

SELF CONTAINED APPRAISAL REPORT

On

**RETAIL STRIP CENTER
AVENUE
DECATUR, DEKALB COUNTY, GEORGIA**

For

BANK

As Of

APRIL 23, 2012

By

SCHLEMMER APPRAISAL COMPANY

SCHLEMMER APPRAISAL COMPANY
Commercial Real Estate Appraisers

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April 30, 2012

Bank

Atlanta, Georgia 30342

At your request, we estimate the Market Value of the retail strip center, Decatur, DeKalb County Georgia 30005. We appraised the Fee Simple Estate. We provide the Market Value as of April 23, 2012, which coincides with the date of inspection.

The Market Value as of April 23, 2012, is:

ONE MILLION FIVE HUNDRED THOUSAND DOLLARS
(\$1,500,000)

This report complies with the Uniform Standards of Professional Appraisal Practice promulgated by the Appraisal Standards Board of the Appraisal Foundation and Supplemental Standards of Professional Appraisal Practice of the Appraisal Institute and Title XI of the Federal Financial Institution Reform Act of 1989 (FIRREA). A complete appraisal in a self contained format follows. Please advise if we can serve you further. This report is prepared for xxxx. The property is free from damage and disaster had no affect on value or marketability. We recognize Mead Schlemmer Registered Appraiser #335527 for his contribution to this appraisal.
Sincerely,



Kayla Schlemmer
Georgia Certified Appraiser #3329

KPS/kps1368

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ADDENDA:

- Engagement Letter
- Maps
- Subject Photographs
- Comparable Rentals
- Comparable Sales

SUMMARY AND CONCLUSION

PROPERTY IDENTIFICATION : Tax Parcel xxxxx
 , Decatur, DeKalb County, Georgia 30030

DATE OF APPRAISAL : April 23, 2012

DATE OF INSPECTION : April 23, 2012

PROPERTY RIGHTS APPRAISED : Leased Fee Estate.

LAND AREA : .26 acres

BUILDING AREA | 7,888^{sq}ft, one-story strip center retail building
 with 6 suites, built in 1930, renovated after fire
 in about 2005

ZONING : C1 District

HIGHEST AND BEST USE : Retail

EXPOSURE & MARKETING PERIOD : 12 months

INCOME APPROACH : \$1,500,000

SALES COMPARISON APPROACH : \$1,500,000

COST APPROACH : NA

MARKET VALUE : \$1,500,000

LIMITING CONDITIONS

This appraisal is subject to the following conditions:

- ❖ We assume a correct legal description. We assumed no responsibility for matters legal in character nor do we render any opinion as to the title, which we assume good and marketable.
- ❖ All existing liens and encumbrances have been disregarded unless otherwise stated, and the property is appraised as though free and clear under responsible ownership and competent management.
- ❖ We assume any proposed or incomplete improvements included in this report completed in accordance with approved plans and specifications and in a workmanlike manner.
- ❖ Information furnished by others is believed to be reliable, but no responsibility is assumed for its accuracy.
- ❖ Except as hereinafter provided, the party for whom this appraisal report was prepared may distribute copies of this appraisal report, in its entirety, to such third parties as may be selected by the party for whom this appraisal report was prepared; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of this appraisal report. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations media, news media, sales media, or other media for public communication without the prior written consent of the signatories of this appraisal report.
- ❖ Qualified experts proficient in conducting environmental audits must determine the presence of hazardous or toxic materials. As appraisers, we cannot endorse or sanction an environmental audit. However, the presence of hazardous or toxic materials may require a deduction from value. Unless stated in the report, we have not been notified of and were unable to discern any hazardous or toxic materials that might be a detriment to Market Value, nor have we made a deduction from value due to the presence of hazardous or toxic materials.
- ❖ It is our recommendation that the client obtain a qualified engineer, architect, or other Americans With Disabilities Act (ADA) expert to inspect the subject, determine the level of ADA compliance/ non-compliance, and estimate the cost to bring the property into compliance. Any non-conformity could have an effect on the Market Value conclusion. Unless otherwise stated, the value conclusion of this appraisal is based on the assumption the property is in ADA compliance.

PURPOSE, DATE, AND INTENDED USER OF THE APPRAISAL

We estimate the Market Value of the retail strip center, xxxx Avenue, Decatur, DeKalb County Georgia 30005. The date of appraisal coincides with the inspection date, April 23, 2012. We appraised the leased fee estate. This appraisal provides data for financial analysis. The purpose of this appraisal is to estimate the market value of the aforementioned property. The Intended Use of the report is to be used by xxxx Bank as an aid in underwriting a loan, classification of a loan, and/or the disposition of the asset.

"Market Value" is defined as 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 and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are 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 they consider their best interests;
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.

"Fee Simple Estate" is defined as absolute ownership unencumbered by any other interest or estate, subject only to the limitations of eminent domain, escheat, police power, and taxation.

"Leased Fee Estate" is defined as an ownership interest held by a landlord with the right of occupancy conveyed by lease to others, and usually consists of the right to receive rent and the right to repossession at the termination of the lease.

SCOPE OF WORK

The 2012 Edition of USPAP requires a Scope of Work. The scope of work in an assignment is acceptable when it meets or exceeds both the expectations of parties who are regularly intended users for similar assignments and what an appraiser's peers' actions would be in the same or a similar assignment. This basis for measuring the appropriate scope of work currently exists in USPAP (Standards Rules 1-2(f), 3-1(c), 4-2(f), 6-2(c), 7-2(f) and 9-2(e) in the 2012 edition), and the concept is proposed for inclusion in the SCOPE OF WORK RULE - the type and extent of research and analyses in an assignment, the amount and type of information researched and the analysis applied in an assignment.

Scope of work includes, but is not limited to, the following:

- the degree to which the property is inspected or identified;
- extent of research into physical or economic factors that could affect the property;
- extent of data research; and
- type and extent of analysis applied to arrive at opinions or conclusions.

Appraisal Scope of Work

The problem to be solved in this appraisal is to provide the client with a Market Value of the subject property.

For this appraisal the scope of work includes a general inspection of the subject property. We identify the property with a tax map and the legal description. We examined the topography, access vegetation, orientation to street, and surrounding uses. We inspected the interior of the building.

We examined similar buildings, which recently sold and make note of their attributes. We researched the tax records and comparable data provided by CoStar[®] and other data sources as available. We examined the market for similar buildings in and around the subject neighborhood. We use information available in the public domain and contacted market participants as necessary. We analyzed the recent performance of similar buildings. We used data from the Schlemmer Appraisal files.

We recognize the three approaches to valuation: Income, Sales Comparison and Cost Approaches. In this case, this involves the use of a Discounted Cash Flow for the Income Approach. We check this value indication with the Sales Comparison Approach. We do not use a Cost Approach since the strip center building is old and determination of depreciation would be unreliable. We reconcile the approaches to an indication of the Market Value.

COMPETENCY PROVISION

Prior to accepting this assignment or entering into an agreement to perform any assignment, an appraiser must properly identify the appraisal problem to be considered and have the knowledge and experience to complete the assignment competently. Our acceptance of this assignment is a statement of competency. No information or conditions were discovered during the course of this assignment to cause the appraisers to believe we lacked the required knowledge or experience to complete this assignment competently. Schlemmer Appraisal Company and the signatories hereto have experience in the appraisal of properties similar to the subject and are deemed qualified by education, training, and experience in the preparation of such reports to comply with the competency provisions of USPAP. The professional qualifications of the individuals who prepared this appraisal are included at the end of the report.

LEGAL DESCRIPTION

The deed is recorded in Book xx Page xx. The tax map, which follows, locates the property.

:

PROPERTY HISTORY

According to the Records, xxx Properties LLC, acquired the property transaction from xxx LP on November 1, 200x for \$101,000. The previous transfer was an inheritance from xxx to xxxx on January 1, 200x. No other transactions concerning the subject property occurred in the last five years. A previous transaction occurred in 1988.

We found no contract or listing for sale of the subject.

Individuals involved with the chain of title and, if available, various documents such as contracts, deeds, leases, and closing statements provided the property history. We performed no title search and cannot guarantee accuracy.

TAXES

Total taxes are \$14,643.73 or 1.87/sf without penalties. Current year taxes are partially paid on the subject property.

CITY AND NEIGHBORHOOD DATA 2012

The subject property situates in Decatur, DeKalb County, Georgia. Location maps follow this discussion.

CITY OF DECATUR AREA

Decatur is a city in, and county seat of, DeKalb County, Georgia, United States. With a population of 19,335 in the 2010 census, the city is sometimes assumed to be larger since multiple zip codes in unincorporated DeKalb County bear the Decatur name. An intown suburb of Atlanta and part of the Atlanta Metropolitan Area, Decatur's public transportation is served by three MARTA rail stations. Decatur's official motto is "*A city of homes, schools and places of worship.*" Prior to 2000, this motto was "A city of homes, schools, and churches."

In 1822 Decatur was founded at the intersection of two Native American trails: the Sandtown which led east from the Chattahoochee River at Utoy Creek, and the Shallowford which follows today's Clairmont Road and eventually crossed near Roswell. The town was named for naval hero Stephen Decatur, and its early roads were named logically but soon after were renamed in a curious manner: Shallowford Road, which led to the Shallow Ford, has been renamed Clairmont Avenue, probably because it does not go to, from or past any place called Clairmont. Covington Road is now Sycamore Street, probably because it leads to Covington and has no Sycamores on it. Nelson's Ferry Road, named after the local family which ran the ferry at the Chattahoochee end of the road, has been named Ponce de Leon after a family prominent, before Castro, in Havana, Cuba.— Mitchell, Stephens, "A Tentative Reconstruction of the Decatur Town Map of 1823", Atlanta Historical Bulletin, No.30, p.8, 1965

In the 1830s, the Western and Atlantic Railroad wanted to make Decatur the southernmost stop on its line. The citizens of Decatur did not want the noise, pollution and growth that would come with such a major terminal, so they rejected the proposal. In response, the railroad founded a new city to the west-southwest of Decatur for the terminal. This town would later become known as Atlanta. During the American Civil War, Decatur became a strategic site in Sherman's campaign against Atlanta. In July 1864 Union general James B. McPherson occupied Decatur to cut off the Confederates' supply line from Augusta, Georgia. During the Battle of Atlanta on July 22, Confederate cavalry under Major General Joseph Wheeler attacked McPherson's supply wagons and the Union troops left to defend the wagons. A marker at the Decatur courthouse marks the site of

this skirmish. In the last half of the twentieth century the metropolitan area of Atlanta expanded into unincorporated DeKalb County, eventually surrounding two sides of the incorporated town of Decatur. Concurrently many well-to-do and middle class white Americans fled the area to more distant suburbs. The 1960s and 1970s witnessed dramatic drops in property values. However, more recently the city has regained economic vigor, partially thanks to several long-term downtown development plans that have come to fruition, making Decatur a trendy small mixed-use district with easy transit to downtown Atlanta. Over the past twenty years, Decatur has gained a local and national reputation as a progressive city with a high level of citizen involvement that retains a small town feel despite its proximity to Atlanta

NEIGHBORHOOD

The neighborhood is defined as the College Avenue Corridor. This area lies just south of the MARTA and freight rail lines heading due east from Atlanta toward the coast. Howard Avenue is parallel College Avenue on the north side of the tracks. College Avenue connects this area of Decatur to both Atlanta to the west and Avondale Estate to the east. This corridor along with the Howard Avenue/ DeKalb Avenue corridor to the north is experiencing heavy redevelopment. Condos and apartments have been placed in old industrial building in the Arizona Street area. New development of townhouses and multifamily projects along DeKalb Avenue has transformed this area into a major population center. Larger redevelopment projects are slated for the Howard Avenue section just east at the former site of My Sister's Room. MARTA has sold the parking area at the Avondale MARTA for development of multifamily/mixed use development.

The subject immediate area is very close to the East Lake MARTA station. The Wahoo restaurant lies nearby. The East Lake neighborhood is just south. Agnes Scott College lies east

The area is seeing new development on the few vacant sites of any size.

CONCLUSION

The neighborhood has recent development of commercial uses as a result of significantly increasing population. We envision growth for the subject's immediate neighborhood and trade area. In summary, the immediate neighborhood evinces stability and growth potential. Prospects for the area remain good despite the slowdown due to the recent economic collapse. .

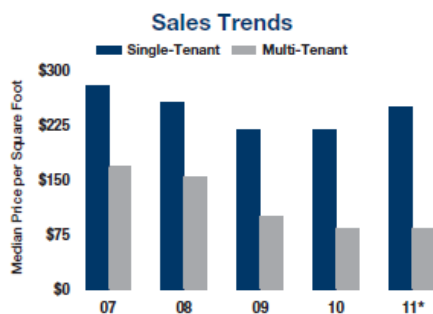
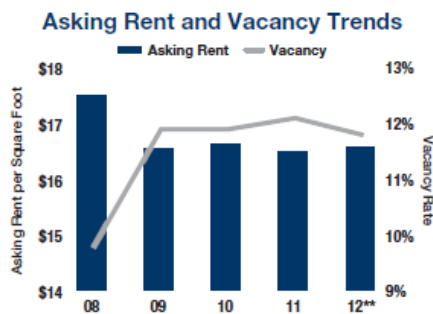
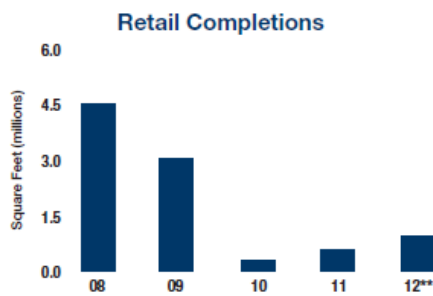
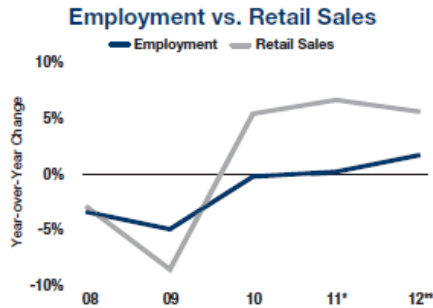
MARKET ANALYSIS

From Korpacz Real Estate Investor Survey – 1st Quarter 2012

National Strip Shopping Center Market

Despite ending 2011 with a stagnant U.S. vacancy rate, the national strip shopping center market could be poised for a rebound this year due to a lack of new supply and steady improvement in the U.S. economy. Leading this property sector's rebound will likely be the grocery-anchored asset class, where the occupancy rate on a national basis is reportedly outpacing other retail property categories. As a result, investment demand is likely to heat up for centers anchored by dominant supermarket names, such as Publix and Whole Foods. In a recent transaction, TIAA-CREF acquired Kings Crossing Shopping Center in Fairfield, Connecticut for a reported price of \$687.00 per square foot. This center is anchored by Whole Foods, was built in 2011, and was 95.5% leased. Its location in a trade area with strong demographics makes it a prime target for investors' dollars. In a similar deal, Regency Shopping Centers purchased the 141,400-squarefoot Lake Grove Commons for about \$513.00 per square foot. This center is also anchored by Whole Foods and is located adjacent to a dominant mall on Long Island, New York. Due to strong investment demand, it is no surprise that most Survey participant sense that market dynamics favor sellers over buyers in most strip shopping center deals.

