

**APPRAISAL REPORT  
OF**

PROPOSED SOLID WASTE CONTAINMENT FACILITY  
OLD CEDAR FALLS ROAD  
ASHEBORO, NORTH CAROLINA 27203

**FOR**

MR. RICHARD T WELLS  
COUNTY MANAGER  
RANDOLPH COUNTY, NORTH CAROLINA

**DATE**

FEBRUARY 15, 2013

**BY**

Brubaker & Associates, Inc.  
Jim Wright, CREA  
138 Scarboro Street  
Asheboro, North Carolina 27203

February 15, 2013

Mr. Richard T. Wells  
County Manager  
725 McDowell Road  
Asheboro, North Carolina 27205

**RE:** Proposed Solid Waste Containment Facility  
Randolph County, North Carolina

Dear Mr. Wells:

Per your request, I have reviewed the proposed solid waste landfill location for the purpose of considering if this proposed development would have an adverse impact on any surrounding or adjoining properties. Based on my analysis of the neighborhood and considering the type of development proposed, it is my conclusion that the proposed solid waste containment facility will not negatively impact surrounding or adjoining property values. The attached report in narrative format provides a summary of the data, analyses, reasoning and conclusions employed in this analysis.

In order to reach this conclusion, I have considered several different factors. My review of the neighborhood reveals that the character of the area is primarily rural residential and industrial. There is a county emergency service training center and gun range adjacent to the proposed site, to the east. A church camp facility and a heating and air conditioning service facility are located to the southwest. Otherwise, the surrounding properties are residential or vacant (including agricultural use.)

In order to reach the conclusion that the proposed landfill project will not adversely impact abutting or adjoining property values, I have done research in other locations with similar types of landfills. I visited landfill facilities in Anson County, Davidson County, Montgomery County, Cabarrus County, the South Wake County location and Sampson County. After reviewing the residential

property sales in adjoining areas, I find that the appreciation rate is positive. The analysis indicates that these facilities, similarly situated, however more visible than the proposed subject, did not create external obsolescence to those properties surrounding them.

Another consideration for the proposed landfill is a review of the proposed project and the nature of development in the immediate area. This area of the county is generally rural with a mix of residential and industrial uses, including a solid waste transfer station at the site of the Randolph County solid waste landfill, now closed, to the immediate west of the proposed facility.

It is my professional opinion that the proposed landfill in this location would not be a detriment to the neighborhood with respect to property values. The rural nature of the neighborhood will be preserved and it is possible that road and other infrastructure will be improved; due to the proposed land use and related businesses that could be attracted.

I certify that data contained in this report was gathered from several sources, including interviews with employees of the various counties, operators of the landfills that were visited, realty agents and buyers/sellers of real estate in the various neighborhoods. Historical data and printed reports found throughout this report were gathered from online sources as well as industry publications. While they are included for the benefit of the reader, the findings and conclusions are solely from the appraiser's research over a six month period, in the six counties visited as well as the subject area. Supporting documentation for the conclusions is found in the Addenda.

Respectfully Submitted,

Jim Wright  
North Carolina Certified Residential  
Real Estate Appraiser A205

## **THE ASSIGNMENT**

The focus of this market study report is related to a proposed solid waste landfill facility on the north side of Old Cedar Falls Road, north of US Highway 64 in Randolph County. The proposed facility would provide for long term disposal capacity to the residents and businesses of Randolph County, North Carolina and the surrounding region. Currently the site is used for residential use including an abundance of vacant woodland.

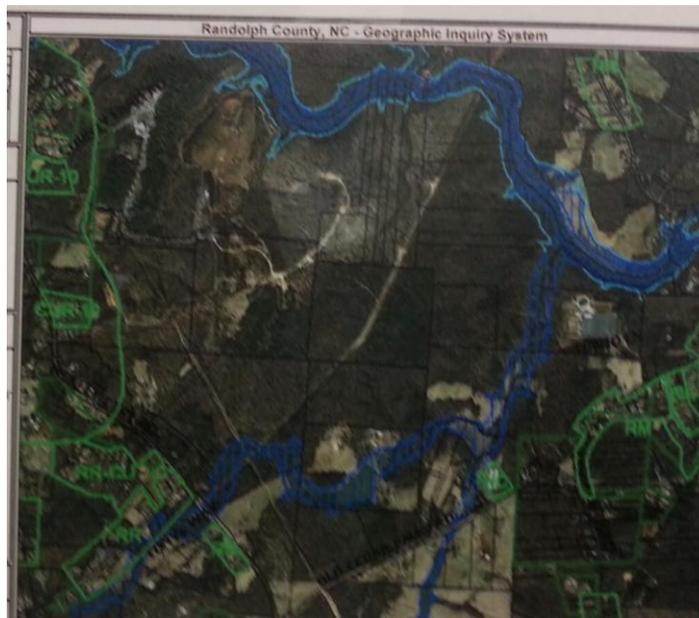
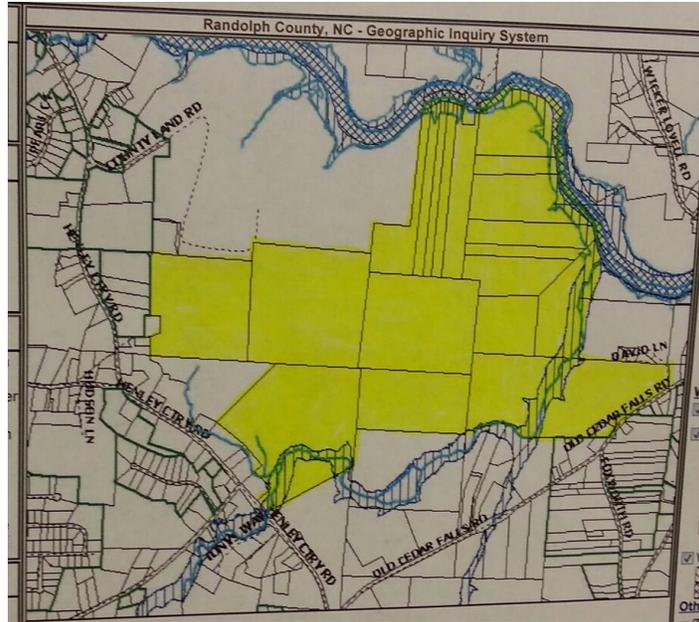
This report involves the inspection of the subject property to determine various physical and economic facts about the subject property. Such facts as the size of the parcel, the access to the parcel, location and traffic count are taken into consideration. In addition, data and information from other similarly developed sites were reviewed to investigate the impact of such use, under similar circumstances and where situated. Six landfills were visited in Montgomery, Cabarrus, Davidson, Anson, Wake and Sampson Counties.

