400. The parking lot at 245 Bolivar Street has a current fair cash value assessment of $613,200 and the total combined assessment for the property is $4,998,600. The property is located in a full service tax district with an applicable tax rate for 2010 of $10.951 per $1,000 of assessed

E APPENDICIES

E-01.01- Photographic Record

Photo 1 – North Elevation along Bolivar Street is generally in good condition.

Photo 2 – North Elevation along Bolivar Street is generally in good condition

Photo 3- West elevation

Photo 4 West SW elevation

Photo 5- Southwest elevation

Photo 6 -.South SW elevation

Photo's (Continued)

Photo 7 – West Elevation

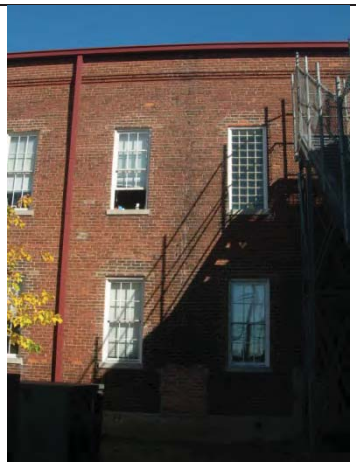


Photo 8 – West elevation

Photo 9 – Electrical transformers, electrical vault and smoke stack west elevation

Photo 10- Deterioration and spalling of bricks in electrical vault wall due to water intrusion

Photo 11- Electrical vault on left and boiler on right.

Photo 12- Old boiler room wall has multiple locations with plants growing on vertical face which means significant intrusion of water into mortar joints.

Photo's (Continued)

Photo 13- South elevation at old boiler for building.

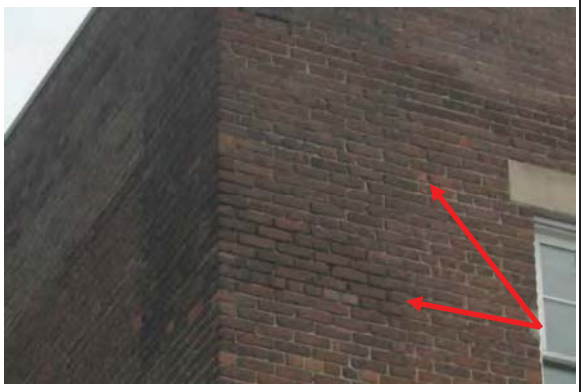


Photo 14 – South-SW 3rd floor corner needs masonry tuck pointing

Photo 15-. South-SE elevation – Crack repair needed between 1st and 2nd floors

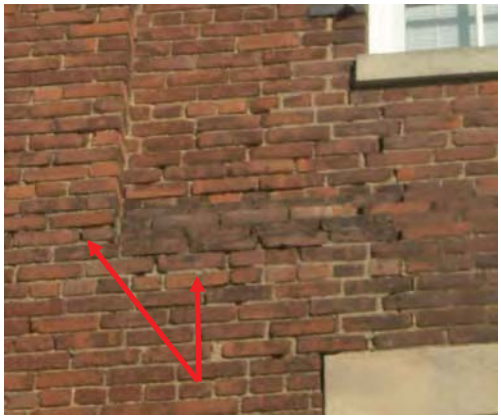


Photo 16- South elevation – Crack repair and tuck pointing needed.

Photo 17- South-SE corner cracking continues 3rd floor to roof parapet

Photo 18- South-SE corner structural crack between 1st and 2nd floor & 2nd to 3rd floor

Photo's (Continued)

Photo 19- South SE elevation

Photo 20 East SE elevation

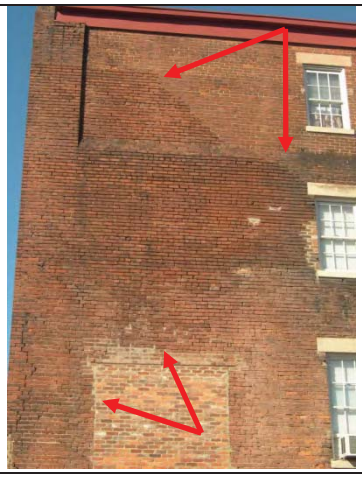


Photo 21- East-SE corner – 80% tuck pointing needed plus significant structural cracking