Table 3					
NATIONAL STRIP SHOPPING CENTER MARKET					
First Quarter 2012					
	CURRENT	LAST QUARTER	1 YEAR AGO	2 YEARS AGO	4 YEARS AGO
DISCOUNT RATE (IRR)^a					
Range	6.50% – 12.50%	6.50% – 12.50%	6.75% – 12.50%	7.50% – 12.50%	6.00% – 10.00%
Average	8.41%	8.44%	8.97%	9.58%	8.34%
Change (Basis Points)		- 3	- 56	- 117	+ 7
OVERALL CAP RATE (OAR)^a					
Range	5.50% – 9.50%	5.00% – 9.50%	5.50% – 9.50%	7.25% – 11.40%	5.80% – 9.00%
Average	7.18%	7.16%	7.40%	8.49%	7.28%
Change (Basis Points)		+ 2	- 22	- 131	- 10
RESIDUAL CAP RATE					
Range	6.00% – 12.00%	6.00% – 12.00%	6.50% – 12.00%	7.50% – 12.00%	6.00% – 10.00%
Average	7.80%	7.93%	8.10%	8.86%	7.78%
Change (Basis Points)		- 13	- 30	- 106	+ 2
MARKET RENT CHANGE^b					
Range	0.00% – 5.00%	0.00% – 4.00%	0.00% – 4.00%	0.00% – 3.00%	1.20% – 3.90%
Average	1.64%	1.45%	1.23%	0.69%	2.86%
Change (Basis Points)		+ 19	+ 41	+ 95	- 122
EXPENSE CHANGE^b					
Range	2.50% – 5.00%	2.50% – 5.00%	2.00% – 4.00%	1.00% – 4.00%	3.00% – 4.00%
Average	3.11%	3.11%	2.98%	2.88%	3.10%
Change (Basis Points)		0	+ 13	+ 23	+ 1
MARKETING TIME^c					
Range	2 – 18	2 – 18	2 – 18	2 – 18	2 – 12
Average	7.1	7.1	8.2	9.6	6.1
Change (▼, ▲, =)		=	▼	▼	▲
a. Rate on unleveraged, all-cash transactions b. Initial rate of change c. In months					



* Estimate ** Forecast
Sources: Marcus & Millichap Research Services, CoStar Group, Inc., RCA

Low Construction to Drive Vacancy Decline; Expanded Financing May Boost Sales

Projected job growth and a resulting rise in retail spending will help modestly strengthen retail property performance in Atlanta this year. High vacancy and torpid rents, though, will linger for several more quarters. Space demand continues to recover at a tempered pace as the metro's soft single-family housing market limits new store openings and forces many merchants to close locations in areas where household growth has not materialized. While existing single-family home sales have recovered from their recessionary lows, the increase has not ignited a surge of new store openings, sustaining elevated vacancy in many retail trade areas. With space demand slowly regaining its footing, limited construction will be the primary driver of a decrease in the vacancy rate this year. Walmarts account for much of the space slated to come online, and the actual completion total may run higher if additional stores advance rapidly through the permitting process.

Top grocery-anchored shopping centers and discounted lender-owned assets will dominate transaction activity through the first half of 2012. Keen bidding will keep cap rates for grocery-anchored properties in the 7 percent range this year, while expansions by Kroger and Publix will sustain investor interest in the metro. Demand for non-institutional-grade assets will also continue to slowly strengthen throughout 2012. Many owners of these properties hesitated to list last year, knowing that buyers would only submit bids on par with distressed asset pricing. The potential return of non-recourse financing, which started to reappear in late 2011, would broaden the pool of potential investors and create a more lively bidding environment. Cap rates for many of these assets start in the 9 percent range.

2012 Market Outlook

- **2012 NRI Rank: 29, Down 1 Place.** Atlanta's high overall vacancy dragged the market down one position in this year's index.
- **Employment Forecast:** Employment will expand 1.6 percent, or by 36,000 jobs, in 2012. Job creation will support a 4.7 percent increase in retail sales.
- **Construction Forecast:** Developers will complete 900,000 square feet of space in 2012, marking a 0.4 percent addition to inventory and an increase from the 529,000 square feet that was placed in service last year.
- **Vacancy Forecast:** Net absorption of nearly 1.5 million square feet will push down vacancy 30 basis points to 11.8 percent in 2012.
- **Rent Forecast:** Vacancy remains too high to generate robust rent growth. This year, asking rents will tick up 0.4 percent to \$16.54 per square foot and effective rents will inch forward 0.6 percent to \$14.34 per square foot.
- **Investment Forecast:** Single-tenant concepts such as Family Dollar, Dollar General and O'Reilly Auto Parts are expanding their project pipeline in the metro, potentially providing investors with additional newly leased product to purchase.

Market Forecast Employment: 1.6% ▲ Construction: 900K ▲ Vacancy: 30 bps ▼ Effective Rents: 0.6% ▲

LOCAL RETAIL MARKET



Late Spring, Summer Vacancies Weaken Atlanta Retail Market

Following two consecutive quarters of positive absorption, Atlanta’s retail market took a step backwards during late spring and summer seeing overall vacancy increase by 0.3% since the end of first quarter 2011. Over the past two quarters, retail occupancy in metro Atlanta decreased by 1 million square feet; led mostly by vacancies in shopping centers and power centers. One of the largest retailers to give back space during this period of time was Borders Group which filed for Chapter 11 bankruptcy in February of this year, then later converted to Chapter 7 as the retailer was unable to find a buyer. The book and music retailer began liquidating existing stores nationwide in the spring and summer. Metro Atlanta store closings included 157,368 square feet in six locations. Other large move-outs included JCPenney which vacated 160,000 square feet at Southlake Mall, and Sears which vacated 150,031 square feet at the plagued Union Station in South Atlanta; a 735,000 square foot mall that now sits completely empty.

MARKET INDICATORS

	FALL 2011*	SPRING '12 Proj.*
VACANCY	▲	—
NET ABSORPTION	▼	▲
CONSTRUCTION	—	▲
RENTAL RATE	▼	▼
CAP RATES	▼	—

*As compared to the previous bi-annual period.

Despite the current situation Atlanta’s retail market finds itself, optimism exists. National retailers continue to see the metro area as a major target for expansion. As these retailers begin to enact their selective strategies of growth in the troubled economy, Atlanta stands to benefit. Retailers such as Aldi Foods, Jos. A Bank, Family Dollar and Mattress Firm are all looking to expand their market presence. In addition to these, discount chains continue to add stores throughout the region and are expected to see further growth in 2012.

The following are excerpts from CoStar’s 3rd Quarter 2011 analysis of the Atlanta retail market breaking out the important components which factor into overall market conditions:

Net Absorption/Leasing Activity

“Retail net absorption was slightly negative in Atlanta third quarter 2011, with negative (389,463) square feet absorbed. In second quarter 2011, net absorption was negative (643,038) square feet, while in first quarter 2011, absorption was positive 679,592 square feet. This adds up to a total of (352,909) square feet absorbed year-to-date.”

Vacancy

“Atlanta’s retail vacancy increased in the third quarter to 10.2%. Over the past four quarters, the market has seen a slight overall increase in the vacancy rate of 0.1%.”

Rental Rates

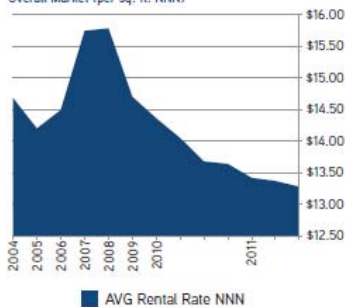
“Average quoted asking rental rates in the Atlanta market are down from previous quarter levels, and also down from a year ago. Quoted rents ended the third quarter at \$13.28 per square foot. That compares to \$13.37 per square foot in the second quarter and \$13.68 per square foot from a year ago.”

Inventory & Construction

“During the third quarter 2011, seven buildings totaling 52,330 square feet were completed in the Atlanta retail market. Year-to-date, a total of 221,692 square feet of retail space has been built in Atlanta. There was 716,400 square feet of retail space under construction at the end of third quarter.”

UPDATE

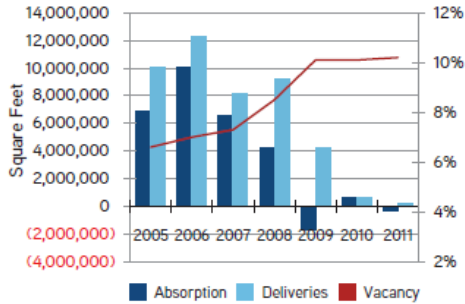
Atlanta Retail Rental Rates
Overall Market (per sq. ft. NNN)



SOURCE: CoSTAR PROPERTY

MARKET REPORT | Q3 2011 | RETAIL | ATLANTA

NEW SUPPLY, ABSORPTION AND VACANCY RATES

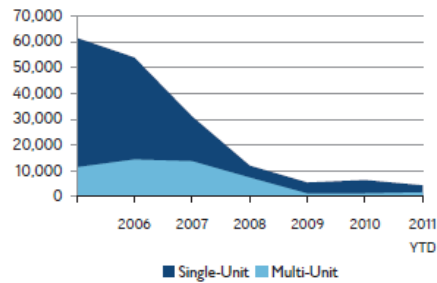


NOTE: 2011 DATA IS YEAR TO DATE

SOURCE: CoSTAR PROPERTY

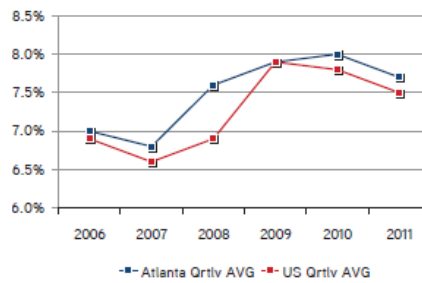
Total SF 348,189,283
 Vacancy Rate 10.2%
 201 Absorption YTD (352,909)
 2011 Deliveries YTD 221,592
 Under Construction 716,400
 Avg. Rental Rate NNN \$13.28/sf

ATLANTA-MSA | Annual Housing Permits



SOURCE: U.S. CENSUS BUREAU

ATLANTA RETAIL | Investment Cap Rates



SOURCE: REAL CAPITAL ANALYTICS

UPDATE Recent Transactions in the Market

SALES ACTIVITY

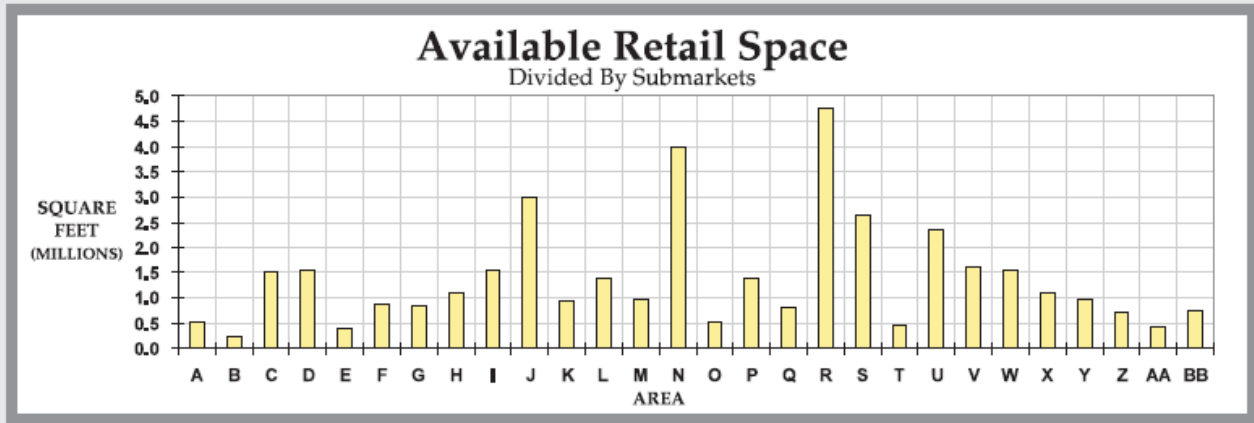
PROPERTY	SALES DATE	SALE PRICE	SIZE SF	PRICE/SF	BUYER
Edgewood Retail District	8/31/2011	\$81,650,000	393,893	\$207.29	NA Development Gr.
Camp Creek Market Place	5/13/2011	\$76,350,000	450,810	\$169.36	Cole Real Estate Inv.
6950-7001 Concourse Pky.	7/28/2011	\$32,800,000	352,073	\$93.16	Cole Real Estate Inv.
Alpharetta Commons	8/2/2011	\$18,750,000	94,544	\$198.32	AmREIT, Inc.
Pointe @ West Cobb	5/31/2011	\$15,484,250	55,172	\$280.65	Kajima/Coro Realty
Brookwood Village	5/10/2011	\$10,600,000	28,774	\$368.39	AmREIT, Inc.



Retail Market - Fall/Winter 2011

*market report, contact
CoStar at 888-228-8508*

Retail Submarkets	# of Centers	Existing SF	Available SF	Avg Rent Rate
Area A - Central Business District	35	12,481,229	523,042	\$19.48
Area B - Midtown	11	4,352,106	224,261	\$23.97
Area C - Buckhead	85	13,310,921	1,500,505	\$22.92
Area D - Sandy Springs	77	10,880,569	1,534,036	\$18.68
Area E - West Atlanta	34	4,301,756	389,228	\$22.38
Area F - South Atlanta/Airport	100	10,513,814	870,883	\$9.26
Area G - East Atlanta	57	8,079,239	844,143	\$12.07
Area H - Northeast Atlanta	106	12,107,601	1,084,657	\$15.19
Area I - Peachtree Corners/Norcross/I-85	140	10,809,500	1,553,644	\$13.01
Area J - North Fulton	180	21,723,538	2,999,011	\$15.35
Area K - Cumberland/Galleria	104	9,612,352	936,695	\$16.07
Area L - Powder Springs/Austell	127	10,240,390	1,394,045	\$11.16
Area M - I-85 South	61	7,092,224	952,923	\$9.79
Area N - Forest Park/Jonesboro/Clayton County	334	26,803,310	3,997,991	\$10.90
Area O - Stockbridge/McDonough/Henry County	75	4,358,155	509,635	\$13.10
Area P - Lithonia/Conyers/I-20 East	110	13,120,920	1,392,691	\$11.73
Area Q - Stone Mountain	95	8,541,258	785,202	\$11.75
Area R - Northeast Gwinnett County	347	34,652,492	4,745,101	\$12.73
Area S - Kennesaw/North Cobb	230	24,536,040	2,625,526	\$13.28
Area T - Cartersville/Bartow County	41	3,907,361	458,629	\$13.17
Area U - Forsyth County/GA 400 North	209	18,743,628	2,349,292	\$13.83
Area V - Gainesville/Hall County	137	15,175,773	1,609,614	\$15.30
Area W - Cherokee County	113	10,614,073	1,534,459	\$13.33
Area X - Douglasville/Douglas County	98	10,099,036	1,100,089	\$10.52
Area Y - Fayetteville/Fayette County	74	8,410,646	945,011	\$12.67
Area Z - W Henry/Griffin/Spalding County	55	4,233,728	719,336	\$8.69
Area AA - Dallas/Paulding County	44	4,335,953	446,081	\$14.56
Area BB - Newnan/Coweta County	50	6,630,448	730,488	\$11.84
Metro Atlanta Totals	3,129	329,668,060	38,756,218	\$13.49



Discussion

The local retail market appears to have stabilized after an increase in vacancy and a decline in rental rates during the recession. Atlanta Vacancy stands near 10% which is not enough to induce adding to the supply, but has begun to stabilize and increase rents according to Charles Bosserman, Owner & Manager of East Decatur Station which lies near the Subject. Bosserman also operates The Acme Lofts which is also near the subject. Both properties have near 90% occupancy and have remained stable during the recession. Perry King, King Properties manages The Jane at Grant Park, a mixed use complex at 490 Memorial Drive. The property was built in 2007-2008 and faced a challenge to lease the space during the recession. According to King, they did not achieve

strong occupancy until this year. The only major transaction near the subject was the Edgewood Retail District which is near 400,000sf of retail space which sold in August 2011 for \$207/sf. Cap rates are now falling with prices increases for well leased properties.

Intown Atlanta did not face the problems of retail overbuilding which plagued the north metro area. Many vacant strip and community centers still gather dust in Duluth, Woodstock Alpharetta and other north metro cities. The intown area has exhibited steady demand for retail space for the last decade which is part of the socio-demographic trends supported by Generation Y. Young workers and their families are seeking intown lifestyles which focus on culture& entertainment, proximity to work and retail/services. The subject fits nicely into this matrix located near the Kirkwood MARTA Station and surrounding by the popular neighborhoods of Kirkwood, Lake Claire, Candler Park, Oakhurst and Decatur.