## **INSPECTION OF SUBJECT PROPERTY**

During the months of August and September, 2012 and January, 2013 the appraiser inspected the aforementioned landfills. In December, 2012 the subject property and surrounding neighborhood was inspected.

**IDENTIFICATION OF THE SUBJECT PROPERTY**

The multiple parcel tract is approximately 700 acres located on the north side of Old Cedar Falls Road in the northeastern portion of the county, north of US Highway 64.



## **SCOPE OF WORK**

The scope of work applied in the development of this report encompasses the necessary research and analysis to complete a credible report as of the effective date of the appraisal in accordance with the client's intended use, the purpose of the assignment, the characteristics of the subject property, the stated general assumptions and limiting conditions and any extraordinary assumptions and/or hypothetical conditions as stated herein, in conformity with the *Uniform Standards of Professional Appraisal Practice*.

The purpose of this study is to communicate, in written form, the premises, data, reasoning, opinions and conclusions pertaining to understanding the current real estate market as it pertains to the subject and to the surrounding landowners and the community at large. The analyst of this information understands that the intended use of this report is to serve as evidence towards a basis of understanding the potential impact the proposed sanitary landfill has or may have on the local real estate market. This information will be utilized by members of the Randolph County Planning Board in conjunction with a special use permit application for the applicant, Randolph County.

This report is not to be presented to a financial institution for underwriting, loan classification, and/or the disposition of the asset by a financial institution. The information is to be used by members of Randolph County Public Works Administration and their chosen legal representative, Mr. Tom Terrell. The information transmitted in this report is for their sole use only.

The definition of "Market Value" is applied using the latest definition extracted from the Dictionary of Real Estate Appraisal, Fifth Edition, copyright 2010, as published by the Appraisal Institute, Chicago, Illinois, page 22 as follows:

*The most probable price that the specified property interest should sell for in a competitive market after a reasonable exposure time, as of a specified date, in cash, or in terms equivalent to cash, under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, for self-interest, and assuming that neither is under duress.*

This report involves the inspection of the subject property to determine various physical and economic facts about the subject property. Such facts as the size of the parcel, the access to the parcel, location and other pertinent data are taken into consideration. As aforementioned the purpose of the study is to incorporate commonly recognized methods and standards of practice and market trends as they relate to the location and design of the site and other similarly developed sites, to investigate the impact of such use under similar circumstances, and where situated.

In estimating the impact of the subject property and the similarly developed sites, the cost Approach, the Sales Comparison Approach and the Income Approach are considered. In applying these approaches, market data is gathered and analyzed with respect to cost, rental levels and sale prices. Economic data with regard to Randolph County and other counties of the state and the subject neighborhood is analyzed in context of their relationship to the subject property.

The market data used was collected from various Realtors in the counties visited, including MLS data, appraisers, as well as online public records from the various Tax Departments and Register of Deeds. Demographic and neighborhood data was assembled from several public sources including the Chambers of Commerce, City and County Governmental offices and the Public Library. The neighborhood information is based on my inspection of the neighborhood. Data relating to the subject property is from personal inspection and information supplied by owners. Site data of characteristics assembled were based on the most recent GIS, tax records and inspection. Sales were confirmed through local MLS and deed inspection.

The Market Approach to value was used in this analysis, as the Cost and Income were not applicable in the purpose and intent of this study.

## **REGIONAL ANALYSIS**

### **METROPOLITIAN DATA**

The following regional analysis focuses on the social, economic, governmental, and environmental forces that shape the elements of supply and demand, and subsequently affect local real estate values.

The metropolitan area that is the subject of this appraisal is known as the Greensboro-High Point DMA (Designated Market Area). Metropolitan Statistical Area (MSA): A geographic region containing at least one urban area with a population of at least 10,000, defined by the U.S. Office of Management and Budget for use by federal statistical agencies, including the U.S. Census Bureau. A core-based statistical area can be a metropolitan statistical area or a micropolitan statistical area.

The location of the subject is generally known as the center of the state, in the Piedmont Triad. It is conveniently located between several of the state's largest population centers.

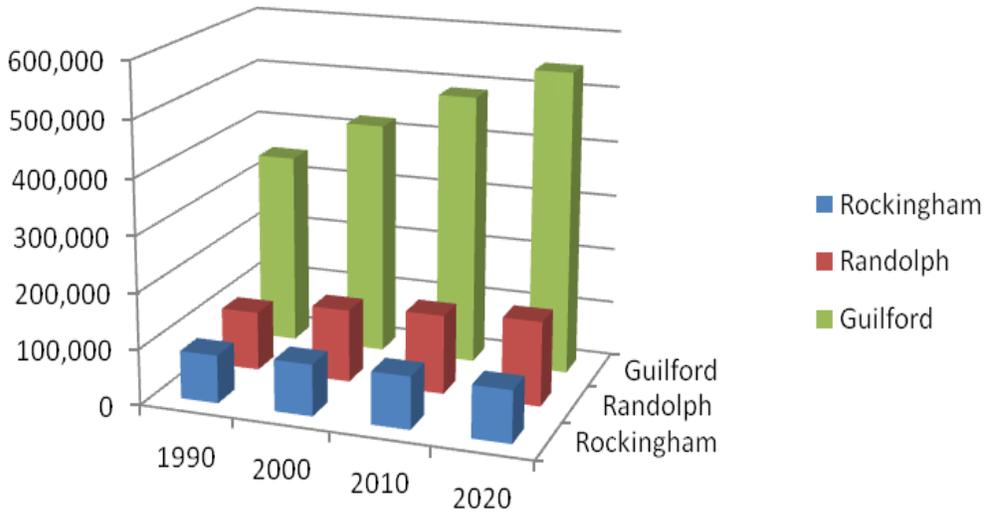
The focus of this portion of the analysis will be on the aforementioned Greensboro High Point MSA and the influences of the Piedmont Triad region. The subject is a part of that growth area and the changes that have occurred in recent years in the region.

