

**APPRAISAL OF
MOUNT VERNON BAPTIST CHURCH
LOCATED AT
441 MLK JR. DRIVE
ATLANTA, GEORGIA 30313**





June 21, 2013

J. Wade
Land Acquisitions & Dispositions Manager
Georgia State Properties Commission
47 Trinity Avenue
Suite G-02
Atlanta, GA 30334

Re: Appraisal of:
Mount Vernon Baptist Church
Church building with attached education building
441 Martin Luther King Jr. Drive NW
Atlanta, Fulton County, GA 3013-15293

Dear Ms. Wade:

As requested, an appraisal has been made of the above captioned property. For purposes of estimating value, the subject site and site improvements have been inspected and reviewed.

The purpose of this appraisal is to estimate the Market Value of the subject property in fee simple, "As Is", as of June 7, 2013.

The appraisal has been prepared in accordance with Uniform Standards of Professional Appraisal Practice requirements and in accordance with the Code of Professional Ethics and Standards of The Appraisal Institute.

This letter should not be construed as an appraisal report and is only used to transmit the attached report. Therefore, the letter should not be used without the accompanying report.

Submitted herewith is our report, which contains the pertinent data considered and the reasoning leading to our opinion of the estimated market value. Conditions and assumptions which may limit or qualify the value estimate, as well as Certification and Qualifications of the appraiser are included within the report.

It is our opinion a (1) year marketing period would be required, in order to achieve a sale at the below stated value. It is our opinion that the "As Is" Market Value of the Fee Simple Interest in the subject property, as of June 7, 2013, was:

FOUR MILLION NINE HUNDRED THOUSAND DOLLARS
(\$ 4,900,000)

The undersigned appraiser states that his employment was not conditional upon his producing a specific value or a value within a given range. Future employment or the payment of the fee is not dependent upon producing specified values. Further, he states that he has personally inspected the property.

It has been a pleasure to serve you in this matter.

Cordially,

A handwritten signature in blue ink, appearing to read "Pamela J. Smith", is written over a circular blue ink stamp. The signature is fluid and cursive.

Pamela J. Smith
Certified Real Estate Appraiser No. 492

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Photographs of the Subject Property