REASONABLE EXPOSURE AND MARKETING TIME

According to the specific definition in the Uniform Standards of Professional Appraisal Practice, **Exposure Time** is the estimated length of time 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 retrospective estimate based upon an analysis of past events assuming a competitive and open market. Exposure time is different for various types of real estate and under various market conditions. We note that the overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. This statement focuses on the time component. The fact that exposure time is always presumed to occur prior to the effective date of the appraisal derives from related facts in the appraisal process: supply and demand conditions as of the effective date of the appraisal; the use of current cost information; the analysis of historical sales information (sold after exposure and after completion of negotiations between the seller and buyer); and the analysis of future income expectancy estimated from the effective date of the appraisal. A 12-month exposure time seems likely.

Marketing Time resonates as the reasonable time it might take to sell a property interest in real estate at the estimated market value level during the period immediately after the effective date of an appraisal. The subject locates in Decatur, in an area with strong demand and growth. Access directly to Downtown Decatur offers efficient transportation means and desirability. The location in the metro Atlanta area attracts investors. Based on our analysis, we envision a 12-month or less marketing time for the property.

SITE DESCRIPTION

The site is currently paved and covered mostly with the subject building. The land appears level and reasonably drained with no evidence of standing water. The frontage on West College Avenue is adequate for drive access to the site.

LOCATION	: The site is located along xxx Avenue, at intersection with xxx Avenue.
SIZE	: .26 acre, according to tax map.
TOPOGRAPHY & SHAPE	: Site is level, at street grade.
EASEMENTS	Typical easement for utilities only.
UTILITIES	: All available (including sewer).
ACCESS	: Access is provided on West College and Feld.
FRONTAGE	: Approximately 100'.
FLOOD PLAIN	: The subject property does not appear to situate in a flood plain zone. Panel 1351590068H May 7, 2001.
SUMMARY	: The subject site is of adequate size, shape, and utility to support development of retail space. No adverse odors, hazards, or nuisances exist.

IMPROVEMENT DESCRIPTION

The building comprises a one-story 7,888^{sq}ft rentable retail building, which has a rectangular shape typical of strip retail centers. The gross area is 8,387sf. The building is divided into six suites for individual tenants. The building was originally built in 1930; however a major fire gutted the structure in about 2004. The building was renovated in 2006.



TYPE OF IMPROVEMENT	:	One Story Retail Building
DATE OF CONSTRUCTION	:	1930
CONDITION	:	Average
ACTUAL AGE	:	82 years
EFFECTIVE AGE	:	25 years

CONSTRUCTION DETAILS

FOOTINGS & FOUNDATION : Poured reinforced slab on grade with turned-down

		footings at load-bearing points, sized as required.
FRAME	:	Concrete block/brick.
FLOORS	:	Tile.
ROOF	:	Parapet with flat membrane.
EXTERIOR WALLS	:	Brick.
INTERIOR WALLS	:	Painted drywall, wallpaper.
CEILINGS	:	Suspended.
WINDOWS	:	Anodized aluminum frame and glass.
DOORS	:	Glass-frame entrance doors, hollow-core metal interior and exterior doors.
ELECTRICAL	:	Adequate for use.
HVAC	:	Individual central air-conditioning units.
FIRE PROTECTION	:	None.
SECURITY	:	None.
PARKING	:	Parking adequate for intended use.
SITE IMPROVEMENTS	:	Concrete-paved parking, average condition. No landscaping.

ZONING

Property is zoned C-1. As such, the site could be used for a number of retail, office and institutional uses.

The following are direct excerpts from the City Zoning ordinance:

Section 7.8. C-1 Local Commercial District.

7.8.1. Purpose of the district. The purpose of this district is to provide for protection and control of development or redevelopment of primarily retail shopping and personal services uses, developed either as a unit or as individual parcels to serve the commercial needs of a relatively small area, usually a residential neighborhood. To preserve the general neighborhood character of the district and its compatibility with surrounding residential property, off-street parking and loading and sign control regulations are essential.

7.8.2. Permitted principal and accessory uses.

1. Retail shops catering to neighborhood trade, including antique shops, apparel and tailor shops, appliance sales and service, bakery, barber and beauty shops, drugstores, shoe repair, jewelry, florist, hobby, locksmith, opticians and optical shops, radio and television sales and service, and similar sales and service establishments.
2. Food, furniture, hardware or paint store.
3. Reserved.
4. Business or professional offices, insurance agencies, banks and financial institutions serving the neighborhood.
5. Art studios, dance and photo studios, health and conditioning studios.
6. Clinics, medical, dental, chiropractic.
7. Self-service or automatic laundries or pickup stations.
8. Parking facilities, hard-surfaced.
9. Restaurants, grills, coffeeshops and similar eating establishments, but not a drive-in facility.
10. Churches or other places of worship.
11. Signs, accessory and principal.
12. Uses and buildings which are customarily accessory to neighborhood business activities, are located on same lot or contiguous lot under same ownership and do not involve operations not in keeping with neighborhood character.
13. Public buildings, structures, facilities and utilities.
14. Family and group personal care homes, after a public hearing by the planning commission and approval by the city commission, and subject to regulations in article X, supplementary regulations and modifications.
15. Attached and detached townhouses as permitted in and in accordance with the regulations of the HDSF high-density single-family district, after a public hearing by the planning commission and approval by the city commission.
16. Multiple-family dwellings as permitted in and in accordance with the regulations of the RM-60 and RMH multiple-family residential districts, after a public hearing by the planning commission and approval by the city commission.
17. A single-family dwelling unit of at least 600 square feet of floor area which is accessory to a principal commercial use.

18. Nursery schools, kindergartens and day care centers after a public hearing by the planning commission and approval by the city commission.

19. Communications towers, including additional buildings or other supporting equipment used with the tower or antenna, after a public hearing by the planning commission and approval by the city commission and subject to the regulations in article X, supplementary regulations and modifications.

20. Antennas, subject to the regulations in article X, supplementary regulations and modifications.

7.8.3. Development standards.

1. Minimum front yard: None, except that building setback shall not be less than established building line where such established line does not coincide with street right-of-way line.

2. Minimum side and rear yard: None, except when a building or use in a C-1 local commercial district adjoins a residential district line along the side property line, the side yard shall not be less than ten feet, and if along the rear property line, the rear yard shall not be less than 30 feet.

3. Maximum building height: 40 feet and three stories--Exceptions to maximum building height may be approved after public hearing by the planning commission and approval of the city commission.

7.8.4. Neighborhood Commercial Special Pedestrian Regulations--C-1 Local Commercial Districts.

Purpose. The purpose of these regulations is to improve the environment in Decatur's Neighborhood Commercial Districts in the following ways:

- Encourage, protect and enhance the pedestrian environment.
- Improve the aesthetics of neighborhood commercial area.
- Provide for parking in a way that does not diminish the pedestrian environment.
- Encourage additional street level activity.
- Promote opportunities for residential and commercial development.

1. *Application.* These regulations shall apply to all properties located in C-1 Districts:

No permit for a new building or new site improvements shall be issued unless the proposed building or site improvement complies with these regulations.

For the purposes of this section, where two or more properties, lots or parcels are located within the same block or where two or more properties, lots or parcels have frontage on the same side of the street between two intersecting streets, and such properties, lots or parcels are under common ownership or control and/or are being developed in a single development operation or a series of coordinated development operations, such properties, lots or parcels shall be considered as a single property.

2. *Required streetscape improvements.* The Downtown Decatur Streetscape Design Guidelines shall be used as a guide in planning streetscape and site improvements in the C-1 Districts. Standard materials, details and specifications, including street trees, street lights, litter containers, benches and similar items, as described in the Downtown Decatur Streetscape Design Guidelines, shall be used for required streetscape improvements.

a. *Sidewalks.* Sidewalks shall be built along all public streets in the C-1 District. All sidewalks shall have a minimum width of 15 feet with a minimum clear zone of ten feet and a minimum street tree planting and street furniture zone of five feet.

Exception : Where the existing building line does not presently provide a minimum sidewalk width of 15 feet, the minimum sidewalk width may be reduced to the actual width of the existing sidewalk.

b. *Street tree and street furniture zone.* There shall be a continuous street tree and street furniture zone adjacent to the curb which shall not be less than five feet in width. In addition to the planting of trees as is required in this section, this zone is also intended for the placement of street furniture including light poles, litter receptacles and similar items. Trees shall be planted a maximum of 40 feet on center within the street tree and street furniture zone. Newly planted trees shall be a minimum of 33 1/2 inches in caliper measured six inches above ground level, and shall be limbed up to a minimum of six feet.

c. *Outdoor dining.* Accessory outdoor dining areas shall be permitted on a public or private sidewalk area where adjacent to and directly abutting a restaurant located in a building. However, the outdoor dining area shall not reduce the clear zone of a public sidewalk to a width of less than five feet. Tables, chairs, umbrellas and similar items shall be stored in the interior of the restaurant or in similar enclosed area so that a minimum clear zone of ten feet is unobstructed when the outdoor dining area is not in use because of inclement weather or when the restaurant is closed.

3. *Building design standards.*

a. *Buildings to face street.* The purpose of this requirement is to encourage the development of buildings that complement pedestrian activity in the city's Neighborhood Commercial District by providing direct access to the building and business activities from the sidewalk. All properties shall be developed with buildings facing the street and with the primary building entrance facing onto the sidewalk and street. One-story buildings shall be at least 16 feet in height at the facade facing the street. All non-residential buildings shall have commercial uses on the ground floor level facing the street and shall be directly accessible from the street and sidewalk. When direct pedestrian access from the sidewalk to a business is not presently warranted, the building design shall allow for the addition of such access in the future. For the purposes of this section, commercial use shall mean any retail use, business or professional service, personal service, repair service or restaurant.

b. *Parking areas and driveways.* Parking areas or driveways, except for a driveway to reach a side or rear yard on-site parking facility, are not permitted between the sidewalk and the front of the building. Any permitted driveway shall be perpendicular to any adjacent street. No property shall have more than one curb cut. Surface parking areas shall not be located along or within 30 feet of any public street or. Buildings shall not be set back more than 30 feet from the edge of the street curb.

c. *Drive-in or drive-through facilities.* Vehicular access to a drive-in or drive-through use shall not be permitted from a street or street segment.

4. *Exceptions.* Exceptions to these requirements may be approved after a public hearing by the planning commission and approval of the city commission, after consideration of the following standards:

a. The suitability of the proposed exception in view of the use and development of adjacent and nearby property.

b. The effect that the proposed exception will have on the existing use or usability of adjacent or nearby property.

c. The impact that the proposed development will have on the public safety, traffic on the public streets, transportation facilities, utilities and other public services.

d. The impact that the proposed development will have on established property values and on the health, safety, comfort and general welfare of the residents of the city.

e. The economic or marketing impact that these guidelines may have on the property owner or developer.

The building appears to meet the parking, height, and other standards required.

HIGHEST AND BEST USE

Highest and Best Use as defined in *The Appraisal of Real Estate, Twelfth Edition*, published by the Appraisal Institute, is as follows:

"the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and results in the highest value."

The following explains the four major considerations given in determining the highest and best use. We applied the physically possible, legally permissible, financially feasible, and maximally productive tests sequentially. The use that passes all tests represents the highest and best use of the property. We analyzed the highest and best use of the site as though vacant and as improved.

Physically Possible - To determine the physically possible uses, we analyzed the site including the size, topography, and shape. We considered the suitability of the site as if vacant. Additionally, we considered the physical characteristics of the site with respect to the existing improvements to estimate the possibility of altering the use or increasing the intensity of the current use.

Legally Permissible - The legally permissible considerations are those that are not precluded by law, zoning ordinances, or private deed restrictions. We analyzed the effect of these restrictions on the previously identified physically possible uses.

Financially Feasible - We estimated the financial feasibility of the uses that were both physically possible and financially feasible. Financially feasible uses result in a positive net present value.

Maximally Productive - The maximally productive use is the financially feasible use that produces the highest residual land value consistent with a rate of return warranted by the market. The maximally productive use equals the highest and best use.

HIGHEST AND BEST USE AS VACANT

Physically Possible - The Site Description analysis indicates that there are no undue limitations restricting development of the subject site. The .26 acre parcel is capable of supporting

individual development or may be combined with other adjacent parcels. The size of the site makes it physically possible to construct small uses. The topography required no major grading. The exposure is adequate for office or retail use. A number of similar properties in the immediate area have been developed for commercial types of development.

Legally Permissible - The primary restrictions for the legal use are in the zoning ordinance. As stated in the Zoning section, the subject site is zoned C-1. The use of area has rapidly changed, particularly as a result of the surrounding area development. Legally, a retail use is possible.

Financially Feasible - The financially feasible uses are derived through an analysis of the data and conclusions presented in the previous City and Neighborhood and Market Analysis. The subject property's location in the Decatur area near other retail uses exhibits the demand for commercial properties. The size of the parcel is adequate for a good-sized retail development. Accordingly, development of a retail use would be financially feasible.

Based on the location of the subject site, the zoning, and the existing developments surrounding the site, the financially feasible uses of the subject site include retail uses.

Maximally Productive - We determined the maximally productive use of the financially feasible uses through an analysis of the above conclusions. Other retail uses lie near the subject in the immediate neighborhood. Based on the size of the site, the zoning, and the surrounding developments, retail development is the maximally productive use of the subject parcel as though vacant.

Conclusion - - From the preceding analysis of the physically possible, legally permissible, financially feasible, and maximally productive uses for the subject site, a retail development represents the highest and best use of the parcel.

HIGHEST AND BEST USE AS IMPROVED

Physically Possible - The Site Description analysis indicates that there are no undue limitations restricting development of the subject site. The subject building is constructed as a medium size strip center, but not precluding other uses.

Legally Permissible - The primary restrictions for the legal use are in the zoning ordinance. As stated in the Zoning section retail is permitted.

Financially Feasible - The financially feasible uses are derived through an analysis of the data and conclusions presented in the City and Neighborhood Analysis, Market Analysis and valuation sections. We examined whether a rational purchaser would demolish or renovate the improvements and develop to a higher use at this time. The existing structure can best utilize the site. Based on the foregoing, retail represents the financially feasible use of the subject as improved. We conclude that the existing building does add to the value of the site. A rational purchaser would not remove the existing improvements for a new use.

Maximally Productive - The maximally productive use of the financially feasible uses is determined through an analysis of the above conclusions. The existing use represents the maximally productive use of the subject building. The maximally productive use of the financially feasible uses is determined through an analysis of the above conclusions. A strip center use represents the maximally productive use of the subject site as improved.

From the preceding analysis of the physically possible, legally permissible, financially feasible, and maximally productive uses for the subject site, the subject's use as retail building is the highest and best use of the subject property as improved.

Conclusion - From the preceding analysis of the physically possible, legally permissible, financially feasible, and maximally productive uses for the subject site, the subject's existing use as a retail building is the highest and best use of the subject property as improved.

VALUATION METHODOLOGY

We valued the subject property using the Income & Sales Comparison Approaches. Each method approaches valuation from a different premise.

The Income Approach – Discounted Cash Flow is designed to estimate market value based on the income a property is expected to produce. The theory of anticipation, the theory that value emanates from the expectation of future benefits, supports the Income Approach. Discounted cash flow analysis and overall capitalization represent two of the most frequently employed methods of capitalizing expected income. Discounted cash flow analysis offers a yield capitalization procedure to convert future income into present value by discounting periodic cash flows at an appropriate, market-derived discount rate.