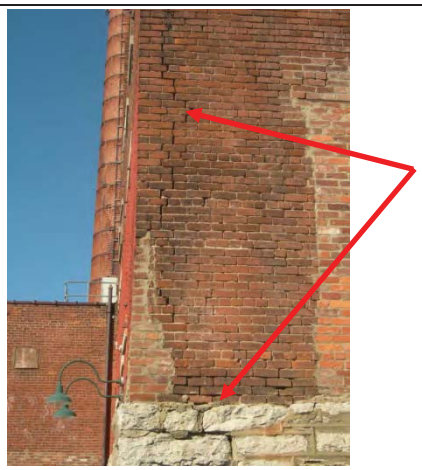


Photo 22- East-SE corner close up of structural crack continuing down into stone foundation

Photo 23- Partial East elevation showing bridge and old canopy

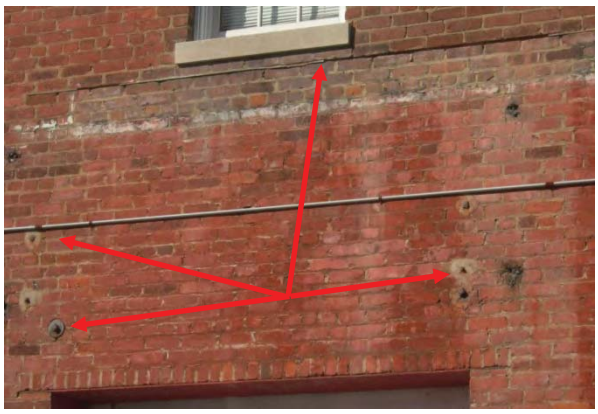


Photo 24- East elevation @ old canopy. Patch bolt holes & reglet to prevent water intrusion

Photo's (Continued)

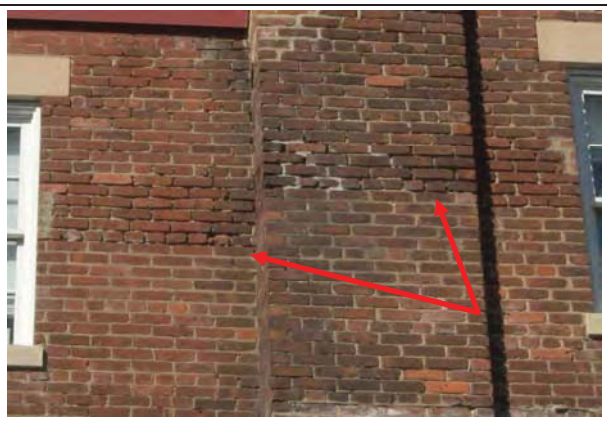


Photo 25- East elevation at 3rd floor, tuck pointing needed.