Front view



Photographs of the Subject Property



Rear view



Side view to lower and upper levels of Sanctuary building

Photographs of the Subject Property



Front entry to Sanctuary



Education wing and front parking

Photographs of the Subject Property



Front parking area



Rear parking area

Photographs of the Subject Property



Play area



Additional Driveway off of Northside Drive

Photographs of the Subject Property



Sanctuary lobby area



Administrative lobby area

Photographs of the Subject Property



Sanctuary



Photographs of the Subject Property



Baptismal pool



Typical bathroom

Photographs of the Subject Property



Typical classroom



Typical office

Photographs of the Subject Property



Typical elevator lobby in education wing



Typical hallway in education wing

Photographs of the Subject Property



Auditorium/Fellowship Hall



Commercial Kitchen

Photographs of the Subject Property

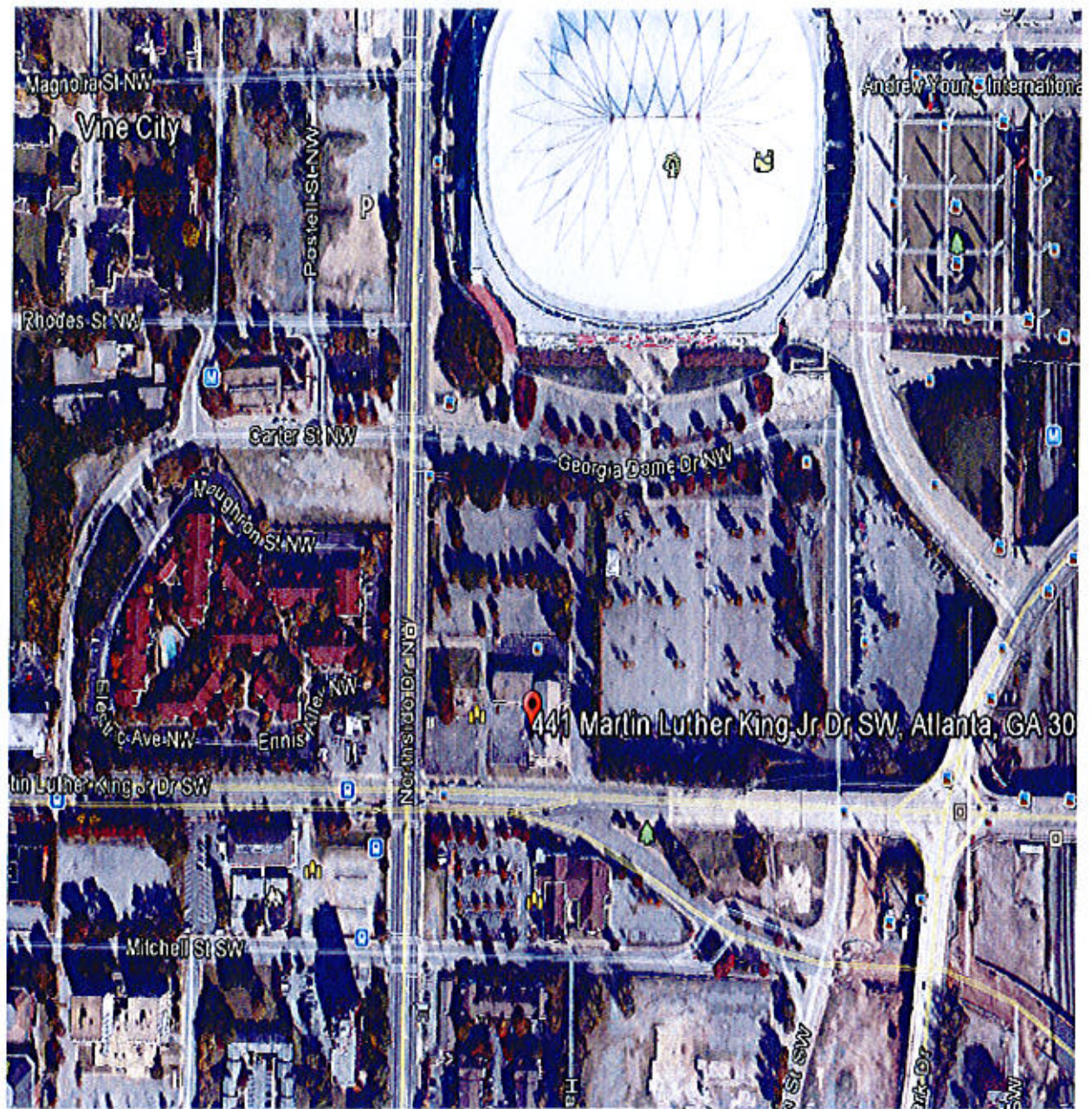


MLK Jr. Drive looking east towards downtown



MLK Jr. Drive looking west to Northside Drive

Aerial Photograph of the Subject Property



SUMMARY OF SALIENT FACTS AND CONCLUSIONS

A summary of salient facts and conclusions relative to the Market Value of the subject which is expressed in the attached report presented as follows:

Date of Valuation:	June 7, 2013
Location:	441 Martin Luther King Jr. Drive, Atlanta, Fulton County, Georgia, 30313
Property Right Appraised:	Fee Simple
Highest and Best Use:	Commercial development
Site Area:	1.8 acres
Description of Improvements:	Church building and attached education building containing 41,580+/- square feet
Zoning:	C5 – Central Business Support District
Flood Plain Map:	
Value Indications:	
Cost Approach:	N/A
Sales Comparison Approach:	\$ 4,900,000.
Income Approach:	N/A
FINAL VALUE ESTIMATE:	\$ 4,900,000.
Exposure time:	Estimated to be less than 12 months

APPRAISAL ASSIGNMENT

Identification of the Property

The property under appraisement is briefly identified as follows:

Property Type or Name:	Mount Vernon Baptist Church, a two level Sanctuary building and a three story attached education building
Location:	441 Martin Luther King Jr. Drive
City, County, State:	Atlanta, Fulton County, Georgia
Land Lot and District:	Land Lot 83 of the 14 th District
County Tax Assessor's Parcel Identification Number:	14 0083 0008 1092, 1084
Total Building Area:	41,580 +/- SF
Land Area:	1.8 acres or 78,408 square feet

The Legal Description of the property is included and is assumed to accurately depict the size and shape of the subject land.

Purpose and Date of the Appraisal

The purpose of this appraisal is to estimate the Market Value of the subject property in fee simple, "As Is", as of, June 7, 2013.