We use the Sales Comparison Approach using recent sales of similar retail buildings. The Sales Comparison Approach involves comparing recent sales of similar properties to the subject to estimate Market Value based on the theory that value closely relates in prices paid for similar properties. Adjustments made to sales for various elements of comparison (characteristics of properties that cause the prices to differ) result in the value of the subject. Similarities between each sale and the subject as well as confidence in the applied adjustments determine the influence of each sale on the final Sales Comparison Approach estimate.

The theory of substitution, which affirms that no prudent buyer would pay more for a property than the cost to acquire a similar site and construct improvements of equal desirability, supports the Cost Approach. Depreciation of the improvements adjusts for aging and obsolescence. We do not use this approach since the building is old & recently renovated. Depreciation would be too unreliably determined.

Finally, we consider and evaluate the significance, applicability, and defensibility of each approach and correlate the indications into a Market Value estimate.

INCOME APPROACH

Contract Rent–

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The subject is rented ranging from \$14.71/sf - \$29.91/sf. There is one vacant suite. All leases are modified gross with base year stops on taxes.

Market Rent– The rents vary according to the quality of construction, age and condition of the building, location, date of lease, lease terms, and tenant improvements. Most recent lease agreements in this market have three- to five-year terms with a 3% annual escalation on a **net** basis. We use similar retail buildings in the metro area. The Addenda contains details of the Comparable Rentals and a location map. A summary follows.

The following chart summarizes adjustments to the Comparable Rentals compared to the subject building.

SUMMARY OF COMPARABLE RETAIL RENTALS				
No.	Name/Location	Lease Date	Leased Area Sq. Ft.	Rent/ Sq. Ft.
1	3,310 SF Strip Center 2754 E College Ave Decatur, GA 30030	Apr-12	3,310	\$13.61
2	Acme Lofts 537 W. Howard Ave Decatur, GA	Apr-12	3,036	\$22.11
3	East Decatur Station 111 New Street Decatur, GA 30030	Apr-12	2,418	\$18.70
4	Pharr Road Shopping Center 308-326 Pharr Rd NE Atlanta, GA 30305	Apr-12	3,000	\$30.00
5	The Jane 439 Memorial Drive Atlanta, GA	Apr-12	1,459	\$15.50

COMPARABLE RETAIL OFFICE LEASES					
SUMMARY OF ADJUSTMENTS					
	Rental 1	Rental 2	Rental 3	Rental 4	Rental 5
Rent/Square Foot	\$13.61	\$22.11	\$18.70	\$30.00	\$15.50
Gross/Net Adjustment (Lease Terms)	\$0.00	\$2.00	\$3.05	\$3.50	\$2.25
Adjusted Rent/Square Foot	\$13.61	\$24.11	\$21.75	\$33.50	\$17.75
Date of Lease	Apr-12	Apr-12	Apr-12	Apr-12	Apr-12
Date of Appraisal	Apr-12	Apr-12	Apr-12	Apr-12	Apr-12
Number of Months	-	-	-	-	-
Time Adjustment/Year	0.00%	0.00%	0.00%	0.00%	0.00%
Time Adjustment/Month	0.00%	0.00%	0.00%	0.00%	0.00%
Total Time Adjustment	0.00%	0.00%	0.00%	0.00%	0.00%
Time-Adjusted Rent	\$13.61	\$24.11	\$21.75	\$33.50	\$17.75
Adjustments:					
Location	5%	5%	0%	-5%	0%
Access/Exposure	0%	0%	0%	0%	0%
Age/Condition	0%	10%	10%	0%	0%
Size	0%	0%	0%	0%	5%
Finish	5%	0%	0%	5%	0%
Parking	0%	0%	0%	0%	0%
Total Adjustments	10%	15%	10%	0%	5%
Adjusted Rent/Sq. Ft.	\$14.97	\$27.73	\$23.93	\$33.50	\$18.64
Average	\$23.75				
Average of 1,3, and 5	\$19.18				
Average of 2 and 4	\$28.39				
Market Rent of Commercial Space	\$15-\$19				
Market Rent of Restaurant Space	\$30.00				

The adjusted rents range from \$14.97/sf to \$33.50/sf. The average rent for general retail space is \$23.75/sf. There is variation in the suites due to location in the center and finish. We use \$15.00/sf in our model for the Yoga and Ale Yeah suites. We use \$20.00/sf for the Salon and Donut shop space. We use \$30.00/sf in our model for the Restaurant (corner) suite.

Vacancy, Absorption, and Credit Loss

The subject is 80 % leased and has maintained good occupancy even during the recession. Based on this and the market information we include a 10% vacancy and credit loss. We project lease up within 6 months to market occupancy.

EXPENSES

For the purpose of our analysis we set our model **MG** with the **landlord paying taxes, and insurance expenses**. Taxes are base year stopped. Other rentals in the market are typically net rentals. We include expenses of management, structural maintenance and replacement allowances.

Real Estate Taxes - The property taxes are \$14,643.73 or 1.87/sf. This is in keeping with similar buildings in the area. The tenants pay a prorated portion of the taxes depending on the year of the lease.

Tax reimbursement total: \$2,012.06. We project similar tax reimbursements throughout the investment period.

Insurance - The Expense Comparables report insurance expenses of \$0.28/□ to \$0.58/□ . A Building Insurance expense of \$.25/□ appears reasonable and is used in this analysis. Only the vacancy portion is paid by the landlord.

Utilities – Utilities at the subject include electricity and exterior lighting. The tenants pay the utilities. According Don Brown, Georgia Primary Bank, the landlord paid \$400/month for waste disposal and \$700/month for water. Total 2011 Utilities were \$13,200 or \$1.67/sf. The tenants partially reimburse the utilities as shown in each lease an extra \$100-\$200 for water/sanitation. Total reimbursement is \$700/month including the vacant suite (at \$100/month) or \$8,400. We include this as Miscellaneous Income

Management and Leasing Expenses – Based on our survey, management and leasing expenses for small retail buildings in the Atlanta metro area typically range from 2% to 5% of effective gross income. Fees vary based on size, occupancy, management requirements, and the specifics of the management contracts. For example, some management contracts are a flat percentage of effective gross income and others have a lower percentage but allow recovery of administrative salaries and office space cost. We estimate an appropriate management fee and leasing expense of 5.00% of effective gross income for the subject property.

Structural Maintenance – Typical maintenance of similar structures is \$.20/sf to \$.30/sf. We use \$0.25/□ .

CAPITAL EXPENSES

The discounted cash flow treats tenant improvements and leasing commissions as capital expenditures deducted from the net operating income to estimate bottom-line cash flows.

Tenant Improvements - The alterations expense for vacant spaces and speculative lease terms must be considered. Typically included in this category are tenant improvement allowances granted tenants for the outfitting of their spaces. The bulk of most tenant improvement allowances are typically granted in the development stage of a shopping center. We include no TIs.

Leasing Commissions - Leasing fees for any current leases and vacant spaces and for speculative lease terms apply. Discussions with brokers in the subject area revealed that leasing fees are typically 5% on new leases for shop space, and 2.5% on renewals. Based on the foregoing, leasing commissions for vacant space will be 5% and 2.5% on renewals.

Replacement Allowance – Investors vary in their estimate of an appropriate replacement allowance. Some use as low as \$0.10/□, while others use \$0.25/□. Given the age of the property and condition of the subject improvements, a replacement allowance of \$0.25/□ per year is adequate over the remaining economic life of the improvements.

DCF ASSUMPTIONS

We modify the preceding income and expense parameters by the following assumptions and criteria.

Capitalization Rate

Band of Investment – Akerson Format

The band of investment technique may develop an overall capitalization rate. As applied to financial components, the technique generates the following equation:

Ro	=	(M X Rm)	+	(E X Re)
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Where M is the ratio of mortgage value to property value; Rm is the mortgage capitalization rate or mortgage constant; E is the ratio of equity value to property value and Re is the equity capitalization rate. In this case, we use a 75% loan to value ratio on cash – equivalent, self – amortizing mortgage. The Rm is the mortgage constant. The Rm is the ratio of annual debt service to the principal amount of the mortgage loan. Given the loan term and the interest rate, the annual

mortgage constant can be calculated or found in direct reduction loan factor tables. Different combinations of terms and interest rates can produce almost identical Rms e.g. with monthly compounding, a 20 – year 6.6% loan, a 25 – year 7.7% loan and a 30 – year 8.2% loan all have Rms that approximate 9%.

Investors often purchase income-producing properties with some combination of debt capital and equity capital. There are many exceptions, but the opportunities for leverage and increased profits through mortgage financing motivate investors to incur debt to maximize yields with minimum down payments. Rate composition according to capital structure can be based on actual market observations, minimizing the need for hypothetical allocations. An important point is that the overall capitalization rate must satisfy the mortgage constant requirements of the lender and the pre-tax cash flow requirements of the equity investor. Even though the mortgage and equity positions sometimes overlap, the mortgage position has some unique characteristics that distinguish it from the equity position. A mortgage loan investment is a "dollar contract" or fixed-income investment. The lender knows what will be received and at what rate.

In this case, we select a speculative loan term of 20 years and a 5.67% interest rate in accordance with the most recent 30-year mortgage rate. Interest rates are headed down as the Federal Reserve Bank tries to respond to the recent credit problems in relation to the sub prime mortgage problems. The risks that an investor (borrower) assumes in equity investments differ from the risks of a mortgage lender. Ordinarily, the equity investor assumes a higher degree of risk and has less certainty of return. Therefore, the equity investor is ordinarily entitled to a higher return on investment as a reward for the higher risks assumed. Considering the loan-to-value ratio and the factors influencing the subject property, an equity rate of 16.00% applies. The “percent paid off component” represents the percentage of the loan paid off prior to full amortization over the projection period. The most direct procedure is to calculate it as the ratio of the sinking fund factor for the full term (monthly or whatever term the mortgage calls for) divided by the sinking fund factor for the projection period. So, $P = 1/S_n$ divided by $1/S_{np}$. This produces an annual mortgage constant of .08295. We also assume that depreciation to the physical buildings will be offset by an increase in property values, therefore negating speculation about net appreciation or depreciation. We plug in the remaining parts of the formula below:

Mortgage Equity Technique					
Assumptions					
Loan To Value (Loan Ratio)	75%				
Equity (Equity Ratio)	25%				
Interest Rate	5.56%				
Amortization Period	20				
Holding Period	10				
Return on Equity Rate (Yield)	16.00%				
<u>Adjust for Change in Property Value</u>					
(-) Appreciation (+) Depreciation	0%				
<u>Less credit for Equity Build-Up</u>					
Sinking Fund Factor	0.04690				
Percent Paid Off	36.41%				
		Mortgage/Equity Component		Rate	Weighted Rate
Mortgage Loan		75%	X	0.08295 =	0.06222
Down Payment (Equity)		25%	X	0.16000 =	0.04000
Weighted Average		<u>100%</u>			<u>0.10222</u>
	Loan Ratio		SFF	% Paid Off	
Less Credit for Equity Build Up	75%	X	0.04690	= 0.36406 =	0.01281
Basic Rate					0.08941
Adj. for Change in Property Value					
(+) Depreciation					
(-) Appreciation	0%	X	0.04690	=	0.00000
CAPITALIZATION RATE					0.08941
				Rounded	8.90%

Comparable Sales Capitalization Rates

We looked for similar properties for an appropriate capitalization rate.

BUILDING CAPITALIZATION SUMMARY							
No.	Name Location	Sale Date	Year Built	Sale Price	Area SF	S.P./ S.F.	Cap. Rate
1	Hal's Package Store 1223 Columbia Dr Decatur, GA 30032	Jun-11	1984	\$1,980,000	8,000	\$247.50	8.08%
2	Crabapple Park 30 E Crossville Rd Roswell, GA 30075	Feb-12	2008	\$2,227,500	13,200	\$168.75	8.18%
3	Cross Creek Village 900 Duluth Hwy Lawrenceville, GA 30043	Apr-10	2007	\$3,079,398	16,750	\$183.84	8.00%
4	Mansell Place 1605 Mansell Rd Alpharetta, GA 30009	Dec-10	1999	\$2,475,000	14,473	\$171.01	8.17%
Average							8.11%

The National Strip Center Cap rates ranged from 5.50% to 9.50% with an average of 7.18%

Table 3 NATIONAL STRIP SHOPPING CENTER MARKET First Quarter 2012					
	CURRENT	LAST QUARTER	1 YEAR AGO	2 YEARS AGO	4 YEARS AGO
DISCOUNT RATE (IRR)*					
Range	6.50% - 12.50%	6.50% - 12.50%	6.75% - 12.50%	7.50% - 12.50%	6.00% - 10.00%
Average	8.41%	8.44%	8.97%	9.58%	8.34%
Change (Basis Points)		- 3	- 56	- 117	+ 7
OVERALL CAP RATE (OAR)*					
Range	5.50% - 9.50%	5.00% - 9.50%	5.50% - 9.50%	7.25% - 11.40%	5.80% - 9.00%
Average	7.18%	7.16%	7.40%	8.49%	7.28%
Change (Basis Points)		+ 2	- 22	- 131	- 10
RESIDUAL CAP RATE					
Range	6.00% - 12.00%	6.00% - 12.00%	6.50% - 12.00%	7.50% - 12.00%	6.00% - 10.00%
Average	7.80%	7.93%	8.10%	8.86%	7.78%
Change (Basis Points)		- 13	- 30	- 106	+ 2
MARKET RENT CHANGE^b					
Range	0.00% - 5.00%	0.00% - 4.00%	0.00% - 4.00%	0.00% - 3.00%	1.20% - 3.90%
Average	1.64%	1.45%	1.23%	0.69%	2.86%
Change (Basis Points)		+ 19	+ 41	+ 95	- 122
EXPENSE CHANGE^b					
Range	2.50% - 5.00%	2.50% - 5.00%	2.00% - 4.00%	1.00% - 4.00%	3.00% - 4.00%
Average	3.11%	3.11%	2.98%	2.88%	3.10%
Change (Basis Points)		0	+ 13	+ 23	+ 1
MARKETING TIME^c					
Range	2 - 18	2 - 18	2 - 18	2 - 18	2 - 12
Average	7.1	7.1	8.2	9.6	6.1
Change (▼, ▲, =)		=	▼	▼	▲

a. Rate on unleveraged, all-cash transactions b. Initial rate of change c. In months

Given the condition of the buildings and the local market, we select a capitalization rate near the high of the range, or 8.25 %.

Discount Rate – We discussed discount rates with various investors and developers of office buildings. Since this technique replicates the overall performance of the investment from beginning to end, a discount factor must reflect the total yield to the equity position. By definition, this yield rate is also known as the Internal Rate of Return (IRR): the IRR is the rate of return on invested capital that is generated, or is capable of being generated, within an investment during the period of ownership. In other words, it is the rate of profit (or loss) or a measure of performance. It is literally an interest rate. The effective interest rate on a real estate investment is the equity investor's IRR. The yield to maturity on a bond is the bondholder's IRR, when the bond is held for its full term. The discount rate projects an IRR for the subject property, estimated from investment performance realized by market participants.

Although real property is the investment vehicle analyzed, competition for investment dollars in other investment areas is intense. Therefore, the prudent investment manager carefully considers all alternatives. Many real estate transactions are done as "securitized" packages, backed by financial and cash flow guarantees. These packages appeal to the institutional investor, since the yield of the investment rests more in the financial strength of the guarantor and the structure of the transaction than in the specific property. These transactions afford little guidance in estimating the cash-equivalent value of a single property under the assumptions of no guarantees or special financing arrangements.

However, prudent investors consider the yields available on these "deal structures," comparing property investment yields with returns available in the stock, bond, and real estate markets. The returns compare against benchmark safe rates available from Treasury Notes and bonds of comparable maturities to the estimated holding period. Many portfolio analysis experts equate stock and real estate investments as roughly comparable over the long term, with real estate slightly less volatile. PricewaterhouseCoopers reports discount rates ranging from 6.50% to 12.50%, with a mean of 8.61%. However, keep in mind that these rates reflect national investment-grade product. However, as we discussed in the capitalization rate section, the security of the income stream appears average with average opportunity for growth. As a result, our selection of the discount rate is 9.50%.