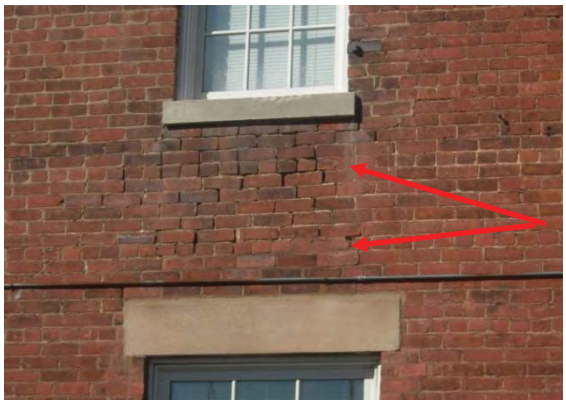


Photo 26 - East-NE elevation – tuck pointing needed beneath 2nd floor window

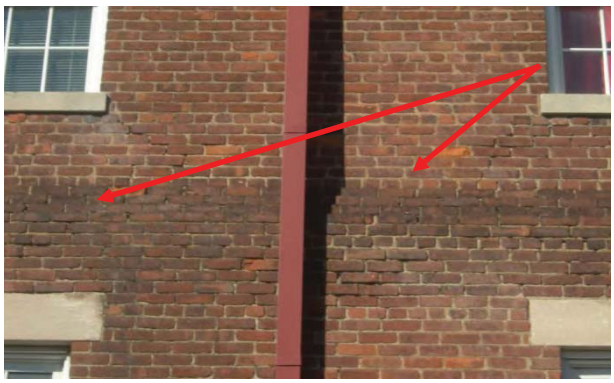


Photo 27- East elevation structural cracks and tuck pointing needed between 2nd & 3rd Flr.

Photo 28- East-NE Elevation has structural crack in brick façade between 1st thru 3rd floor.

Photo 29- East-NE Elevation

Photo 30 – Smokestack

Photo's (Continued)

		
Photo 31- south side of roof		**Photo 32 – valley w/sky lights between to trusses**
		
Photo 33- north side of roof		**Photo 34- Roof – Fully attached EPDM single ply membrane on plank deck**
		
Photo 35- separation of roof membrane at penetration		**Photo 36- separation of roof membrane at roof drain penetration**

Photo's (Continued)

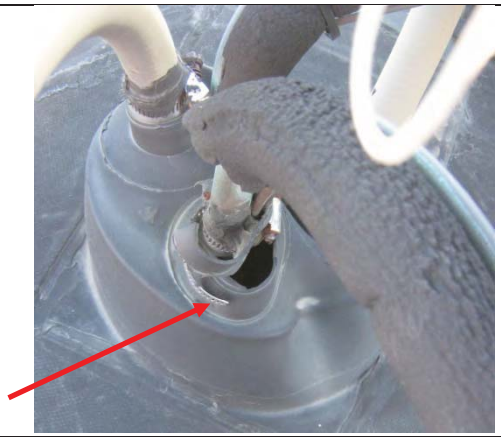
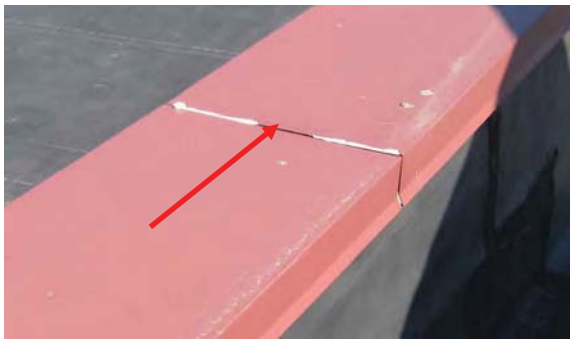


Photo 37 – separation of roof membrane at refrigerant line penetration of roof.		**Photo 38 - Recesses in parapet walls allowing water intrusion into parapet wall.**
		
Photo 39- Hole in roof of east in of boiler room.		**Photo 40- Hole in roof of west end of boiler room.**
		
Photo 41--		**Photo 42- seams at parapet flashing need re-caulking**

Photo's (Continued)

		
Photo 43- South end of unfinished basement		**Photo 44 0 North end of unfinished basement**