Function of the Appraisal

The function of the appraisal is to provide the client with sufficient information regarding value for potential acquisition of the asset.

Scope of the Appraisal

The scope of the assignment is to prepare a complete detailed comprehensive narrative appraisal of the property described above. The following is a brief discussion of the various inspections and analysis and data collection and analysis considered and utilized in arriving at a conclusion of value. The scope of the work performed in this appraisal assignment includes the definition of the appraisal problem; viewing of the property being appraised; consideration of the highest and best use of the land and property as improved and as vacant; collection, verification and analysis of data which leads to the completion of the sales comparison approach to value for the building as well as analysis of the revenue generated from additional parking income as of the effective date of appraisal.

Appraisers typically use three approaches in valuing real property. The type and age of the property and the quantity and quality of data affect the applicability of each approach in a specific appraisal problem. The three approaches are commonly known as (1) the Cost Approach, wherein the value of the land as if vacant is added to the depreciated value of the improvements; (2) the Income Approach, wherein the net income imputable to the property is calculated and then capitalized into value, using an overall rate or other capitalization methods considered representative of the market place; and (3) the Sales Comparison Approach, wherein the appraiser researches the market for sales data considered highly comparable and significant to the property being appraised.

The client has requested an appraisal which in this instance involves using the sales comparison and valuing the income generated from the parking revenue collected during special events around the subject church. A cost approach was considered but not processed due to the age of the buildings.

The appraiser(s)

1. will view the subject property to note the characteristics of the property that are relevant to its valuation.
2. will investigate available market data for use in a sales comparison and income capitalization approaches to value and, if appropriate, a cost approach. The appraiser's investigations will include research of public records through the use of commercial sources of data such as printed comparable data services and computerized databases. Search parameters such as dates of sales, leases, locations, sizes, types of properties, and distances for the subject will start with relatively narrow constraints and, if necessary, be expanded until the appraiser has either retrieved data sufficient (in the appraiser's opinion) to estimate market value, or until the appraiser believes that he or she has reasonably exhausted the available pool of data. Researched sales data will be viewed and, if found to be appropriate, efforts will be made to verify the data with persons directly involved in the transactions such as buyers, sellers, brokers, or agents. At the appraiser's discretion, some data will be used without personal verification if, in the appraiser's opinion the data appears to be correct. In addition, the appraiser will consider any appropriate listings or properties found through observation during appraiser's data collection process. The appraiser will report only the data deemed to be pertinent to the valuation problem;
3. will analyze the data found and reach conclusions regarding the market value, as defined in the report, of the subject property as of the date of value using appropriate valuation approach(s) identified above;
4. will prepare the appraisal in compliance with the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Foundation and the Code of Professional Ethics and Certification Standard of the Appraisal Institute;

5. will not be responsible for ascertaining the existence of any toxic waste or other contamination present on or off the site. The appraiser will, however, report any indications of toxic waste or contaminants that may affect value if they are readily apparent during appraiser's investigations. Appraiser cautions the user of the report that appraiser is not expert in such matters and that appraiser may overlook contamination that might be readily apparent to parties who are experts in such matters.
6. will prepare a Self - Contained Narrative Appraisal Report, as defined in USPAP, which did include photographs of the subject property, description of the subject neighborhood, the site, any improvements on the site, a description of the zoning, a highest and best use analysis, a summary of the most important sales used in the appraiser's valuation, a reconciliation and conclusion, a map illustrating the sales in relationship to the subject property, and other data deemed by the appraiser to be relevant to the assignment. Pertinent data and analyses not included in the report may be retained in appraiser's files.
7. recognizes and acknowledges the assistance and technical support of Dr Julian Diaz III and Sterling Hedley.

Competency of the Appraiser(s)

The appraiser has knowledge and prior experience in appraising properties similar to the subject property; therefore, the competency provision of the Uniform Standards of Professional Appraisal Practice has been satisfied. This appraisal has been prepared in accordance with Uniform Standards of Professional Appraisal Practice requirements.

Market Value Definition

Market Value has been defined in the Uniform Standards of Professional Appraisal Practice, Copyright 1992 by the Appraisal Foundation and by the Office of the Comptroller of the Currency under U.S.C. 93a and Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("FIRREA") and is in compliance with the regulations of the Office of Thrift and Supervision and is as follows:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. *Buyer and seller are typically motivated;*
2. *Both parties are well informed or well advised and each acting in what they considers their own 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.*

The financing utilized within this report is all cash; thus, the value indication is considered to be Cash Equivalent.