## **SOCIAL FORCES**

The Greensboro-High Point MSA is the third largest in North Carolina and ranks in the largest dozen on the southeastern Atlantic Coast.

The following table illustrates the population growth trends for Greensboro High Point MSA, North Carolina:

### **GREENSBORO-HIGH POINT MSA**



## **ECONOMIC FORCES**

The cost of living in the Triad area is modest compared to other locations across the country. The growth in the area economy in recent years is attributable, primarily, to its central location, good transportation system, availability of educational facilities and the work ethic of the local citizens.

From the population growth data on the preceding pages, it is clear that Guilford County is the engine driving that growth. Guilford is the home of thousands of employers, representing a broad range of sectors, from agriculture to manufacturing to services. Cell phone parts manufacturer R F Micro Devices is headquartered in Greensboro and has recently announced that it is hiring. Honda Aircraft Company has a facility in Guilford County that is building the Honda Jet, the world's most advanced light jet. Volvo trucks are being produced, and a major expansion was recently announced in Guilford County. It is also home to Piedmont Pharmaceuticals, which manufactures drugs for humans and animals. Other top employers in the area include Bank of America, BB&T, Lincoln Financial, Ralph Lauren Corporation, Syngenta (life sciences), Gilbarco (fuel dispensing equipment) and Fed Ex. Guilford County ranked in a tie for second most active in hiring plans among employers across the country in the most recent quarter.

## AREA ANALYSIS

The subject property is located outside the city limits of Asheboro, northeast of the Central Business District of Asheboro, the county seat of Randolph County. This general area is known as the Piedmont Triad. It is conveniently positioned along the East Coast and is considered part of the southeastern United States. Some of the major cities in this section of the nation and their approximate distances from Asheboro are as follows:

<u>CITY</u>	<u>DISTANCE</u>	<u>DIRECTION</u>
Washington, DC	320 Miles	Northeast
Atlanta, GA	300 Miles	Southeast
Jacksonville, FL	460 Miles	South
Raleigh, NC	69 Miles	East
Wilmington, NC	200 Miles	Southeast
Greensboro, NC	26 Miles	North
Charlotte, NC	73 Miles	Southwest

Randolph County is part of the Greensboro-High Point Metropolitan Statistical Area (MSA), comprised of Guilford, Randolph and Rockingham Counties. This area is one of the 20 most populous in the southeastern United States. The merging population and economic interests of the Piedmont Triad have not only reflected general growth of the area but have become a stimulus for continued growth.

### POPULATION

North Carolina has three major concentrations of population and urban growth. They are known as The Triad, The Research Triangle (Raleigh, Durham, Chapel Hill) and the Metrolina area (Charlotte/Mecklenburg County). Randolph County is situated in the center of these three areas which contain North Carolina's five most populous counties.

Some of the growth in Randolph County can be attributed to the “tax flight” of Guilford County residents, as well as other areas, particularly to the northern tier of townships.

Population growth within Randolph County has been steady. Between 2000 and 2010 population growth was 8.20%, a decrease from the previous decade. Going forward, population growth is likely to remain steady or increase slightly.

## EMPLOYMENT

The traditional strengths of Piedmont North Carolina have been furniture, apparel and textiles. Manufacturing, in general, comprises a large percentage of the local work force. The following is a list of major manufacturing firms in the Asheboro area who are some of the larger employers.

### FIRM

Klaussner Home Furnishings  
Energizer Battery  
Dart Container  
The Timken Company  
Teleflex, Inc.  
Technimark, Inc.  
Acme-McCrary Corp  
MOM Brands  
Sealy

### PRODUCT

Furniture  
Batteries  
Plastic Cups & Lids  
Roller Bearings  
Medical Devices  
Plastics  
Hosiery  
Cereals  
Mattresses

## AREA ANALYSIS - (continued)

### TRANSPORTATION

The Triad is a hub for surface transportation, with national and state highways providing excellent transportation access for moving people and goods through the region. From the north, south, east, and west there are more highways that converge in the Piedmont Triad than any other region of North Carolina.

#### **US Interstates**

I-85, I-77, I-73, I-74

#### **US Highways**

52, 220, 64, 311, 29, 70, 421, 158, 601

NC Highway 49 runs from South Carolina to Virginia and meets US 64 which traverses the state in a west-east direction from Murphy to Manteo, in Randolph County. US Highway 220 extends the entire length of the state from the Virginia line to the South Carolina line. Interstate 85 travels north to Washington, New York and Boston, and south to Atlanta. US Highway 421 extends southeast to the coast. Asheboro's extensive highway network is enhanced by the city's central location. The six largest cities in North Carolina are all located within a one-and-a-half hour drive from Asheboro.

Rail service is available from Norfolk-Southern Railways. Switching service is provided daily.

## AIR TRANSPORTATION

With a central location and an excellent transportation network, Randolph County provides convenient access to all three major international airports in North Carolina. Piedmont Triad International is 40 miles north, Raleigh/Durham International is 70 miles east, and Charlotte/Douglas International is 90 miles southwest.

Charter service and general aviation are available at Asheboro Municipal Airport.

## EDUCATION

Randolph County is served by two public school systems-Randolph County and Asheboro City. Together, those systems provide 37 public schools, serving approximately 22,500 students. In addition, there are 10 private school operations in the county, which serve in excess of 800 students, and one charter school is expected to open for the 2013-2014 school year.