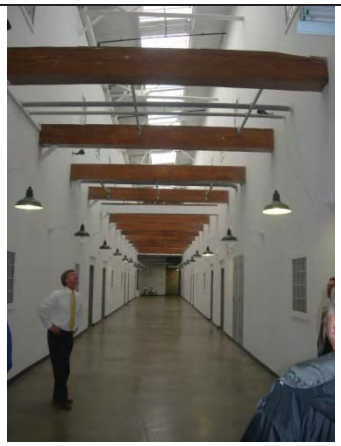



Photo 45-1st floor two story E-W atrium		**Photo 46- skylight at atrium**

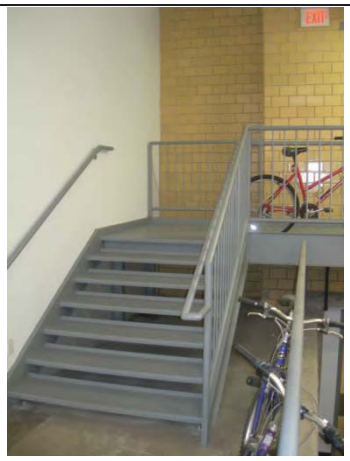



Photo 47- Steps to 1st floor of east end of building from E-W atrium (no elevator To 1st floor east end.		**Photo 48- Steps to east end basement laundry area with landing above with entry to 1st floor east end. (no elevator to basement or 1st floor east end.**

Photo's (Continued)

Photo 49- 1st floor secondary corridor parallel to atrium

Photo 50 - Atrium as viewed from 2nd floor landing

Photo 51- East end – 2nd floor landing looking down to 1st floor.

Photo 52- East end – 2nd floor landing looking up at 3rd floor glass block skylight

Photo 53- East end – 3rd floor landing with roof skylight.

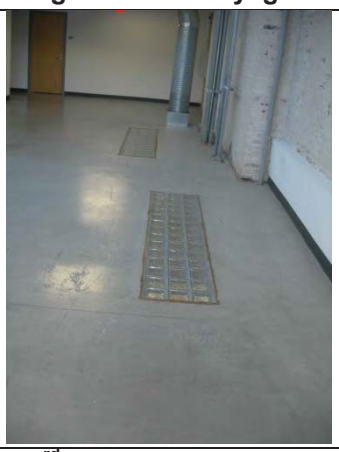


Photo 54- - 3rd floor landing with glass block skylight for 2nd floor.

Photo's (Continued)