Terminal Capitalization Rate - In recent years, when the market struggled, a terminal capitalization rate higher than the "going-in" capitalization rate was used to account for the higher

risk attributable to the older age of the subject improvements toward the end of the projection period. However, because we project the subject property to remain at stabilized levels throughout most of the cash flow period, the risk associated with the subject property remains the same throughout the investment life. Therefore, we chose a terminal capitalization rate of 8.25%.

Growth Rates - We assumed market rent and other income to remain increase 3.00% annually. After considering historical patterns, future expectations, and predictions of economists, fixed and operating expenses and replacement allowances are also expected to increase 3.00% annually. These growth rates reflect escalation factors used by market participants.

Sales Commission- We apply 5.00%.

Value by Income Approach - Discounted Cash Flow

The "NET INCOME" row of income estimates is utilized in estimating the present worth of income streams, and the eleventh year is utilized in estimating the value of the reversion.

From the spreadsheet detailing the cash flow analysis, the indicated **Market Value by the Discounted Cash Flow Approach of \$1,499,072 is rounded to \$1,500,000.**

		Schedule Of Prospective Cash Flow										
		In Inflated Dollars for the Fiscal Year Beginning 4/1/2012										
For the Years Ending	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	
	Mar-2013	Mar-2014	Mar-2015	Mar-2016	Mar-2017	Mar-2018	Mar-2019	Mar-2020	Mar-2021	Mar-2022	Mar-2023	
Potential Gross Revenue	\$138,098	\$149,952	\$150,957	\$156,947	\$156,947	\$163,478	\$168,532	\$170,985	\$181,104	\$185,485	\$185,485	
Base Rental Revenue	138,098	149,952	150,957	156,947	156,947	163,478	168,532	170,985	181,104	185,485	185,485	
Scheduled Base Rental Revenue	1,083	3,921	6,853	6,881	11,792	13,433	14,184	18,057	18,012	21,513	27,723	
CPI & Other Adjustment Revenue	8,400	8,652	8,912	9,179	9,454	9,738	10,030	10,331	10,641	10,900	11,289	
Utilities Reimbursement	2,012	2,072	2,135	2,199	2,265	2,332	2,402	2,475	2,549	2,625	2,704	
Tax Reimbursement												
Total Potential Gross Revenue	149,593	164,597	168,757	175,106	180,358	188,991	195,148	201,848	212,308	220,583	227,201	
General Vacancy	(7,490)	(8,230)	(8,438)	(8,755)	(9,018)	(9,449)	(9,757)	(10,092)	(10,615)	(11,029)	(11,360)	
Effective Gross Revenue	142,113	156,367	160,319	166,351	171,340	179,532	185,391	191,756	201,691	209,554	215,841	
Operating Expenses												
Insurance	1,972	2,031	2,092	2,155	2,220	2,286	2,355	2,425	2,498	2,573	2,650	
Taxes	14,751	15,193	15,649	16,118	16,602	17,100	17,613	18,141	18,686	19,246	19,824	
Management	7,106	7,818	8,016	8,318	8,567	8,977	9,270	9,588	10,085	10,478	10,792	
Structural Maintenance	1,972	2,031	2,092	2,155	2,220	2,286	2,355	2,425	2,498	2,573	2,650	
Utilities	13,173	13,568	13,975	14,394	14,826	15,271	15,729	16,201	16,687	17,188	17,703	
Total Operating Expenses	38,974	40,641	41,824	43,140	44,435	45,920	47,322	48,780	50,454	52,058	53,619	
Net Operating Income	103,139	115,726	118,495	123,211	126,905	133,612	138,069	142,976	151,237	157,496	162,222	
Leasing & Capital Costs												
Leasing Commissions	3,212	5,650	20,978			6,700	9,598	4,520	7,951	2,573	2,650	
Replacements	1,972	2,031	2,092	2,155	2,220	2,286	2,355	2,425	2,498	2,573	2,650	
Total Leasing & Capital Costs	5,184	7,681	23,070	2,155	2,220	8,986	11,953	6,945	10,449	2,573	2,650	
Cash Flow Before Debt Service & Taxes	\$97,955	\$108,045	\$95,425	\$121,056	\$124,685	\$124,626	\$126,116	\$136,031	\$140,788	\$154,923	\$159,572	

ARGUSSM SOFTWARE
 West College Ave Center
 900 College Avenue
 Decatur, Georgia 30030
 Schwab
 File: V
 Propan



West College Ave Center
900 College Avenue
Decatur, Georgia 30030

Prospective Present Value
Cash Flow Before Debt Service plus Property Resale
Discounted Annually (Endpoint on Cash Flow & Resale) over a 10-Year Period

Analysis Period	For the Year Ending	Annual Cash Flow	P.V. of Cash Flow @ 9.50%
Year 1	Mar-2013	\$97,955	\$89,457
Year 2	Mar-2014	108,045	90,110
Year 3	Mar-2015	95,425	72,681
Year 4	Mar-2016	121,056	84,204
Year 5	Mar-2017	124,685	79,203
Year 6	Mar-2018	124,626	72,298
Year 7	Mar-2019	125,116	66,614
Year 8	Mar-2020	136,031	65,615
Year 9	Mar-2021	140,768	62,207
Year 10	Mar-2022	154,923	62,514
Total Cash Flow		1,229,650	745,303
Property Resale @ 8.25% Cap		1,868,011	753,769
Total Property Present Value			\$1,499,072

Rounded to Thousands			\$1,499,000

Per SqFt			190.04
Percentage Value Distribution			
Assured Income			17.04%
Prospective Income			32.68%
Prospective Property Resale			50.28%

			100.00%

SALES COMPARISON APPROACH

The value of the subject derives from an analysis of comparable sales in the subject area. We analyzed the comparable sales on the basis of sale price per \square . We gathered numerous sales offering a firm indication of what the subject property is now worth. We used Strip Center and Retail Building sales in the metro area. The methodology applies adjustments to the comparable sales for any differences compared to the subject characteristics. The comparable sales range from \$168.75/ \square to \$247.50/ \square for buildings or units ranging in size from 8,000 \square to 16,750 \square . The following table summarizes the comparable sales:

BUILDING SALES SUMMARY						
No.	Name Location	Sale Date	Year Built	Sale Price	Area SF	Sale Price per SF
1	Hal's Package Store 1223 Columbia Dr Decatur, GA 30032	Jun-11	1984	\$ 1,980,000	8,000	\$247.50
2	Crabapple Park 30 E Crossville Rd Roswell, GA 30075	Feb-12	2008	\$ 2,227,500	13,200	\$168.75
3	Cross Creek Village 900 Duluth Hwy Lawrenceville, GA 30043	Apr-10	2007	\$ 3,079,398	16,750	\$183.84
4	Mansell Place 1605 Mansell Rd Alpharetta, GA 30009	Dec-10	1999	\$ 2,475,000	14,473	\$171.01

The Addenda contains details of the comparable sales and a location map. The differences and adjustments to these comparable sales follow.

Property Rights Conveyed

A transaction price reflects the real property interest conveyed. Ground leases often exemplify this. The revenue-generating potential of a property can be limited by the terms of existing leases. In the valuation process, adjustments reflect the differences between contract rent and market rent. The appraiser then relates the market data to the subject property. The appraiser must precisely define the real property rights conveyed in each comparable transaction selected for analysis.

Financing and Conditions of Sale

In this scenario, adjustments equate the sales to market terms on a cash-equivalent basis. An analysis of the comparable sales indicated that no special financing terms applied. Each sale appears a "cash-to-seller" transaction or financed at or near market terms. Therefore, no adjustment applies due to financing terms or conditions of sale. Each of the comparable sales appears an arm's-length transaction between willing buyers and sellers under no undue influence.

Date of Sale

This adjustment reflects the sales based on current market conditions. Our research did not reveal actual resales or matched-pair sales that indicate a precise adjustment for time. Conversations with brokers and investors active in the subject area reveal that values had decreased beginning in 2008 and fell steadily over the past few years. The prices began stabilizing in 2010. Despite the economic recession, the metro Atlanta real estate market remains still active. The comparable sales are from 2010, 2011 and 2012. We apply no time adjustment.

Comparative Adjustments

Adjustments for the differences of other value factors result from a matched-pair sales analysis.

We stress 2-4 sales in our analysis which best characterize the subject. The following adjustments derived from an analysis of the comparable sales and our experience with similar properties:

SALES COMPARISON SUMMARY OF ADJUSTMENTS				
	Sale 1	Sale 2	Sale 3	Sale 4
Sale Price/SF	\$247.50	\$168.75	\$183.84	\$171.01
Sale Date	Jun-11	Feb-12	Apr-10	Dec-10
Appraisal Date	Apr-12	Apr-12	Apr-12	Apr-12
Months	10	2	24	16
Time Adjustment/Year	0%	0%	0%	0%
Time Adjustment/Month	0.00%	0.00%	0.00%	0.00%
Total Time Adjustment	0.00%	0.00%	0.00%	0.00%
Time-Adjusted S.P.	\$247.50	\$168.75	\$183.84	\$171.01
Adjustments:				
Location	5%	5%	0%	5%
Access & Exposure	0%	0%	0%	0%
Parking	-5%	0%	0%	0%
Size	0%	5%	5%	5%
Quality	0%	0%	0%	0%
Age/Condition	0%	0%	-5%	0%
Finish	0%	0%	0%	0%
Total Adjustments	0%	10%	0%	10%
Adjusted Sale Price/SF	\$247.50	\$185.63	\$183.84	\$188.11
Mean (Average)	\$201.27			
Unit Value Used	\$185.00			
<p>We emphasize Building Sales 2-4. We estimate Market Value of the subject property near the middle of the range indicated by these Sales. We estimate Market Value by the Sales Comparison Approach at \$185.00/sf.</p>				
VALUE INDICATED BY THE SALES COMPARISON APPROACH				
	7,888	\$185.00	=	\$1,459,280
MARKET VALUE			Rounded	\$1,500,000

RECONCILIATION

The value indications for the subject property follow:

INCOME APPROACH	\$1,500,000
SALES COMPARISON APPROACH	\$1,500,000

The Income Approach considers contract rents, market rents, expenses, and investors' assumptions and yield requirements. The Income Approach provides a good indication of Market Value for properties purchased for investment. In this case, the subject property is 80% leased. The Income Approach proves most the reliable indication on investment property. This approach reflects the value of the building in use for an investment. We rely on this approach.

The Sales Comparison Approach provides a meaningful indication of Market Value due to the recent sales of similar Strip Center buildings in the subject market. The Sales Comparison Approach reflects the value of the subject property for an investor as well since it is multi-tenant property. We rely on this approach.

In the final analysis, we emphasize on both the Income Approach and the Sales Comparison Approach and interpolate the values to an estimate of Market Value for the subject property.

Conclusion

Based on the foregoing, The Market Value as of April 23, 2012 is:

**ONE MILLION FIVE HUNDRED THOUSAND DOLLARS
(\$1,500,000)**

CERTIFICATION

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 by the reported assumptions and limiting conditions and is my personal, impartial and unbiased professional analyses, opinions, and conclusions.
- 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.
- 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 to 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 the report has been prepared in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the property that is the subject of this report No one provided significant real property appraisal assistance to the person(s) signing this certification. The reported analyses, opinions, and conclusions were developed and this report has been prepared in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.



Kayla Schlemmer
Principal Appraiser
Certified Real Estate Appraiser No. 3329

QUALIFICATIONS OF APPRAISER

Kayla P. Schlemmer
Schlemmer Appraisal Company
1928 Lake Lucerne Dr SW
Lilburn, Georgia 30047
404 617 9162 kschlemm@comcast.net
Certified Appraiser #3329

EXPERIENCE:

2008 to Present: Principal, Schlemmer Appraisal Company

1995 to 2008: Kirkland & Company Senior Appraiser

16 years of full-time appraisal and real estate consultation experience involving residential, commercial, industrial properties in 23 States. Discounted cash flows involve ARGUS. Five years experience in Real Estate Brokerage.

1979 to 1995: City and Regional Planner

City and Regional Planning including work in Maine, New Jersey, North Carolina, Louisiana, and Georgia. Extensive work in coastal issues: Town Planner for seaport town of Yarmouth Maine, Senior Planner with the State of Maine Coastal Program where oversaw Harbor Planning & Planning Grant Program. Director of Planning for Coastal Georgia Development Center which provided regional planning and local planning for the entire 9 county coastal regional of Georgia. .

Appraisal of all types of Commercial Real Estate in metro Atlanta. Appraised over 1,500 properties.

Extensive experience with Office, Retail, Multifamily & Industrial Property Valuation. Emphasis on intown “New Urban Development”, issues involving zoning and development regulations and tenant occupied investment properties.

Island Properties Marinas & Waterfront Properties – Appraised properties on Cumberland Island, Georgia including raw land & Plum Orchard Mansion. Wassaw Island, Georgia, Horn Island, Mississippi, Cat Island Mississippi, Round Island & Deer Island, Mississippi, Naval Base at Singing River Island near Pascagoula, South Padre Island, Texas. Clients include: National Park Service, The Trust for Public Lands, Nature Conservancy, and private parties. Appraised Marina & Waterfront property on Lake Lanier, 20,000 acre Cain Hoy Plantation in Charleston, South Carolina, Marina on Fripp Island, SC; Consolidated Yacht Corp. & Marina, Miami, FL., Maritime Metals Ship Dismantling Facility, Port Arthur, TX., Waterfront Property in downtown Savannah, Ga.

Historic Properties – Appraised Barnsley Gardens near Rome, Georgia, Plum Orchard Mansion on Cumberland Island, several homes and land within the Martin Luther King Jr. Historic District of Atlanta, Ga., Historic Whitehall Mill in Athens, Ga., Bass High School (converted to loft apartments using the Secretary of Interior Standards), Atlanta, Ga.

EDUCATION:

BA - Arizona State University, Majored in Anthropology, Graduated summa cum laude.

Masters of City and Regional Planning, University of North Carolina at Chapel Hill, Majored in land use and real estate development.

Courses in Historic Preservation, Armstrong University, Savannah, Ga.

Marina Appraisal Course completed 2003 from the International Marina Institute.

PROFESSIONAL AFFILIATIONS:

(Georgia) State Certified Real Property Appraiser (No. 3329)

Certified Real Estate Broker, State of Georgia

Member of American Institute of Certified Planners (AICP) 1981

Phi Beta Kappa 1976

Phi Kappa Phi 1976

CLIENTS: Pension Funds, Industrial Corporations, Banks, Mortgage Bankers, Trusts, Insurance Companies, Real Estate Investors and Developers, Governmental Agencies, Attorneys, Architects, and Certified Public Accountants.

QUALIFICATIONS OF APPRAISER

Mead P. Schlemmer
Schlemmer Appraisal Company
1928 Lake Lucerne Dr SW
Lilburn, Georgia 30047
404 702 2375 Mschlemm1@comcast.net
Registered Appraiser #335527

EXPERIENCE:

2008 to Present: Schlemmer Appraisal Company

3 year of full-time appraisal experience involving residential, commercial, industrial properties in two States. Discounted cash flows involve ARGUS.

Appraisal of all types of Commercial Real Estate in metro Atlanta. Appraised over 100 properties.

Extensive experience with Office, Retail, Multifamily & Industrial Property Valuation. Emphasis on in town "New Urban Development", issues involving zoning and development regulations and tenant occupied investment properties.

EDUCATION:

BA – University of West Georgia, Majored in Philosophy.