Specialized training in technical job skills is provided by Randolph Community College (RCC). RCC is a member institution of the North Carolina Community College System and is a public, two year comprehensive college to serve the citizens of Randolph County. It has grown tremendously over its 51 years and now serves more than 3,700 credit students and in excess of 9,000 non-credit students at three campuses. Those locations are the main Asheboro campus, Archdale Center and the Emergency Services Training Center (on Old Cedar Falls Road.) The University Center of Randolph County, established in 2008 is a collaborative effort between RCC and several colleges and universities in the state, providing an opportunity for students to complete a baccalaureate or masters degree without leaving the county. Additionally, there are a score of colleges and universities within an hour drive of Randolph County.

## AREA ANALYSIS - (continued)

### MEDICAL CARE

Randolph Hospital is a 145 bed health care facility. A major addition was completed in 1992 to modernize and expand the hospital and outpatient facilities.

Randolph Hospital's Outpatient Center and the Randolph Cancer Center were completed in 2008. The 38,000 square foot Outpatient Center consolidates most of the hospital's outpatient services in one building. Services include a Breast Center with digital mammography, stereotactic breast biopsy and ultrasound; an Imaging Center with a 64 – slice CT scanner that provides three-dimensional cross-sections of internal organs and bones; a laboratory with several blood draw stations, including one designated for pediatric patients; and a special procedures area for procedures such as bronchoscopies, colonoscopies and endoscopies.

The 21,000 square foot Cancer Center, a partnership between Randolph Hospital and the Moses Cone Health System features a linear accelerator and CT Simulator, state of the art equipment that allows cancer patients to stay close to home for treatments.

In addition to the hospital, Randolph County is home to at least eight nursing home/rehabilitation facilities and two hospice/palliative care organizations.

## AREA ANALYSIS - (continued)

### OTHER RESOURCES

Randolph County is home to the North Carolina Zoological Park. The 1,400 acre natural habitat zoo has aviary, pavilions, gift shops and amphitheater. It is nationally recognized as one of the nation's finest zoos. It was the first American zoo planned and built as a natural habitat zoo. There are approximately 1,600 specimens of mammals, reptiles, birds and insects. Two of its exhibit regions, Africa and North America, include more than 500 acres and five miles of walkways. It attracted nearly 762,000 visitors in 2012.

The county boasts five golf courses and tennis courts, pools, YMCA and dozens of shopping centers and specialty shops. Randolph County receives several daily newspapers and five TV networks and two local radio stations. Other attractions include the Richard Petty Museum, a collection of stock car racing memorabilia, which is located at Level Cross. There are also more than 80 traditional potters in the Seagrove area that still produce beautiful and functional pottery as it was done generations ago. The Pottery Capital of North Carolina is located in Seagrove.

### SUMMARY

In summary, Asheboro/Randolph County has a stable economy based upon agriculture and a diversified mixture of large and small industries which produce textiles, furniture, food, batteries and bearings. The economy of the area has been negatively affected as well as many other areas of the state and nation since the credit crisis and recession of 2008. Unemployment remains a problem. Therefore, it is concluded that real estate values within the county should continue at a stable rate for the foreseeable future.

## NEIGHBORHOOD ANALYSIS

The subject property is located in an established area outside the city limits of Asheboro, approximately three miles northeast of the central business district (CBD). Essential services such as Randolph Hospital, medical offices, shopping centers and places of worship are in a close proximity.

The neighborhood consists of mostly single family residences, both stick built and manufactured homes, a church day camp, a heating and air conditioning service contractor, small farms and a firearms range/emergency services training center. It should be noted that one of the abutting properties is the old county landfill, now closed and solid waste transfer station. No major adverse influences were noted in the subject property's neighborhood. The subject property is in a stable area with property values stable and an estimated marketing time of 10 to 12 months.

**RANDOLPH COUNTY**



**HENLEY COUNTRY ROAD TRACT**



**HENLEY COUNTRY ROAD TRACT**



**HENLEY COUNTRY ROAD LOOKING SOUTH**



**OLD RANDOLPH COUNTY LANDFILL ON  
HENLEY COUNTRY ROAD**



**OLD RALNDOLPH COUNTY LANDFILL ON  
HENLEY COUNTRY ROAD**

## DESCRIPTION OF SITE

The subject property contains approximately 700 acres, comprising 19 tax parcels, most of which are already owned by Randolph County. It is located on the north side of Old Cedar Falls Road, at the intersection with Foxworth Road, Asheboro, North Carolina. Most of the land is densely wooded, although there is a power line easement bisecting the property in a NE-SW direction. The northern boundary and a small strip near the eastern boundary lie in a flood zone, per Randolph County GIS. The topography is on street grade and rolling. There is adequate egress and ingress to the property provided by Old Cedar Falls Road, a state maintained paved two lane highway. The site appears to have adequate drainage.

It should be noted that the Randolph County landfill closed in 1997. Since that time, a transfer station has been operated at that site and the solid waste has been transported out of county, currently to the Uwharrie Environmental Regional Landfill in Troy.



**OLD CEDAR FALLS ROAD LOOKING EAST**



**SMALL FARM ON OLD CEDAR FALLS ROAD**



**CHURCH DAY CAMP SIGNAGE**



**COMMERCIAL SERVICE FACILITY**



**COMMERCIAL SERVICE FACILITY**



**TYPICAL DWELLING ON OLD CEDAR FALLS ROAD**



**TYPICAL DWELLING ON OLD CEDAR FALLS ROAD**



**TYPICAL DWELLING ON OLD CEDAR FALLS ROAD**



**TYPICAL DWELLING ON OLD CEDAR FALLS ROAD**



**TYPICAL DWELLING ON OLD CEDAR FALLS ROAD**



**MOBILE HOME PARK IN VICINITY**



**MOBILE HOME PARK IN VICINITY**



**EMERGENCY SERVICES TRAINING CENTER**



**EMERGENCY SERVICES TRAINING CENTER**

## **ENVIRONMENTAL FORCES-RANDOLPH COUNTY**

The climate of Randolph County can be described as mild, typically with little snowfall. Average rainfall is 46 inches and 5.7 inches snow. Average precipitation days are 113 and 216 sunny days. Average low temperature for January is 30 degrees Fahrenheit and average July high is 88 degrees. Humidity in the summer months can be uncomfortable, which attributes to the comfort index of 36 out of 100, where higher is more comfortable. The average index for the United States is 44. Randolph County is located near the geographic center of the state and comprises 782 square miles. The 2010 population per square miles was 181 persons.