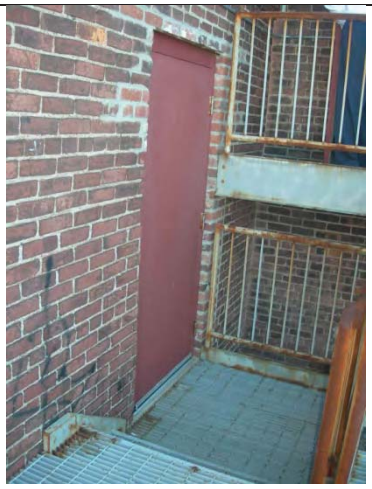


Photo 55- 2nd floor – 2nd means of egress

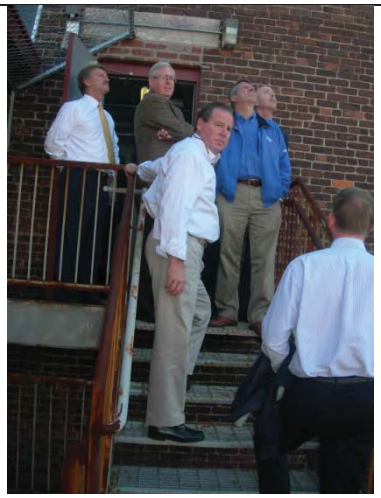


Photo 56 – 3rd floor – 2nd means of egress

Photo 57- Typical apartment kitchen

Photo 58- Typical apartment kitchen

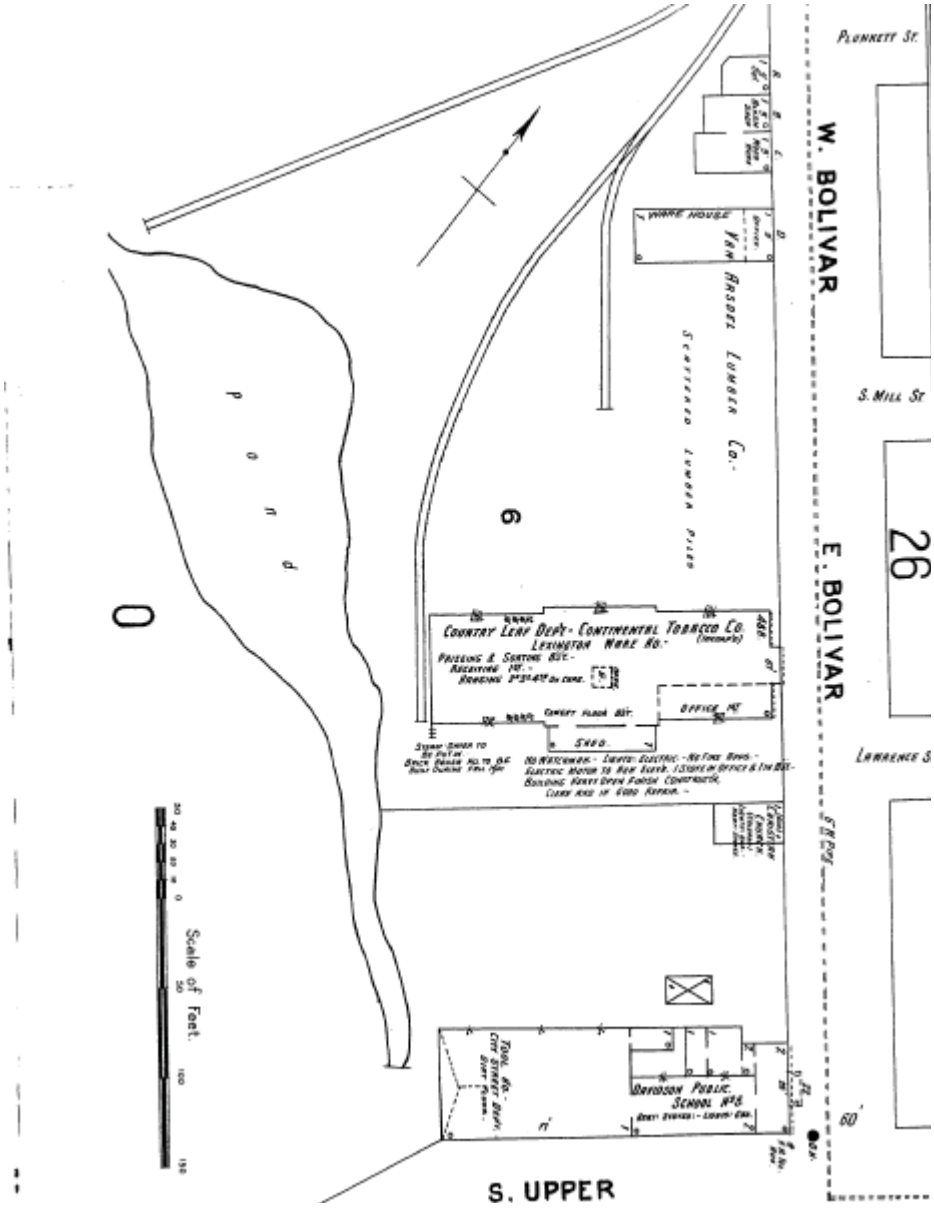
Photo 59- Typical apartment bathroom