Appraisal Education

Appraisal Principles

Appraisal Procedures

National Uniform Standards of Professional Appraisal Practice

Appraisal Institute

General Appraiser Income Approach (Part I) Jun 2 - 5, 2009

General Appraiser Site Valuation & Cost Approach May 4 - 7, 2009

Real Estate Finance Statistics and Valuation Modeling Apr 1 - May 1, 2009

General Appraiser Sales Comparison Approach Mar 30 - Apr 2, 2009

PROFESSIONAL AFFILIATIONS:

(Georgia) State Registered Real Property Appraiser (No.335527)

Appraisal Institute Member

CLIENTS: Pension Funds, Industrial Corporations, Banks, Mortgage Bankers, Trusts, Insurance Companies, Real Estate Investors and Developers, Governmental Agencies, Attorneys, Architects, and Certified Public Accountants.

ADDENDA

STATE OF GEORGIA REAL ESTATE APPRAISERS BOARD

KAYLA SCHLEMMER

3329

IS AUTHORIZED TO TRANSACT BUSINESS IN GEORGIA AS A
CERTIFIED GENERAL REAL PROPERTY APPRAISER

THE PRIVILEGE AND RESPONSIBILITIES OF THIS APPRAISER CLASSIFICATION SHALL CONTINUE IN EFFECT AS LONG AS THE APPRAISER PAYS REQUIRED APPRAISER FEES AND COMPLIES WITH ALL OTHER REQUIREMENTS OF THE OFFICIAL CODE OF GEORGIA ANNOTATED, CHAPTER 43-39-A. THE APPRAISER IS SOLELY RESPONSIBLE FOR THE PAYMENT OF ALL FEES ON A TIMELY BASIS.

CHARLES B. BRAMLETT
Chairperson

WILLIAM R. COLEMAN, JR.
D. SCOTT MURPHY
MARILYN R. WATTS

SANDRA MCALISTER WINTER
Vice Chairperson

34407320

KAYLA SCHLEMMER

3329
Status ACTIVE

**CERTIFIED GENERAL REAL PROPERTY
APPRAISER**

THIS LICENSE EXPIRES IF YOU FAIL TO PAY
RENEWAL FEES OR IF YOU FAIL TO COMPLETE ANY
REQUIRED EDUCATION IN A TIMELY MANNER.

State of Georgia
Real Estate Commission
Suite 1000 - International Tower
229 Peachtree Street, N.E.
Atlanta, GA 30303-1605

ORIGINALLY LICENSED

10/28/1992

**END OF RENEWAL
07/31/2012**



WILLIAM L. ROGERS, JR.
Real Estate Commissioner

34407320

KAYLA SCHLEMMER

3329
Status ACTIVE

**CERTIFIED GENERAL REAL PROPERTY
APPRAISER**

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Real Estate Commission
Suite 1000 - International Tower
229 Peachtree Street, N.E.
Atlanta, GA 30303-1605



WILLIAM L. ROGERS, JR.
Real Estate Commissioner

34407320

LEXINGTON INSURANCE COMPANY

WILMINGTON, DELAWARE

Administrative Offices – 100 Summer Street, Boston, Massachusetts 02110

Certificate Number: K16192549
This Certificate forms a part of Master Policy Number: 016191083
Renewal of Master Policy Number : 016084574

**YOUR RISK PURCHASING GROUP MASTER POLICY IS A CLAIMS MADE POLICY.
READ THE ATTACHED MASTER POLICY CAREFULLY**

THE AMERICAN ACADEMY OF STATE CERTIFIED APPRAISERS

CERTIFICATE DECLARATIONS

- 1. Name and Address of Certificate Holder:** Schlemmer Appraisal Company, LLC
1928 Lake Lucerne Drive
Lilburn GA 30047
- 2. Certificate Period:** **Effective Date:** 01/12/12 **to Expiration Date:** 01/12/13
12:01 a.m. Local Time at the Address of the Insured.
- 2a. Retroactive Date:** 01/12/09
12:01 a.m. Local Time at the Address of the Insured.
- 3. Limit of Liability:** \$ 1,000,000 each claim
\$ 1,000,000 aggregate limit
- 4. Deductible:** \$ 5,000 each claim
- 5. Professional Covered Services insured by this policy are:** REAL ESTATE APPRAISAL SERVICES
- 6. Advance Certificate Holder Premium:** \$ 1,773
- 7. Minimum Earned Premium:** 25% or \$ 443

Forms and Endorsements:

PRG 3150 (10/05) Real Estate Appraisers Professional Liability Declarations, PRG 3149 (7/09) Real Estate Appraisers Professional Liability Coverage Form, 81227 (11/02) Terrorism Exclusion, PRG 3344 (7/09) Property Damage To Lockbox Coverage Extension, PRG 3151 (7/09) Disciplinary Proceedings Extension.

Agency Name and Address: INTERCORP, INC.
1438-F West Main Street
Ephrata, PA 17522-1345

IT IS HEREBY UNDERSTOOD AND AGREED THAT THE CERTIFICATE HOLDER AGREES TO ALL TERMS AND CONDITIONS AS SET FORTH IN THE ATTACHED MASTER POLICY.

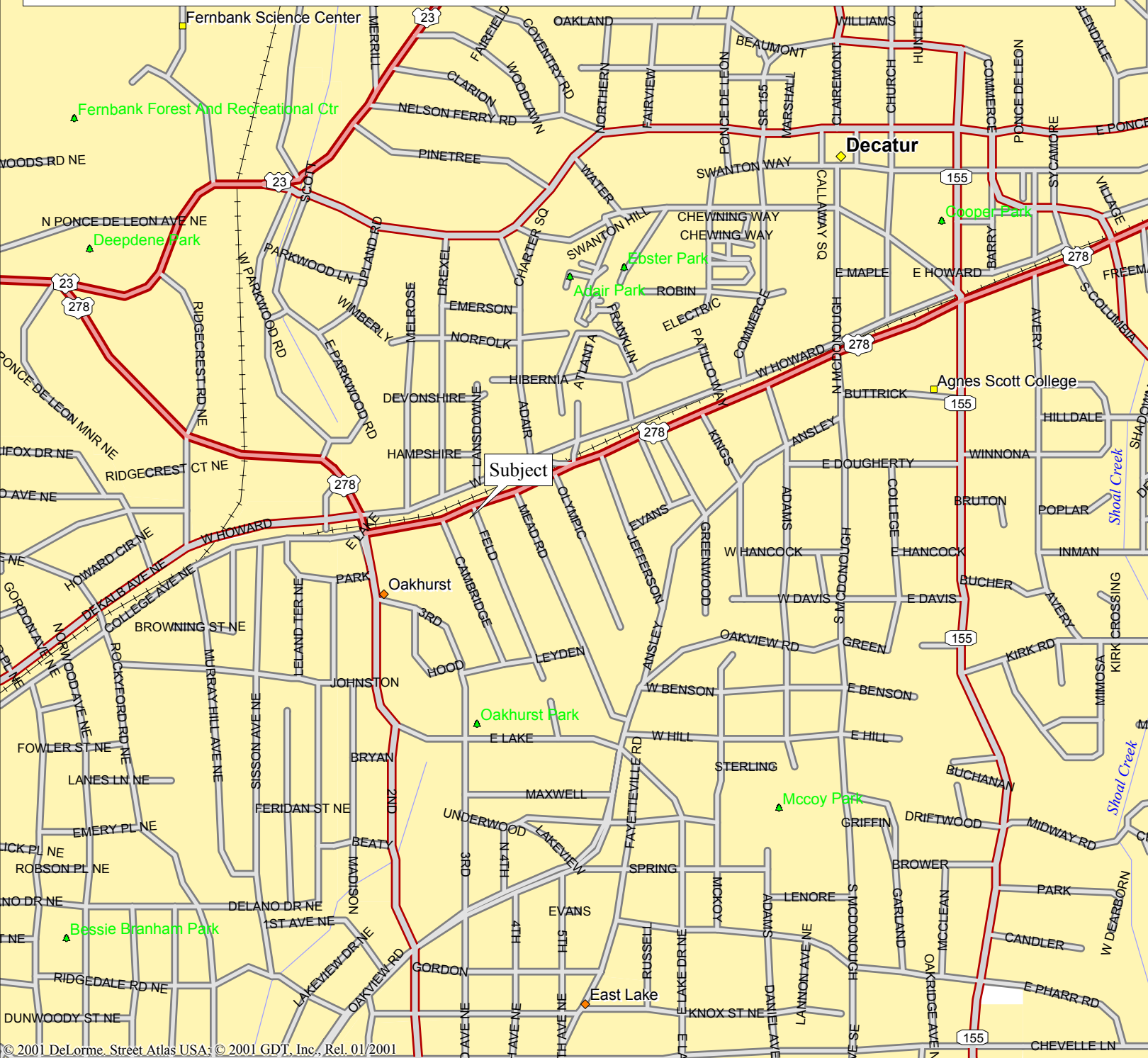
THIS POLICY IS ISSUED BY YOUR RISK PURCHASING GROUP. YOUR RISK PURCHASING GROUP MAY NOT BE SUBJECT TO ALL OF THE INSURANCE LAWS AND REGULATIONS OF YOUR STATE. STATE INSURANCE INSOLVENCY GUARANTY FUNDS ARE NOT AVAILABLE FOR YOUR RISK PURCHASING GROUP.



Authorized Representative OR
Countersignature (in states where applicable)

Date: December 16, 2011

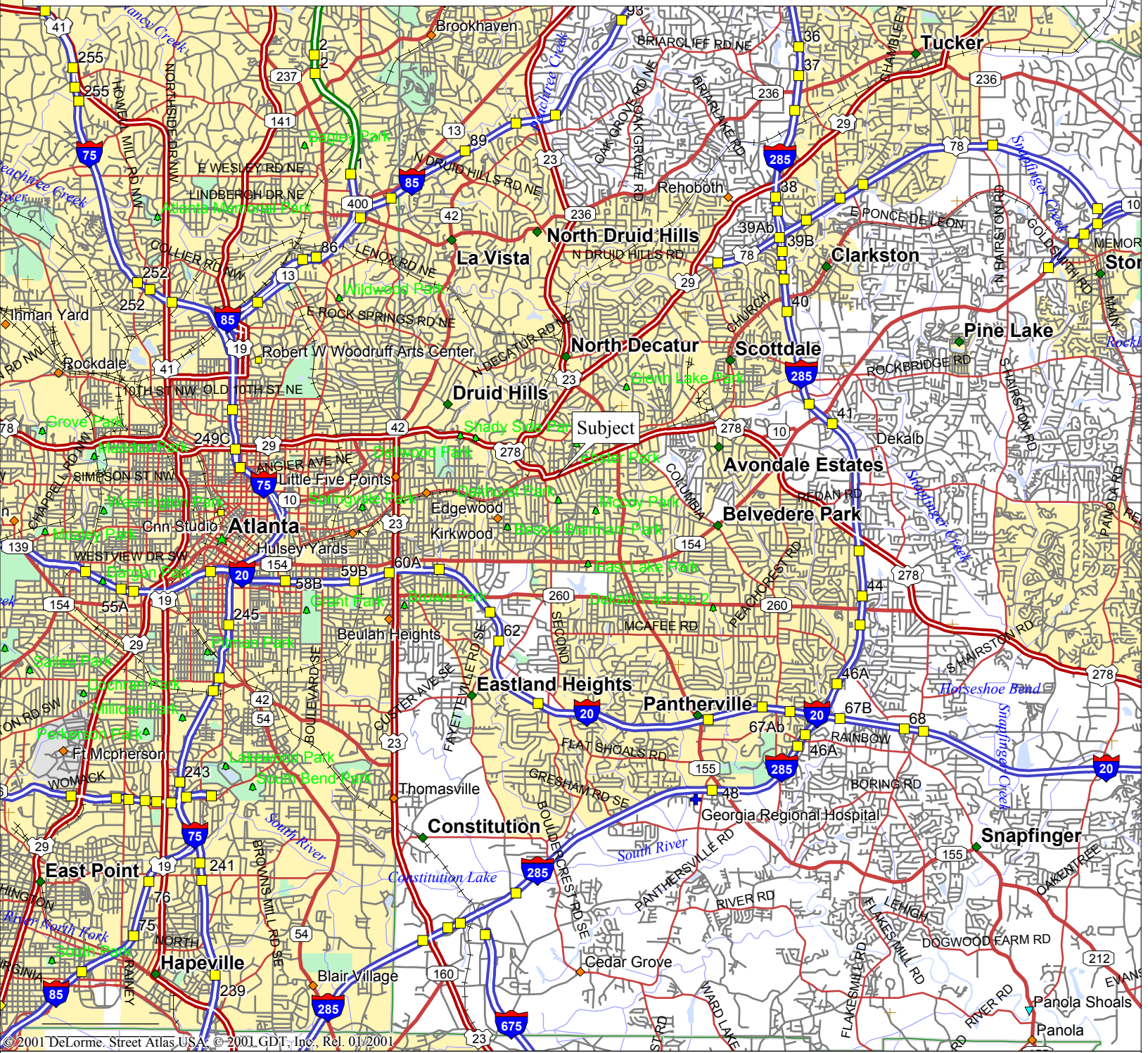
Neighborhood



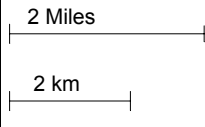
Mag 15.00
 Mon Apr 30 10:41 2012
 Scale 1:15,625 (at center)
 1000 Feet
 500 Meters

- Local Road
- Major Connector
- State Route
- US Highway
- Railroad
- Point of Interest
- Park/Reservation
- Locale
- City
- Cemetery
- Population Center
- River/Canal

Area



Mag 12.00
Mon Apr 30 10:42 2012
Scale 1:125,000 (at center)



- | | | |
|---------------------------|--------------------|-------------------|
| Local Road | Point of Interest | City |
| Major Connector | State Capital | Public Airport |
| State Route | Small Town | Cemetery |
| Interstate/Limited Access | Airfield | County Boundary |
| Toll Highway | Geographic Feature | Population Center |
| US Highway | Hospital | Water |
| Exit | Park/Reservation | Military Reserve |
| Railroad | Locale | National Park |