Randolph County is conveniently situated between the state's two largest population centers, the Triangle area of Raleigh, Durham and Chapel Hill, approximately 60 miles to the east and the Charlotte/Metrolina area, 75 miles southwest. Randolph County is considered part of the Piedmont Triad, the third-most populous area of North Carolina. Access to the area is provided by a good network of roads, including interstates 73, 74, 85, US highways 29, 70, 64, 311 and 421 and NC highways 22, 42, 47, 49, 62, 134, 159 and 705. It is part of the Greensboro-High Point Metropolitan Statistical Area (MSA), along with Guilford and Rockingham counties to the north. The 7/2011 population was estimated at 142,358. By contrast, Guilford County population was 495,279 and Rockingham County had an estimated 93,329.

## **HISTORY-NEED FOR LANDFILL**

There are various reasons for the need for a landfill. Since the dawn of man, natural resources, personal belongings, animals and vegetation have been useful to sustain life. However, as with humans, all things have a life cycle. Materials wear out, usefulness declines. Some material is recycled but many products cannot be and must be disposed of. A more detailed history can be found in the Addenda of this document. Suffice it to say that when materials must be disposed of, the question arises, “Where shall we put it?” As late as fifty years ago, many individual families’ and community junkyards filled the bill. Many were visible from streets and highways. These created problems such as noxious odors, vermin, groundwater contamination and unsightly appearance. In some unregulated areas of the country these individual junkyards still exist. However, as society became more civilized and concerned with what the neighbors could do that might affect our own properties, another solution was needed. Citizens demanded that local governments do something to provide that solution. A centralized location filled that need. Over the years landfill construction and technology has improved dramatically to the present. In North Carolina, the state Department of Environment and Natural Resources (DENR) now regulates the construction, operation, closing and monitoring of landfills. All new solid waste landfills are permitted under the lined subtitle D landfill regulations. Those regulations provide for safe operations, with no base liner leaks from any of the 42 lined facilities permitted since 1990.

## **FIELD RESEARCH**

In an effort to understand the operation of a solid waste landfill, the appraiser visited six landfills in North Carolina from August, 2012 through January, 2013. Those landfills visited were chosen for their proximity, approximate population or annual tonnage of solid waste processed. All are operated by professional companies. Though not in order by date visited, but in alphabetical order, each of the landfills and their respective pertinent data follow.

**Anson County MSW Landfill** is located at 375 Dozer Road, Polkton, NC. It began operations in 2000 and is operated by Waste Connections, Inc. The landfill is accessed from US Highway 74, a four lane divided highway and provides service for residents of North Carolina and South Carolina. Due to an operator change, this facility now operates under a new permit granted in 2010, and processes approximately 1,000 tons per day.

Anson County is predominantly rural, with 531 square miles and a 2010 population of 26,948 or 50.7 people per square mile. Located in the south central region of the state, it is bordered by Richmond, Stanly and Union counties and Chesterfield County, South Carolina. Anson enjoys a mild climate, with a January average temperature of 42 degrees and a July average of 79 degrees. Average annual rainfall is 41.5 inches. Anson County is approximately 50 miles southeast of Charlotte, 115 miles southwest of Raleigh and 100 miles south of Greensboro. There are seven municipalities in Anson and five of those have populations below 1,000. Major employers include Hornwood (warped knit cloth mfr), Brown Creek Correctional Institution (prison), CMH Flooring (flooring supplies), Wade Manufacturing (flannel cloth), Universal Fibers Systems (nylon yarn) and Triangle Brick (custom brick).

The Anson County landfill comprises approximately 875 acres and is operated by Waste Connections, Inc. It is surrounded by vacant land held by various individuals and corporations for years. At the intersection of Dozer Road and US Highway 74, at the entrance to the landfill, lies 100 acres of vacant land held by Anson County Economic Development Corporation that is being advertised for sale. Another 20 acre tract improved with an 84,000 sq. ft. warehouse is being offered by Plank Road Realty. The appraiser spoke with Mr. Don Scarboro, broker in charge of Plank Road Realty who also sits on the board of Anson County EDC. He stated that there have been offers on the warehouse property but no sale has been consummated. Further, he said that there have been no negative comments on either property concerning the landfill, and some of the prospects have been attracted to the properties because of the landfill. Unfortunately, no recent sales of contiguous properties were found. However, three sales of nearby properties were closed between 2008-2010. One vacant tract of 22 acres on US Highway 74 sold for \$45,000 which was 90% of list price. It sold after 15 days on the market. A 3.68 acre tract with a frame building of about 800 sq. ft., also on Old US Highway 74 sold in seven days for \$17,000 (full price). Finally, a 22,000 sq. ft. warehouse on 2.00 acres sold for \$650,000 in December, 2009. Listing price was \$769,000 and marketing time was 250 days. All three properties are within one mile of the landfill. In reviewing these sales, they are considered to be arm's length transactions.

**ANSON COUNTY**



**ENTRANCE WITH BERM OF LANDFILL IN BACKGROUND**



**ADMINISTRATIVE OFFICE BUILDING**



**ADJACENT PROPERTY**



**ADJACENT PROPERTY**

In Cabarrus County, one of the state's busiest landfills **BFI-Charlotte Motor Speedway Landfill** processes one million tons of solid waste annually. Permitted in 1992, it is adjacent to the racetrack that bears its name. To the north and west are various industrial and service facilities. Pitts School Road, where two new public schools were recently built is adjoining to the east and residential areas lie to the south. Cabarrus County is small in size, with 362 square miles but is home to 178,011 persons per the 2010 census. Concord is the county seat and is home to Reed's Gold Mine, the first gold mine in the country. Gold was first discovered there in 1799 and was mined in North Carolina into the early 20<sup>th</sup> century.

Cabarrus County has a temperate climate with a January average low of 28 degrees and July average high of 88 degrees. The annual average temperature is 71 degrees with average rainfall of 49 inches. Located in the west central part of the state, Cabarrus County is adjacent to Mecklenburg County and Charlotte to the west. Cabarrus is home to five municipalities ranging from 2,000 to 81,000 in population.