Photo 60- Typical apartment bathroom

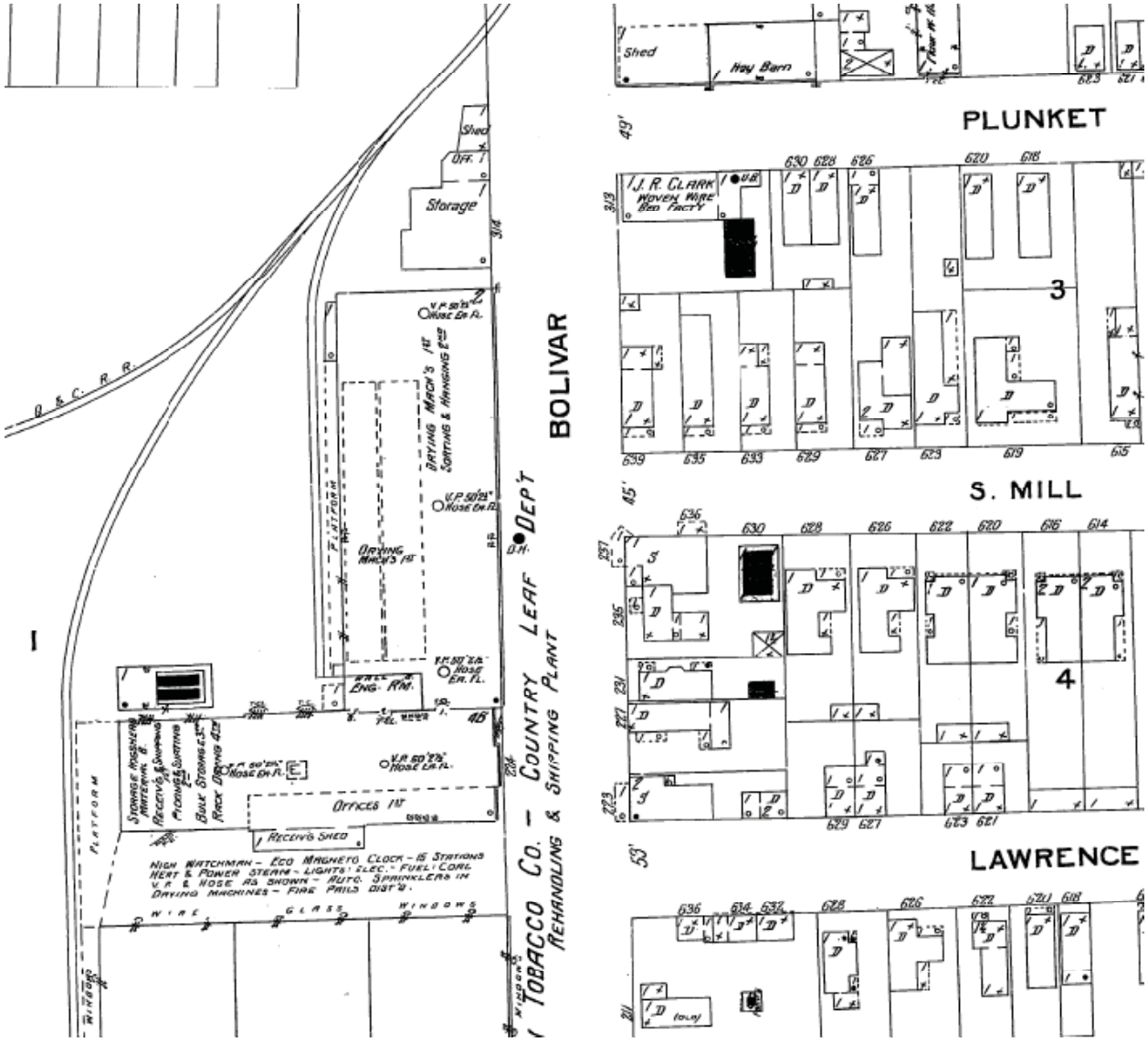
Photo's (Continued)

		
Photo 61- Typical apartment furnace rm.		**Photo 62 – Loft in one of the apartments**
		
Photo 63- Electrical and refrigerant lines penetrating ceiling of apartment to roof.		**Photo 64- Structural crack above head of window**
Photo 65-		**Photo 66-**