SUBJECT PHOTOGRAPHS



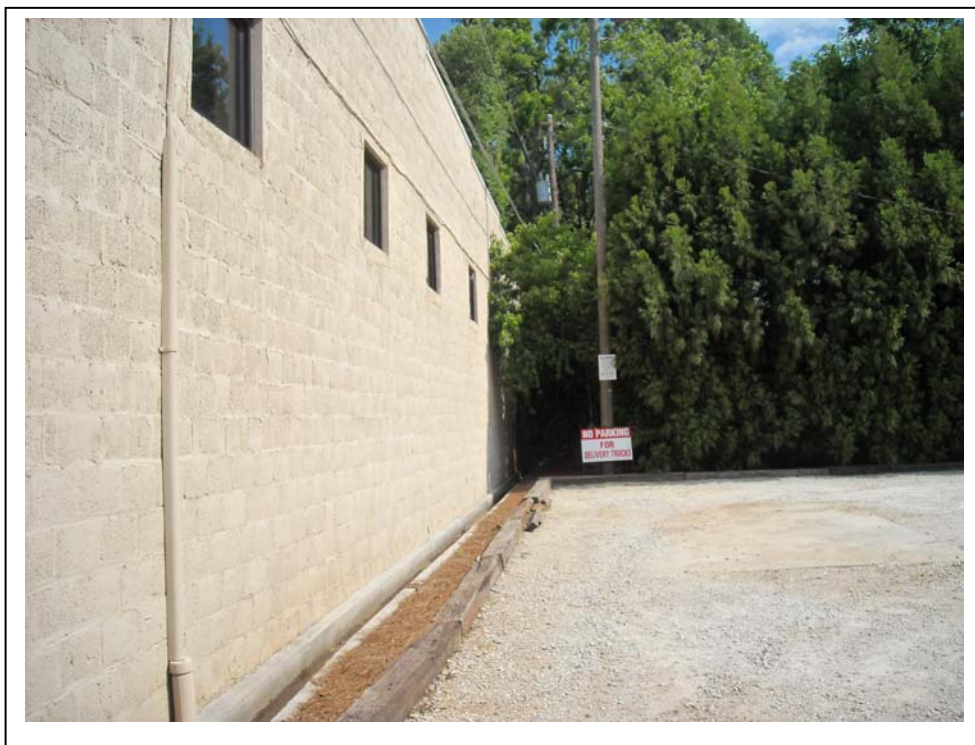
900 WEST COLLEGE AVENUE



SUBJECT PHOTOGRAPHS



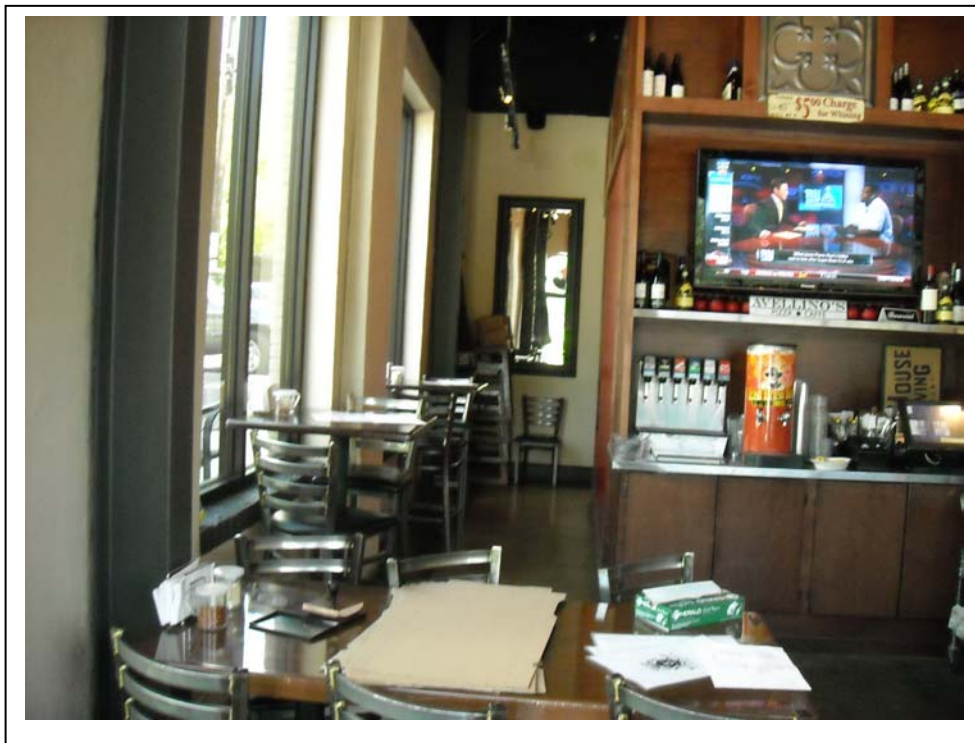
REAR VIEW & SIDE VIEW



SUBJECT PHOTOGRAPHS



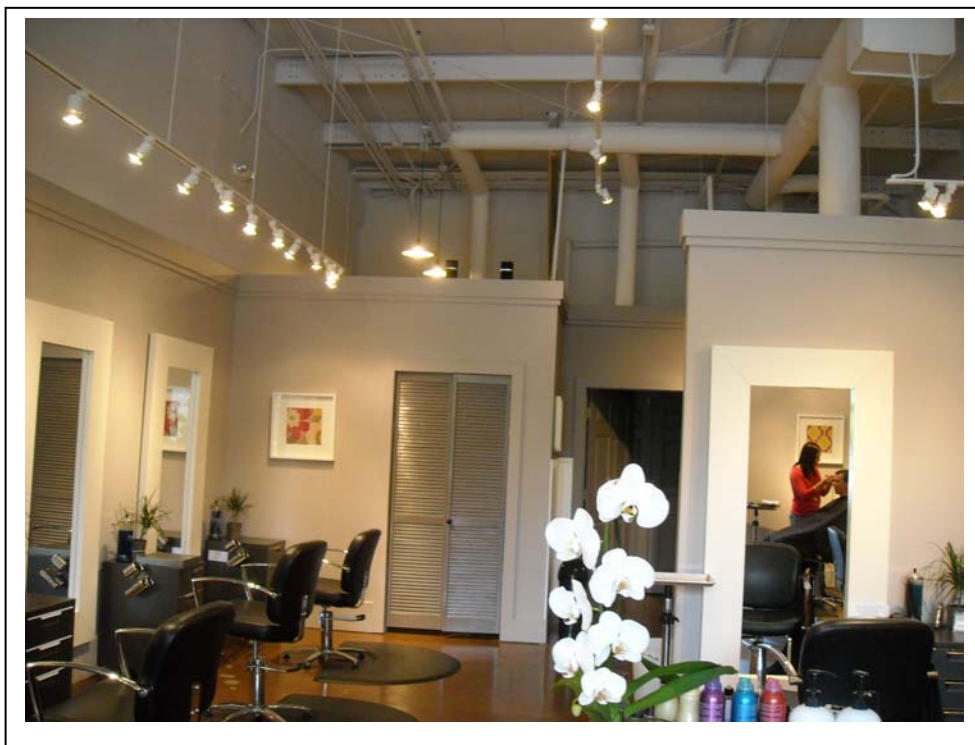
YOGA SUITE/ PIZZA RESTAURNAT



SUBJECT PHOTOGRAPHS



RETAIL SUITE/SALON SUITE



Rental No. 1



Name : 3,310 SF Strip Center
Street Address/Location : 2754 E College Ave
City/County/State : Decatur, GA 30030

Lessee : undisclosed
Verification : Van A. Yon (404) 978-2288
Lease Term : 5 Years
Leased Date : Apr-12
Leased Area : 3,310 Sq. Ft.
Rent Per Square Foot : \$ 13.61

Expenses

Real Estate Taxes : Lessee
Insurance : Lessee
Structural Maintenance : Lessor
Utilities : Lessee
CAM : Lessee

Remarks: Strip center located on East College Avenue in Decatur Georgia. This strip center located near the subject and is a little smaller than the subject.

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P P 1 / Suite 2754 <i>RE/MAX Metro Atlanta / Van A. Yon (404) 978-2288</i>	1,880	1,880	1,880	\$12.13/mg	Vacant	1-5 yrs	Direct
Rent: \$1900/mon plus CAM, MN lease							
P P 1 / Suite 2758 <i>RE/MAX Metro Atlanta / Van A. Yon (404) 978-2288</i>	1,430	1,430	1,430	\$15.10/mg	Vacant	1-5 yrs	Direct
Rent: \$1800/mon plus CAM, MN lease. This space last used as carry-out food store, still has vent hood & grease traps in place.							

Rental No. 2



Name	:	Acme Lofts
Street Address/Location	:	537 W. Howard Ave
City/County/State	:	Decatur, GA
Lessee	:	Thinking Man
Verification	:	Chuck Bosserman
Lease Term	:	5 years
Lease Date	:	Apr-12
Leased Area	:	3,036 Sq. Ft.
Rent Per Square Foot	:	\$22.11

Expenses

Real Estate Taxes	:	Lessee
Insurance	:	Lessee
Structural Maintenance	:	Lessor
Utilities	:	Lessee
CAM	:	Lessee

Remarks: Part of the Acme Lofts complex. The Acme lofts is a mixed use center located on W. Howard Ave in Decatur Georgia. The Thinking man Taven is a popular restaurant.

Rental No. 3



Name	:	East Decatur Station
Street Address/Location	:	111 New Street
City/County/State	:	Decatur, GA 30030
Lessee	:	PADV
Verification	:	Chuck Bosserman
Lease Term	:	5 years
Lease Date	:	April-12
Leased Area	:	2,418 Sq. Ft.
Rent Per Square Foot	:	\$18.70

Expenses

Real Estate Taxes	:	Lessee
Insurance	:	Lessee
Structural Maintenance	:	Lessor
Utilities	:	Lessee
CAM	:	Lessee

Remarks: This property is located New Street in Decatur Georgia. This Strip center is similar to the subject property. Net Lease Adjusts to \$21.75sf MG

Rental No. 4



Name : Pharr Road Shopping Center
Street Address/Location : 308-326 Pharr Rd NE
City/County/State : Atlanta, GA 30305

Lessee : Cleaners
Verification : (404) 419-9400
Lease Term : 5 Years
Lease Date : Apr-12
Leased Area : 3,000 Sq. Ft.
Rent Per Sq. Ft. : \$30.00
Gross Building Area : 16,000 Sq. Ft.

Expenses
Real Estate Taxes : Lessee
Insurance : Lessee
Structural Maintenance : Lessor
Utilities : Lessee

Remarks: This is a strip center located up in Buckhead, Georgia. The rent is \$30/sf. The location is better than the subject. Net Rent is adjusted upward \$3.50 to \$33.50/sf

Rental No. 5



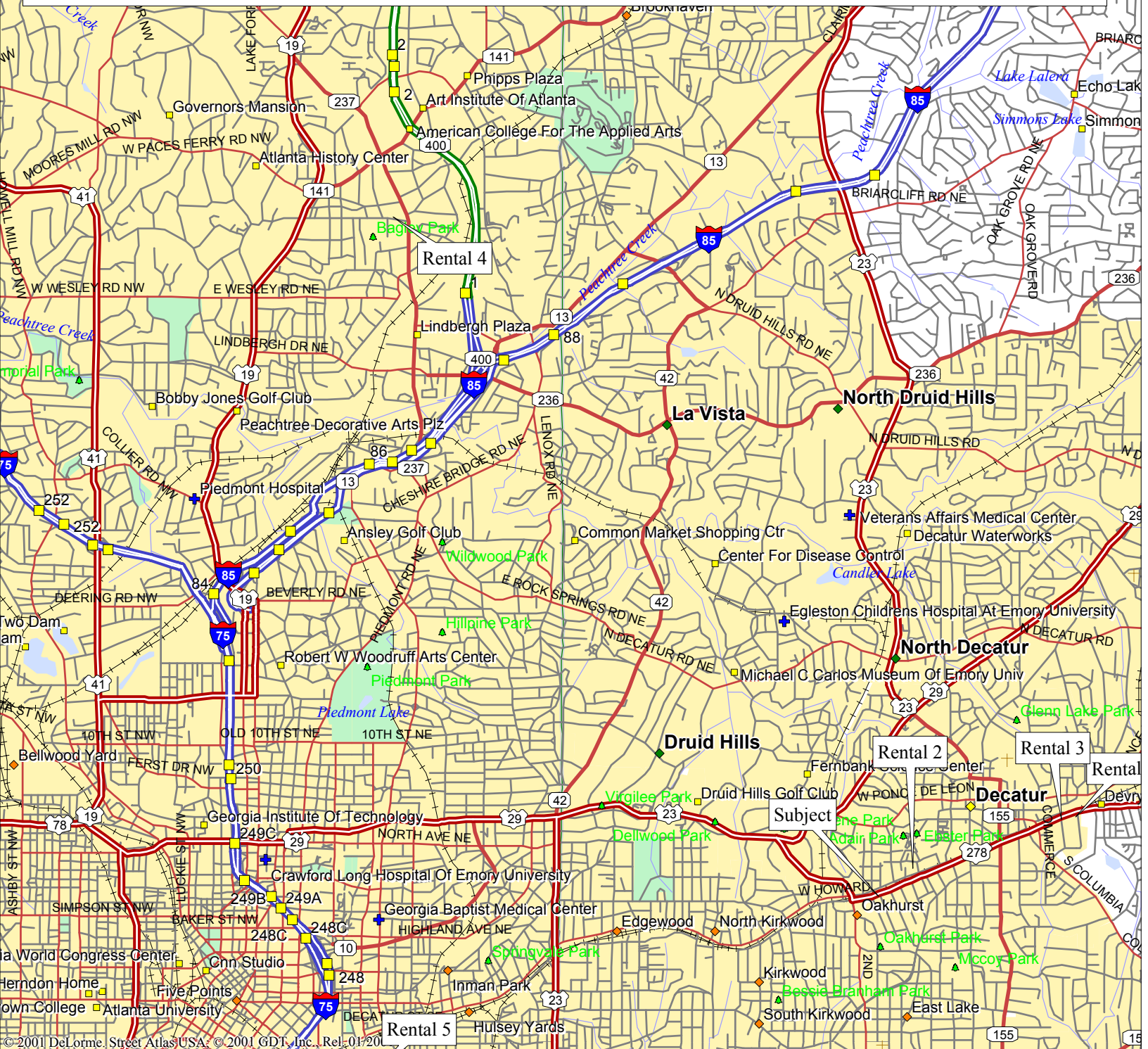
Name : The Jane
Street Address/Location : 439 Memorial Drive
City/County/State : Atlanta, GA

Lessee : Café of Life
Verification : (404) 419-9400
Lease Term : 5 Years
Lease Date : Apr-12
Leased Area : 1,459 Sq. Ft.
Rent Per Sq. Ft. : \$15.50
Gross Building Area : 12,714 Sq. Ft.

Expenses
Real Estate Taxes : Lessee
Insurance : Lessee
Structural Maintenance : Lessor
Utilities : Lessee

Remarks: This is mixed use center located up in Atlanta, Georgia. The rent is \$15.50/sf. This rent is located across from Oakland Cemetery. The Jane has many Tenants ranging from hair Salons to Chiopractors. Atlanta's historic Grant Park neighborhood, the Jane is an exciting and creative mixed-use redevelopment project offering 33,000+ Sq Ft of Commercial Space and eight bi-level lofts named The Lofts at the Jane. Net rent adjusts up \$2.25/sf

Comparable Rentals



Mag 13.00
 Mon Apr 30 10:50 2012
 Scale 1:62,500 (at center)

1 Miles

2 km

- | | | | | | |
|--|---------------------------|--|-------------------|--|-------------------|
| | Local Road | | Point of Interest | | Population Center |
| | Major Connector | | Small Town | | Water |
| | State Route | | Hospital | | River/Canal |
| | Interstate/Limited Access | | Park/Reservation | | City Park |
| | Toll Highway | | Locale | | |
| | US Highway | | City | | |
| | Exit | | Cemetery | | |
| | Railroad | | County Boundary | | |

Comparable Sale No. 1



Name	:	Hal's Package Store		
Address	:	1223 Columbia Dr		
City/County/State	:	Decatur, GA 30032		
	:			
Grantor	:	First Intercontinental Bank		
Grantee	:	Golden Forest Property Inc		
Verification	:	Golden Forest Property Inc		
	:			
Year Built	:	1984		
Sale Price	:	\$1,980,000		
Sale Date	:	Jun-11		
Land Area	:	0.650	Acres	
Building Area	:	8,000	Sq. Ft.	
Price / SF	:	\$247.50		
Land/Bldg. Ratio	:	3.54		
Zoning	:	C1		
Gross Income	:	\$168,000	GIM:	11.79
Net Income	:	\$160,000	Cap Rate:	8.08%

Remarks:

Verified details with the PT 61 tax records. New buyer currently runs Golden Forest Spirits and could possibly be a new location or relocation from current place in Decatur. Street Frontage: 155 feet on Columbia Dr (with 2 curb cuts). This adjacent to and part of the site of Belvedere Plaza.