Major employers include Concord Mills Mall (retail), S&D Coffee and Tea (beverage distributors), manufacturers Monsanto, General Mills, Dole Foods, Westinghouse, Siemens, Toshiba and several stock car racing teams including Hendrick Motorsports, Roush Fenway Racing and affiliated concerns.

CMS Landfill is located at the intersection of US Highway 29 (Concord Parkway) and Pitts School Road, Concord. No recent sales or listings of contiguous properties were found. However, there are some residential developments across Pitts School Road that have active listings and recent sales. Some of those developments are within sight of the landfill. There are several arms' length sales from 2011 and 2012 in the \$100,000-\$300,000 range that have sold in a reasonable marketing time for 90%-100% of listing price.

**CABARRUS COUNTY**



**BERM OF CMS LANDFILL**



**RESIDENTIAL DEVELOPMENT WITH VIEW OF LANDFILL**



**TYPICAL DWELLING ACROSS STREET FROM LANDFILL**



**TYPICAL DWELLINGS IN CLOSE PROXIMITY TO LANDFILL**



**NEW HIGH SCHOOL ADJACENT TO CMS LANDFILL**



**VIEW OF CHARLOTTE MOTOR SPEEDWAY GRANDSTAND  
FROM LANDFILL ROAD**



**AERIAL VIEW OF CMS LANDFILL WITH ADJACENT HIGH SCHOOL AND RESIDENTIAL DEVELOPMENTS**



**AERIAL VIEW OF CMS LANDFILL WITH ADJACENT HIGH SCHOOL AND RESIDENTIAL DEVELOPMENTS**

The **Davidson County MSW Lined Landfill** is located at 1160 Old US Hwy 29, Thomasville. It has been permitted since 2008 and processes more than 110,000 tons of solid waste per year. Its location is fairly rural, along a winding two lane highway with residential areas surrounding. It is generally bisected by railroad tracks from an older section of lined landfill off Roy Lopp Road, Lexington.

Davidson County 2010 population was 162,878 dispersed on 553 square miles. Climate is moderate with the average January low of 30 degrees and the average July high being 89 degrees. Average annual rainfall is 44 inches with snowfall of approximately 6 inches. Davidson County enjoys an average of 216 sunny days per year. There are a wide range of attractions to the area including the Lexington Barbecue Festival, held each October and the Southeastern Old Threshers' Reunion, held in Denton. Other attractions include the "Big Chair" in Thomasville, one of the world's largest Duncan Phyfe style chairs and denoting the world famous furniture industry of Davidson County. The summer months are busy times for the county's High Rock Lake, the northernmost of the Uwharrie Lakes and the second largest lake in North Carolina. Its water surface covers 15,180 acres with 365 miles of shoreline. Artist Bob Timberlake and his gallery can be found in Lexington. For the stock car racing fan, many race shops and related businesses are found in Davidson County, as well as the Richard Childress Racing Museum and Childress Vineyards.

In researching the area around the landfill for sales of properties, the appraiser searched Triad MLS for sales since January 1, 2008. There were 33 sales ranging from \$18,500 to \$315,000. Median sales price to list price ratio was 96% and median days on market were 63. I spoke with two owners in the area. Mr. Shannon Ball lives across Roy Lopp Road from the landfill entrance. He indicated that he has lived there for 47 years and there have been no odors, noise, water

contamination or other problems. He stated that were it not for the truck traffic, he would not know the landfill was there. A neighboring property at the landfill entrance sold in May 2009 in 23 days. Sales price was \$80.46/sq. ft. The median price/sq. ft. for the 33 sales was \$79.73. Another owner, Mr. James Gilliam bought the highest priced of the 33 sales in June, 2008. The sales price was \$149.15/sq. ft. Several acres of timber have since been cut between his property and the landfill so that the landfill is now visible from his property. He stated that there has been no problem with the proximity to the landfill. When he bought the property, the seller told him the good news was that the landfill is only a mile away and the bad news was that the landfill is only a mile away. I also spoke with a realty agent who has an active listing of vacant land in the area. He indicated that the prospects who have viewed the listed property have had no negative comments regarding the landfill.

**DAVIDSON COUNTY**



**SIGNAGE OF PHASE 2**



**ENTRANCE**



**BERM OF LANDFILL**



**BERM OF LANDFILL**



**TYPICAL DWELLING IN IMMEDIATE VICINITY**



**TYPICAL DWELLING IN IMMEDIATE VICINITY**



**SIGNAGE OF PHASE 1**



**ADJACENT DWELLING (ROY LOPP ROAD), RECENT SALE**



**BERM OF LANDFILL FROM TURNER ROAD**



**TURNER ROAD DWELLING, RECENT SALE**

In Montgomery County, the state's third largest regional landfill, **Uwharrie Environmental Regional Landfill** processes 858,000 tons of solid waste per year. It operates under a permit issued in 1995. Per the 2010 census Montgomery County had a population of 27,798. Land area is 492 square miles which allows a lot of elbow room for its residents-a density of 56.5 persons per square mile. There are five municipalities, the largest of which is Troy, the county seat. The topography of Montgomery County ranges from hilly and rolling in the north to flat, sandhills in the southeast. Montgomery is blessed with two lakes on its western border-Badin Lake and Lake Tillery, both being a part of the Yadkin-Pee Dee River Basin. The western part of the county is nestled in the Uwharrie National Forest and mountain range. It is a favorite destination for the outdoorsman-be it hunting, camping, biking, water sports or a combination of all. As an added bonus, two professional golf courses and a municipal course provide other recreational opportunities. The Old North State Club at Uwharrie Point is the site of the conference golf tournament for the Atlantic Coast Conference (ACC). The Town Creek Indian Mound at Mount Gilead provides historical and educational opportunities for the area residents and visitors.

Major employers include Grede (cast iron and ductile castings), Realistic Furniture (upholstered furniture), Jordan Lumber & Supply (lumber), Unilin (medium density fiberboard), McRae Industries (footwear), Capel, Inc. (braided rugs) and Paperworks Packing Group (packing and printing).