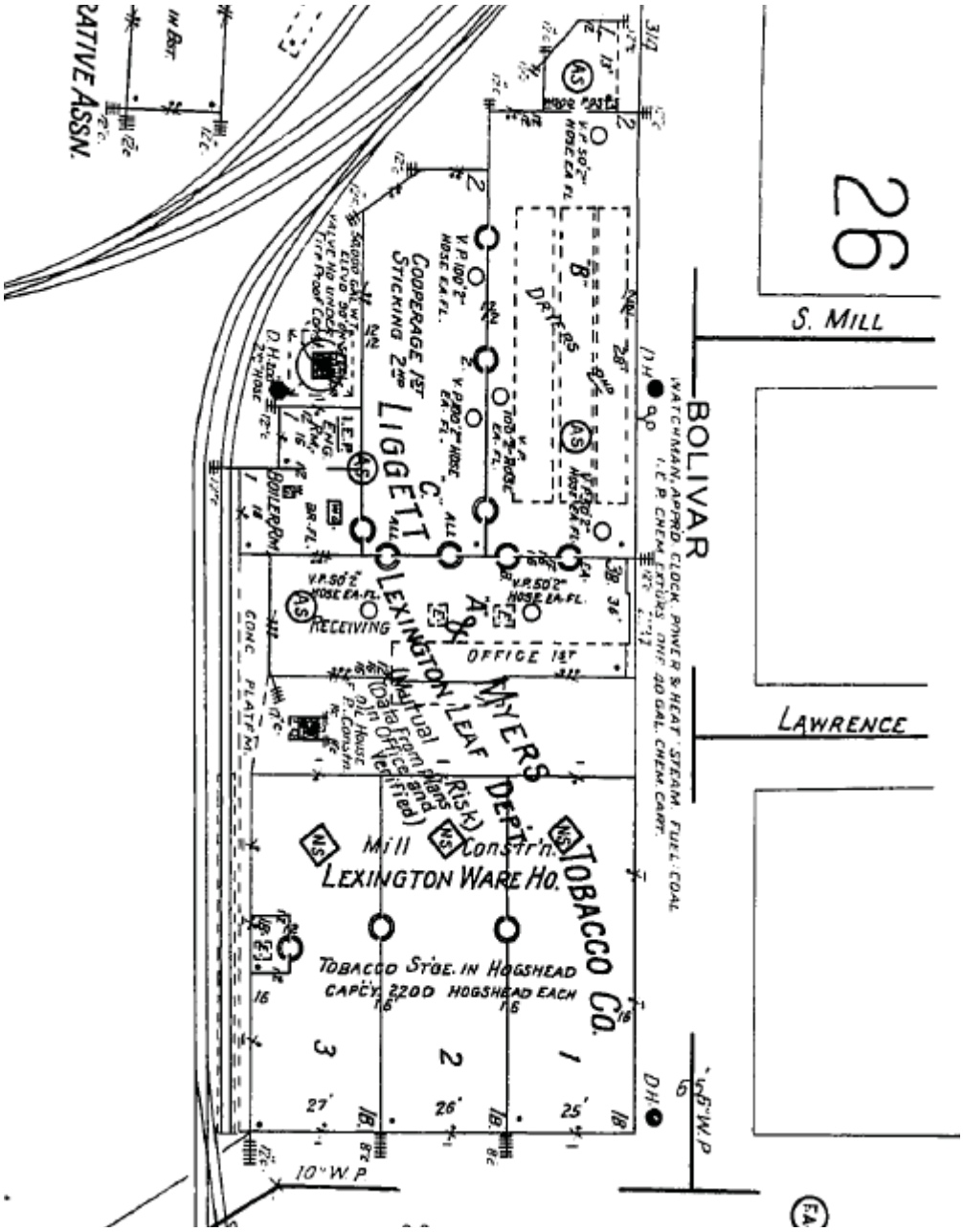
E-01.02 – Sanborn Maps
Shows development of site over time.