SECTION A – SELLER'S INFORMATION (Do not use agent's information)				SECTION C – TAX COMPUTATION	
SELLER'S BUSINESS / ORGANIZATION / OTHER NAME First Intercontinental Bank				Exempt Code If no exempt code enter NONE	
MAILING ADDRESS (STREET & NUMBER) 5593 Buford Highway				1. Actual Value of consideration received by seller Complete Line 1A if actual value unknown	
CITY, STATE / PROVINCE / REGION, ZIP CODE, COUNTRY Doraville, GA 30340 USA		DATE OF SALE 6/15/2011		1A. Estimated fair market value of Real and Personal property	
SECTION B – BUYER'S INFORMATION (Do not use agent's information)				2. Fair market value of Personal Property only	
BUYERS'S BUSINESS / ORGANIZATION / OTHER NAME Golden Forest Property, Inc.				3. Amount of liens and encumbrances not removed by transfer	
MAILING ADDRESS (Must use buyer's address for tax billing & notice purposes) c/o Hals Beer & Wine 4689 Memorial Drive				4. Net Taxable Value (Line 1 or 1A less Lines 2 and 3)	
CITY, STATE / PROVINCE / REGION, ZIP CODE, COUNTRY Decatur, GA 30032 USA		Check Buyers Intended Use () Residential (X) Commercial () Agricultural () Industrial		5. TAX DUE at .10 per \$100 or fraction thereof (Minimum \$1.00)	
SECTION D – PROPERTY INFORMATION (Location of Property (Street, Route, Hwy, etc))					
HOUSE NUMBER & EXTENSION (ex 265A) 1223		PRE-DIRECTION, STREET NAME AND TYPE, POST DIRECTION Columbia Drive			SUITE NUMBER
COUNTY DEKALB		CITY (IF APPLICABLE)		MAP & PARCEL NUMBER 15 200 02 037	ACCOUNT NUMBER
TAX DISTRICT	GMD	LAND DISTRICT 15th	ACRES	LAND LOT 200	SUB LOT & BLOCK
SECTION E – RECORDING INFORMATION (Official Use Only)					
DATE		DEED BOOK 22519	DEED PAGE 677		PLAT BOOK
PLAT PAGE					

ADDITIONAL BUYERS

None

Comparable Sale No. 2



Name : Crabapple Park
Address : 30 E Crossville Rd
City/County/State : Roswell, GA 30075
:
Grantor : Crabapple Park Partners LLC

Grantee : Crabapple Park Retail, LLC
Verification : Fain Hicks
:
: (404) 812-4094
Year Built : 2008
Sale Price : \$2,227,500
Sale Date : Feb-12
Land Area : 1.280 Acres
Building Area : 13,200 Sq. Ft.
Price / SF : \$168.75
Land/Bldg. Ratio : 4.22
Zoning : C2
Gross Income : \$192,720 GIM: N/A
Net Income : \$182,160 Cap Rate: 8.18%

Remarks: On 2/29/2012 Crabapple Park Partners, LLC sold Crabapple Park at 30 E Crossville Rd Roswell, GA 30075 to Crabapple Park Retail, LLC for \$2,227,500. Both parties used a broker. The property is a 13,200-square-foot shopping center that was 86.4% leased during time of the sale. It was a 9.24% cap rate.



SECTION A – SELLER'S INFORMATION (Do not use agent's information)				SECTION C – TAX COMPUTATION		
SELLER'S BUSINESS / ORGANIZATION / OTHER NAME Crabapple Park Partners, LLC				Exempt Code If no exempt code enter NONE		NONE
MAILING ADDRESS (STREET & NUMBER) 1000 Mansell Exchange W. Building 200, Suite 210				1. Actual Value of consideration received by seller Complete Line 1A if actual value unknown		\$2,227,500.00
CITY, STATE / PROVINCE / REGION, ZIP CODE, COUNTRY Alpharetta, GA 30020 USA		DATE OF SALE 2/29/2012		1A. Estimated fair market value of Real and Personal property		\$0.00
SECTION B – BUYER'S INFORMATION (Do not use agent's information)				2. Fair market value of Personal Property only		\$0.00
BUYERS'S BUSINESS / ORGANIZATION / OTHER NAME Crabapple Park Retail, LLC				3. Amount of liens and encumbrances not removed by transfer		\$0.00
MAILING ADDRESS (Must use buyer's address for tax billing & notice purposes) Attn: Gary Heiman 728 Longleaf Drive				4. Net Taxable Value (Line 1 or 1A less Lines 2 and 3)		\$2,227,500.00
CITY, STATE / PROVINCE / REGION, ZIP CODE, COUNTRY Atlanta, GA 30342 USA		Check Buyers Intended Use () Residential (X) Commercial () Agricultural () Industrial		5. TAX DUE at .10 per \$100 or fraction thereof (Minimum \$1.00)		\$2,227.50
SECTION D – PROPERTY INFORMATION (Location of Property (Street, Route, Hwy, etc))						
HOUSE NUMBER & EXTENSION (ex 265A)		PRE-DIRECTION, STREET NAME AND TYPE, POST DIRECTION			SUITE NUMBER	
COUNTY FULTON		CITY (IF APPLICABLE) Roswell		MAP & PARCEL NUMBER 12-1870-406-124-8		ACCOUNT NUMBER
TAX DISTRICT	GMD	LAND DISTRICT 1st/2nd	ACRES	LAND LOT 406	SUB LOT & BLOCK	
SECTION E – RECORDING INFORMATION (Official Use Only)						
DATE	DEED BOOK 50947	DEED PAGE 155	PLAT BOOK	PLAT PAGE		

ADDITIONAL BUYERS

None

Comparable Sale No. 3



Name	:	Cross Creek Village		
Address	:	900 Duluth Hwy		
City/County/State	:	Lawrenceville, GA 30043		
	:			
Grantor	:	Federal Trust Bank		
Grantee	:	KTC Properties LLC		
Verification	:	Phil Ryan		
	:	(770) 729-2843		
Year Built	:	2007		
Sale Price	:	\$3,079,398		
Sale Date	:	Apr-10		
Land Area	:	1.780	Acres	
Building Area	:	16,750	Sq. Ft.	
Price / SF	:	\$183.84		
Land/Bldg. Ratio	:	4.63		
Zoning	:	AA012		
Gross Income	:	\$351,750	GIM:	8.75
Net Income	:	\$246,225	Cap Rate:	8.00%

Remarks:

16,750 square-foot retail center was sold for \$3,079,398 on 4/14/10. Property was 77.73% leased at tir cap rate. Tenants at time of sale: Alfred Rhonden - Hair Salon; Einstein Bros Bagels; Luxury Nail & S Panda Express; The Mattress Firm; T-Mobile / US Mobile Inc.



SECTION A – SELLER'S INFORMATION (Do not use agent's information)				SECTION C – TAX COMPUTATION	
SELLER'S BUSINESS / ORGANIZATION / OTHER NAME FEDERAL TRUST BANK				Exempt Code If no exempt code enter NONE NONE	
MAILING ADDRESS (STREET & NUMBER) 312 WEST FIRST STREET SUITE 100				1. Actual Value of consideration received by seller Complete Line 1A if actual value unknown \$3,079,400.00	
CITY, STATE / PROVINCE / REGION, ZIP CODE, COUNTRY SANFORD, FL 32771 USA		DATE OF SALE 4/14/2010		1A. Estimated fair market value of Real and Personal property \$0.00	
SECTION B – BUYER'S INFORMATION (Do not use agent's information)				2. Fair market value of Personal Property only \$0.00	
BUYERS'S BUSINESS / ORGANIZATION / OTHER NAME K.T.C. PROPERTIES, L.L.C.				3. Amount of liens and encumbrances not removed by transfer \$0.00	
MAILING ADDRESS (Must use buyer's address for tax billing & notice purposes) 1305 BLUE SKY COURT				4. Net Taxable Value (Line 1 or 1A less Lines 2 and 3) \$3,079,400.00	
CITY, STATE / PROVINCE / REGION, ZIP CODE, COUNTRY PEACHTREE CITY, GA 30269 USA		Check Buyers Intended Use () Residential (X) Commercial () Agricultural () Industrial		5. TAX DUE at .10 per \$100 or fraction thereof (Minimum \$1.00) \$3,079.40	
SECTION D – PROPERTY INFORMATION (Location of Property (Street, Route, Hwy, etc))					
HOUSE NUMBER & EXTENSION (ex 265A) 900		PRE-DIRECTION, STREET NAME AND TYPE, POST DIRECTION DULUTH HIGHWAY			SUITE NUMBER
COUNTY GWINNETT		CITY (IF APPLICABLE)		MAP & PARCEL NUMBER R7008 052	ACCOUNT NUMBER
TAX DISTRICT	GMD	LAND DISTRICT 7	ACRES 1.8	LAND LOT 8 & 32	SUB LOT & BLOCK METES & BOUNDS
SECTION E – RECORDING INFORMATION (Official Use Only)					
DATE		DEED BOOK 50034	DEED PAGE 285	PLAT BOOK	PLAT PAGE

ADDITIONAL BUYERS

None

Comparable Sale No. 4



Name	:	Mansell Place		
Address	:	1605 Mansell Rd		
City/County/State	:	Alpharetta, GA 30009		
	:			
Grantor	:	Dexia		
Grantee	:	Noonan-Mansell Place LLC		
Verification	:	Tony D'Ambrosio		
	:	(404) 574-1048		
Year Built	:	1999		
Sale Price	:	\$2,475,000		
Sale Date	:	Dec-10		
Land Area	:	1.410	Acres	
Building Area	:	14,473	Sq. Ft.	
Price / SF	:	\$171.01		
Land/Bldg. Ratio	:	4.24		
Zoning	:	Commercial		
Gross Income	:	\$212,753	GIM:	11.63
Net Income	:	\$202,115	Cap Rate:	8.17%

Remarks:

Dexia Real Estate Capital Markets sold the property at 1605 Mansell Rd to Noonan-Mansell Place LLC for \$2,475,000 on December 28, 2010. The 14,473 square foot retail building was sold as an investment property. Tenants at time of sale: Cellco Partnership; Lenny's Sub Shop; Original Mattress Factory; ReMax of GA; Unicall Communications; Waffle House; We Buy Gold.

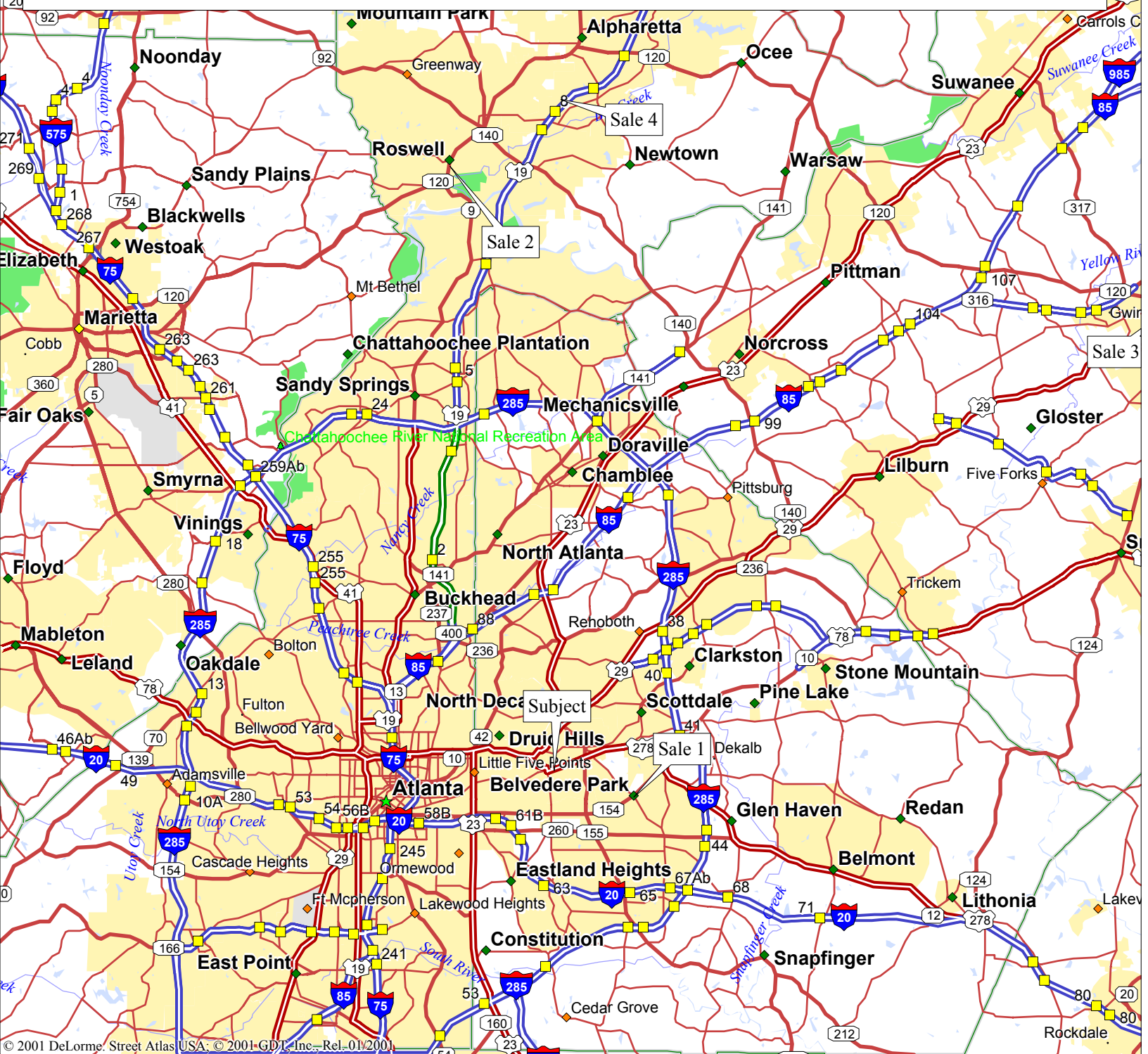


SECTION A – SELLER'S INFORMATION (Do not use agent's information)				SECTION C – TAX COMPUTATION	
SELLER'S BUSINESS / ORGANIZATION / OTHER NAME 2196 Mansell Place, LLC				Exempt Code If no exempt code enter NONE	
MAILING ADDRESS (STREET & NUMBER) 1180 NW Maple Street Suite 202				1. Actual Value of consideration received by seller Complete Line 1A if actual value unknown	
CITY, STATE / PROVINCE / REGION, ZIP CODE, COUNTRY Issaquah, WA 98027 USA		DATE OF SALE 12/23/2010		1A. Estimated fair market value of Real and Personal property	
SECTION B – BUYER'S INFORMATION (Do not use agent's information)				2. Fair market value of Personal Property only	
BUYERS'S BUSINESS / ORGANIZATION / OTHER NAME Noonan-Mansell Place LLC				3. Amount of liens and encumbrances not removed by transfer	
MAILING ADDRESS (Must use buyer's address for tax billing & notice purposes) 1605 Mansell Road				4. Net Taxable Value (Line 1 or 1A less Lines 2 and 3)	
CITY, STATE / PROVINCE / REGION, ZIP CODE, COUNTRY Alpharetta, GA 30076 USA		Check Buyers Intended Use () Residential (X) Commercial () Agricultural () Industrial		5. TAX DUE at .10 per \$100 or fraction thereof (Minimum \$1.00)	
SECTION D – PROPERTY INFORMATION (Location of Property (Street, Route, Hwy, etc))					
HOUSE NUMBER & EXTENSION (ex 265A) 1605		PRE-DIRECTION, STREET NAME AND TYPE, POST DIRECTION Mansell Road			SUITE NUMBER
COUNTY FULTON		CITY (IF APPLICABLE) Alpharetta		MAP & PARCEL NUMBER 12-2380-0590-018-9	ACCOUNT NUMBER 4216863
TAX DISTRICT 10	GMD	LAND DISTRICT 1st	ACRES 1497	LAND LOT 590	SUB LOT & BLOCK
SECTION E – RECORDING INFORMATION (Official Use Only)					
DATE		DEED BOOK 49743	DEED PAGE 537	PLAT BOOK	PLAT PAGE

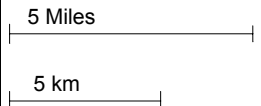
ADDITIONAL BUYERS

None

Comparable Sales



Mag 11.00
 Mon Apr 30 10:54 2012
 Scale 1:250,000 (at center)



- | | | |
|-----------------------------|-------------------|------------------|
| Local Road | State Capital | Water |
| Major Connector | Small Town | Military Reserve |
| State Route | Park/Reservation | National Park |
| Interstate/Limited Access | Locale | River/Canal |
| Interstate/Unlimited Access | City | |
| Toll Highway | County Boundary | |
| US Highway | Population Center | |
| Exit | Land | |