As noted by the county population, one can deduce that there are few sales of real estate in the area. In fact, I found only four sales of improved properties in the immediate vicinity of the landfill between 2005 and 2011. Since most of the surrounding properties is owned by the county or federal government (Uwharrie National Forest), that is not surprising. A fifth sale is also included

due to its similar style to the one property that is located on Landfill Road that has sold in that time frame. That property sold within a reasonable exposure time and value range. Hence, no detrimental impact from the landfill is found.

**MONTGOMERY COUNTY**



**UWHARRIE ENVIRONMENTAL REGIONAL LANDFILL**



**TIPPER IN OPERATION AT LANDFILL FACE**



**NEW CELL UNDER CONSTRUCTION**



**FLARE OF LANDFILL GAS**



**SIGNAGE FOR UWHARRIE ENVIRONMENTAL REGIONAL LANDFILL**



**BERM OF LANDFILL**

One of the state's newest solid waste landfills, **Sampson County Disposal Inc.** is also the largest processor at 1,206,000 tons per year. Sampson County has a large land area of 945 square miles, providing plenty of room for its residents. Per the 2010 census the population was 63,431 for a density of 67.1 persons per square mile. Sampson is the second largest county by land area in North Carolina. It is located in the southeastern part of the state near the intersection of I-95 and I-40. It lies about an hour southeast of Raleigh and an hour northwest of the historic port of Wilmington. Other major arteries are US 421 and US 701 which intersect in the county seat of Clinton. Within a one hour drive are two international airports-RDU and Wilmington, Fayetteville Regional Airport and the Clinton Sampson Airport with a 5,000 foot runway. The Port of Wilmington is approximately 75 miles from Clinton and boasts significant recent capital improvements. At 100 miles from Clinton, the port of Morehead City is one of the deepest ports on the east coast, and approximately 4 hours away are the ports of Norfolk and Charleston. Sampson County also has rail service by CSX.

Agriculture plays a large role in the local economy, with one of the world's largest swine producers. According to the publication "Farm Futures" in September, 2005 Sampson County was named the #1 best place to farm in the US. Therefore, it is not surprising that the two largest employers are Smithfield Foods and Prestage Farms. In 2010 manufacturing and agriculture comprised 31% of public and private industry groups. With its wealth of vacant land, good transportation, agricultural production and close proximity to military installations, Sampson County is poised for growth.

In researching the immediate vicinity for recent real estate sales, some small tracts of vacant land were found. They adjoin the landfill. On July 23, 2009 a tract of 2.18 acres sold for \$8,000 or

\$3,670 per acre. Another tract containing 2.03 acres sold September 10, 2009 for \$8,000 or \$3,941 per acre and a tract of 3.36 acres sold for \$15,000 on November 11, 2012. That equates to \$4,464 per acre.

By comparison, 1.81 acres at 2511 Hobbs Road, Roseboro sold September 12, 2008 for \$12,000 or \$6,630 per acre. However, this tract included a well and septic system and no restriction on land use. This tract is approximately 6 miles south of the landfill. Another tract of 1.159 acres at 95 Autumn Leaf Lane, Roseboro sold March 27, 2009 for \$7,000 for \$6,040 per acre. This tract also has a well and septic tank and is approximately 4 miles west of the landfill. When comparing these tracts to those adjacent to the landfill, the values are very similar after adjusting for the well and septic system.

**SAMPSON COUNTY**



**TYPICAL DWELLING IN THE NEIGHBORHOOD**



**GENERATORS PRODUCING ELECTRICITY FROM LANDFILL GAS**



**VIEW OF LANDFILL AND BUFFER**

Permitted in 2008, the **South Wake MSW Landfill** processes 427,000 tons of solid waste per year. It is located in the town of Holly Springs at the intersection of Old Smithfield Road and US 55 Bypass. The climate of Wake County is described as being mild. The rainfall is evenly distributed through the year and averages 44.75 inches. Of that precipitation only 7.6 inches is from snowfall. Average temperature is 62 degrees Fahrenheit. Wake County is located within central North Carolina and is home to the state capital city, Raleigh. Geographically, the Triangle is located 150 miles west of the Atlantic Ocean, 190 miles east of the Great Smoky Mountains, 370 miles north of Atlanta, Georgia and 250 miles south of Washington, DC. Major highways include I-85, I-40 and US Hwys 70, 401, 501, and 55, which bisect the area in all directions, thus increasing the Triangle's accessibility and enhancing its role as an urban center. Per the 2010 census, Wake County population was 900,993 and land area was 835 square miles providing a very urban density of 1,079 persons per square mile.

Raleigh/Durham International Airport provides the state with important linkages, both on a national and international basis. Located five miles east of Research Triangle Park, RDU provides efficient and cost-effective travel options for the region. RDU has two primary runways of 10,000 feet and a secondary, crosswind runway of 3,550 feet. RDU is served by sixteen airline carriers with a total of nearly 400 daily arrivals and departures. Non-stop weekday flights are offered to international cities including London, Toronto and Cancun. RDU has been consistently in the top five among the nation's largest airports for on-time arrivals and on-time departures. A U.S. Customs office, six all-cargo carriers and numerous freight forwarders are housed at RDU.

Wake County continues to grow at a rapid pace, which is evident by the new developments in the area. One such development is located adjacent to the landfill, to the south. The price range for

a single family detached home or townhouse is \$140,000-\$315,000. Recent sales have been closed within 60 days exposure time for 100% of asking price. I spoke with Rick Newnham, on-site realty agent in Forest Springs, the closest development to the landfill. Mr. Newnham has been a realty agent for 20 years. He admitted that occasionally there is some buyer resistance due to the close proximity to the landfill. This typically is the result of buyer's conversations with agents in competing areas. Mr. Newnham has toured the landfill facility and makes full disclosure to prospects. After doing so and answering prospect's questions, he states that Forest Springs is the buyer's choice a major percentage of the time. The landfill is visible from several lots in Forest Springs.