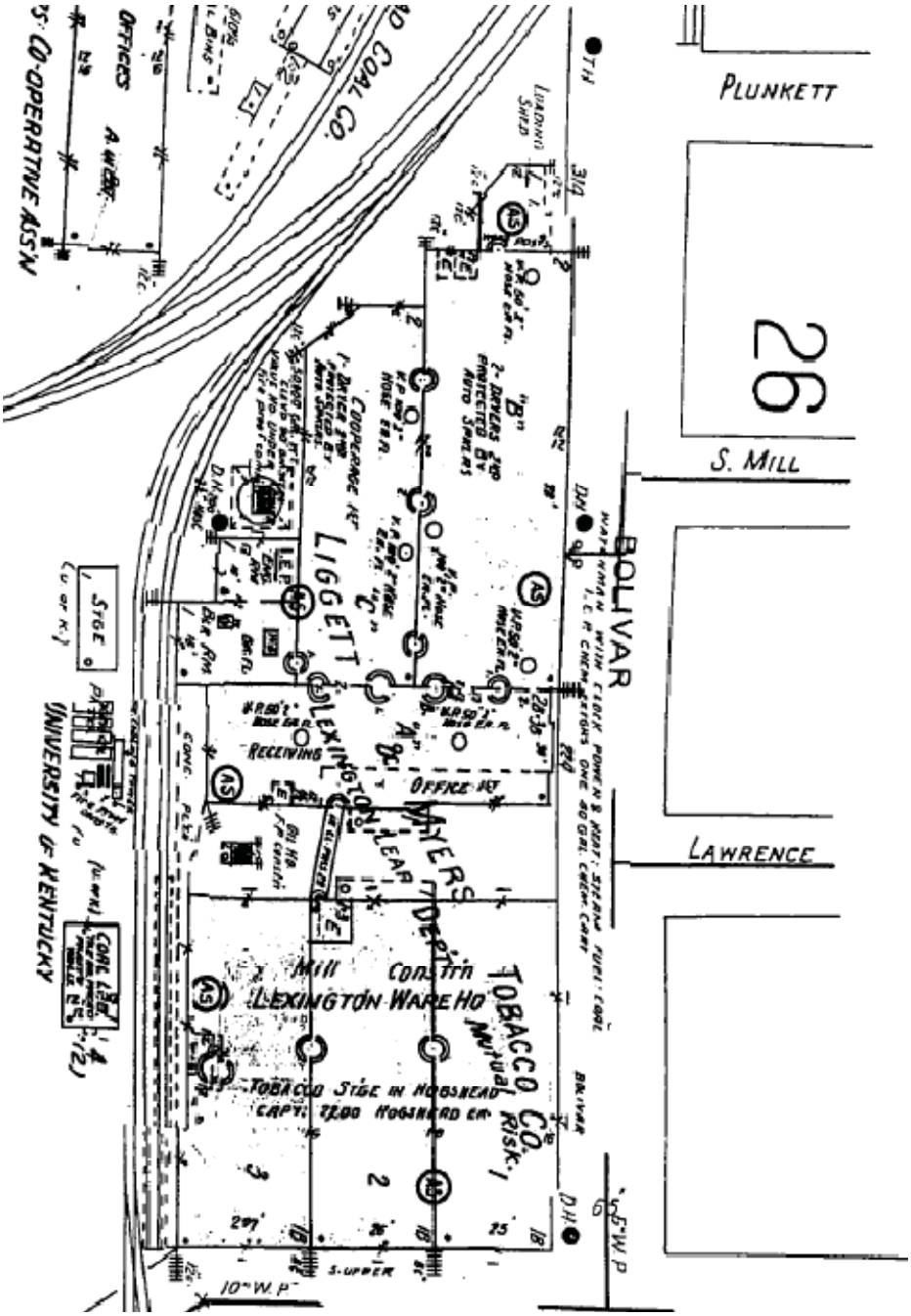
1901 Sanborn Map



1907 Sanborn Map



1934 Sanborn Map



1950 Sanborn Map