**SOUTH WAKE COUNTY**



**BERM OF SOUTH WAKE COUNTY MSW LANDFILL**



**FULL CELL OF SOUTH WAKE LANDFILL**



**TYPICAL CONSTRUCTION IN ADJACENT DEVELOPMENT**



**TYPICAL CONSTRUCTION IN ADJACENT DEVELOPMENT**



**TYPICAL CONSTRUCTION IN ADJACENT DEVELOPMENT**

## HIGHEST AND BEST USE-SUBJECT PROPERTY

The highest and best use for real property can be defined as follows: *“the reasonable and probable use that supports the highest present value, as defined, as of the date of the appraisal.”*

Alternatively, highest and best use is ...*“the use, from among reasonable, probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and that results in the highest present land value.”*

The first type of highest and best use, highest and best use of land or a site as though vacant, assumes that a parcel of land is vacant or that it can be made vacant through the demolition of any improvements. The question to be answered in this type of analysis is “what use should be made of it?” that is, what type of building or other improvement (if any) should be constructed on the land?

The second type of highest and best use, highest and best use of a property as improved, pertains to the use that should be made of the property as it exists. Should the existing improvements be maintained, renovated, expanded, partially demolished or should it be replaced with a different type use: The purpose of highest and best use analysis is different for each type of highest and best use examined. For each type of highest and best use, the criterion in a highest and best use study are that highest and best use must be 1) physically possible, 2) legally permissible, 3) financially feasible, and 4) maximally productive.

According to the **REAL ESTATE APPRAISAL TERMINOLOGY** publication by the **Appraisal Institute of Real Estate Appraisers**, *“...the concept of highest and best use represents the premise upon which value is based.”*

## AS IF VACANT

**Legally Permissible Uses** - Legally permissible uses are typically defined by zoning ordinances and/or deed restrictions. The current zoning is RA (Residential/Agricultural) which was designed primarily to permit low density residential development and for agricultural use.

No adversely restrictive characteristics are indicated in the zoning ordinance, and the subject land appears to conform well to the existing zoning. The proposed landfill project is legally permitted under the existing zoning classification, subject to a conditional use permit.

**Physically Possible Uses** - The second criteria for analyzing the highest and best use concerns "What use is physically adaptable to the site?" Some potential uses may be inappropriate, due to certain physical characteristics of the site. These considerations are usually concerned with size, shape, ingress/egress, utilities, soil conditions, and topography. The subject property consists of predominantly vacant, partially wooded acreage with rolling topography. The physical characteristics and constraints of the site are provided in separate reports by engineers retained by Randolph County. The North Carolina Department of Environmental, Health and Natural Resources set forth minimum requirements for many aspects of the proposed landfill, including the buffer requirements for adjoining uses. Buffers are mandated by State and Federal regulations with the express intent to use separation and value protection of adjacent/adjoining properties. Adequate utilities, access roads, drainage, sanitation and/or necessary facilities have been made or will be provided. The subject meets and exceeds these requirements; therefore, the site meets the standard of being physical feasible.

**Financially Feasible** - The third criteria for determining the highest and best use for a site, as if vacant, would be "what use would bring a positive cash flow to the owner?" In other words, which uses are financially feasible? As mentioned in the Neighborhood Analysis section, the area surrounding the subject has good potential for future growth. An investigation of the market within the neighborhood reveals that growth has been steady for the past ten years. The location and cost of waste disposal is of concern in economic development. As Randolph County Economic Development seeks to attract new industry demand for waste disposal will increase. The supply of solid waste facilities is limited, transportation costs continue to be a factor and demand will likely exponentially increase.

**Maximally Productive** - In considering that use, which I conclude is maximally productive; I have concentrated on the land uses in the neighborhood. Based upon the information contained in this report, and the findings of supporting documents from engineering, traffic, land planning and environmental studies, the Highest and Best Use of the subject supports a Solid Waste Facility. Therefore, based on the proposed site plan, the construction and operating procedures outlined for the subject, I would conclude that the proposed use would not be detrimental to the public welfare or health, that the proposed use will not impair the integrity or character of the surrounding area and adjacent/adjoining properties will not suffer any injury of value because of the proposed project. It is also my professional opinion that population and job growth throughout the county demonstrates adequate demand, while having limited supply, thus supporting public necessity for the addition of a Solid Waste Facility at the site.

**Neighborhood Realty Sales** - In researching the real estate sales for the immediate vicinity a total of 40 sales were identified from August, 2001 through year end 2012, per Triad MLS. Of those, 10 sales were foreclosures and they were discounted out of land. The remaining 30 sales include 29 residential sales and one vacant land sale. The land was a 116 acre tract that was originally listed in 2009 for \$690,000. It was reduced on June 8, 2012 to a much more reasonable \$399,500. On September 6, 2012 it closed for \$360,000 or \$3,103 per acre. I spoke with Mr. H.R. Gallimore, CCIM, the listing and selling agent about that property and the negotiations. He said at no time did the proximity of the landfill or the traffic enter into the discussions and any decrease in value came as a result of the current economic conditions rather than any perceived location influence. Analyses of the 29 residential sales reveal the following data. The range of prices was \$45,000-\$338,500. Marketing times ranged from 1-555 days. The median sales price was \$130,345 which was 95% of median list price and median exposure time was 135 days. Ten of the 29 sales were consummated since the end of 2008. Seven of the 10 foreclosures closed since 2008, thus lending credence to Mr. Gallimore's comment concerning market conditions. Finally, it is my professional opinion that the sales prices and exposure times for the identified sales are within a reasonable range and are well positioned in the overall market. Further, I find no evidence of locational bias or detrimental influence with respect to the closed or proposed landfill.

## **FINDINGS AND CONCLUSIONS**

The findings and other supporting documents from engineering, environmental, land planning and other studies, the Highest & Best Use of the subject site would support a Solid Waste Facility.

The information contained within this report demonstrates that six (6) comparable sites constructed of similar design and use, did not cause diminution of value, any substantial injury or any substantial negative impacts to adjacent or adjoining properties. Overall, housing growth, sales volume and home sales were consistent with the general (broader) market.

Based on these findings, it is the conclusion of this research that the proposed landfill will not affect real estate values in the immediate vicinity. There is no history to support damage to real property in this area or areas similar to the subject.