Fee Simple Definition

The property right appraised is the Fee Simple Interest of the subject property. Fee Simple has been defined in the 2nd edition of the Dictionary of Real Estate Appraisal, published by the American Institute of Real Estate Appraisers, as:

"absolute ownership unencumbered by any other interest or estate; subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

Exposure Time

Based on our research, a reasonable exposure time in the subject market has been estimated to be from 12 months; this is based mainly upon our interviews while confirming the reported sales as well as recent discussions with professionals in the real estate market.

Intended User

This appraisal has been prepared for J. Wade, Land Acquisitions & Dispositions Manager, Georgia State Properties Commission, 47 Trinity Avenue, Suite G-02, Atlanta, GA 30334. The intended user of this appraisal is the addressee and the user is the client. The intended use of the appraisal is for an internal evaluation by our client and/or negotiations for the purchase of the property.

LIMITING CONDITIONS AND ASSUMPTIONS

This appraisal is made subject to the following:

1. It is assumed that there are no hidden or apparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
2. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
3. Any legal descriptions or plats reported herein are assumed to be accurate. Any sketches, plats or drawings included in this report are included to assist the reader in visualizing the property. All engineering is assumed to be correct. We have made no survey of the property and assume no responsibility in connection with such matters.
4. No responsibility is assumed for matters legal in nature. Title is assumed to be good and marketable and in fee simple unless discussed otherwise in the report. The property is appraised as free and clear of existing liens, assessments and encumbrances, except as noted in the attached report.
5. It is assumed that the physical characteristics of the property, with regard to metes and bounds and road frontages, are essentially as depicted on any of, the plat, survey, site plan, and/or legal description of the property included in the report.
6. The value estimate assumes no impact on value because of Section 404 wetlands" as defined by the U.S. Army Corps of Engineers. We have found no evidence of wetlands, but are not experts in this field and urge the client to seek the advice of an expert to determine any potential impact of wetlands on the property.
7. Unless noted otherwise, the appraiser assumes that the roofs, structural components, and mechanical and plumbing systems, are in a condition typical for a building of this age. A qualified building inspector and/or engineer should be consulted for specific details as to the condition of these elements. The appraiser assumes no liability for structural features not visible on ordinary careful inspection.
8. The appraiser does not warrant the exact location or capacity of the utility systems. Reliance has been based on information obtained from public information and a visual inspection as to the existence and approximate location of the utilities. It is assumed that all water and sewer

facilities (existing and proposed) are or will be in good working order and are or will be of sufficient size to adequately serve the subject property under this appraisal.

9. The existence of utility or any other type of easement or encroachment on the property will be identified, if possible, by the appraiser by visual inspection or legal descriptions, plats or surveys. However, no responsibility is assumed for those easements or encroachments which cannot be easily discovered by the aforementioned methods. Therefore, unless otherwise noted, it is assumed that there are no encroachments, zoning or restriction violations affecting the subject property.
10. Information furnished by others is assumed to be true, correct and reliable. A reasonable effort has been made to verify such information; however, no responsibility for its accuracy is assumed by the appraiser. If for any reason future investigations should prove any data to be in substantial variance with that presented in this report, the appraiser reserves the right to alter or change any or all conclusions and/or estimates of value.
11. No responsibility is assumed for matters legal in character, nor is any opinion rendered as to title, which is assumed to be good and marketable.
12. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
13. All mortgages, liens, encumbrances, leases and servitudes have been disregarded unless so specified in the report. The property is appraised as though under responsible ownership and competent management, unless otherwise specified.
14. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined and considered in the appraisal report.
15. The appraisal is based on the premise that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in the report; further that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal, and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.
16. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, lead based paints or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is

assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

17. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the property. Since the appraiser has no direct evidence relating to this issue, possible non-compliance with the requirements of ADA was not considered in estimating the value of the property.
18. The appraiser will not be required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless previous arrangements have been made.
19. Possession of this report, or a copy thereof, does not carry with it the right of publication or reproduction in part or in its entirety without written consent of the appraiser. It may not be used for any purpose by any person other than the party to whom it was addressed without the written consent of the appraiser.
20. If this report becomes the property of any other party, other than the addressee or the person who has paid the fee connected herewith, permission must be obtained for reproduction or additional copies from the original addressee. Additional fees will be charged for any further consultation, reappraisal, or review of the property.
21. This report may not be used for any purposes other than as stated in the report, by any other than the client(s) without previous consent of the appraiser and his client(s), and then only with proper qualification.
22. Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of The Appraisal Institute and the State of Georgia.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the firm with which we are connected, or any reference to the appraisal shall be disseminated to the public through advertising media, public relations media, sales media, or any other public means of communication without prior written consent and approval of the undersigned.
23. If the appraisal consists of improved property, the distribution of the total valuation in this report between land and improvements applies only under the reported highest and best use of the property. The allocations of the value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
24. The projections of income and expenses are not predictions of the future. Rather, they are the best estimates of current market thinking about what future income and expenses will

be. We make no warranty of representation that these projections will materialize. The real estate market is constantly fluctuating and changing. It is not the appraiser's task to estimate the conditions of a future real estate market; the appraiser can only reflect what the investment community envisions for the future in terms of rental rates, expenses and supply and demand.

25. If the property is an income producing investment property, it is assumed to be under competent aggressive management unless otherwise stipulated.
26. Any additional copies of this report will be furnished at an additional charge for each copy, plus typing charges, if necessary.
27. This report is null and void if used in any connection with a real estate syndicate or syndication, defined as a general or limited partnership, joint venture, unincorporated association, or similar organization formed for or engaged in investment or gain from an interest in real property, including but not limited to a sale, exchange, trade, development, or lease of property on behalf of others, or which is required to be registered with the U.S. Securities and Exchange Commission or any federal or state agency which regulates investments made as a public offering.
28. ACCEPTANCE OF, AND/OR USE OF, THIS APPRAISAL REPORT CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS.

METROPOLITAN ATLANTA DATA



One of the strongest economies of any major urban area in the United States can be seen in the Metropolitan Atlanta area. With its location, an extensive network of communication and transportation facilities allows Atlanta to originally be the major distribution center channeling goods and services from outside its region into the southeastern United States.

Atlanta began in the middle nineteenth century as a rail hub known as "Terminus". Currently the ninth largest metropolitan area in the country, Atlanta has steadily grown from a 2000 population of 4,228,492 to a 2009 population of 5,233,800 within its 20-county Metropolitan Statistical Area. Based on expected annual population increases by 2020, the 20 County MSA's population will be 5,923,700 and the 2030 population will be 6,972,200. This growth has established the Atlanta MSA as being one of the nation's fastest growing, large metropolitan areas. The Atlanta area is unique among major U.S. cities in that less than 15% of the MSA's population is located within the City of Atlanta. Atlanta's downtown is not the densely populated, working class core characteristic of typical major cities.

The metropolitan area in Atlanta ranks fourth in the nation among cities with the most Fortune 500 headquarters - 16 companies headquartered in metro Atlanta are ranked among the latest Fortune 1,000 companies, with 9 among the Fortune 500. More than 75% of all Fortune 1,000 companies have a presence in metro Atlanta. The largest corporate employers are listed in the following table.

LARGEST CORPORATE EMPLOYERS			
Company	Industry	Scope of Operations	Employees
1. Delta Air Lines	Transportation	Headquarters	25,000
2. Wal-Mart	Retail Merchandise	Regional	24,000
3. AT&T	Telecommunications	Regional	20,500
4. United Parcel Service	Transportation	Headquarters	10,000
5. Publix Super Markets	Retail Merchandise	Regional	9,291
6. The Home Depot	Retail Merchandise	Headquarters	9,000
7. WellStar Health System	Medical	Headquarters	8,500
8. Cox Enterprises	Telecommunications	Headquarters	7,400
9. Lockheed Martin Aeronautics	Manufacturing	Regional	7,100
10. Turner Broadcasting	Media	Headquarters	6,700
11. SunTrust Banks	Finance	Headquarters	6,700
12. The Kroger Co.	Retail Merchandise	Regional	6,500
13. Piedmont Healthcare	Medical	Headquarters	6,000
14. IBM	Technology	Regional	5,900

Source: Atlanta Business Chronicle: Book of Lists (2008)

Nationally recognized as the financial and economic center of the southeastern United States, in recent years Atlanta has developed a new role as a regional, administrative, distribution, and manufacturing center. As a result, this has created a very broad, diverse economic profile, which in theory tends to minimize unemployment and generally insulates the city from the effects of national recessions and cyclical economic conditions. This diversification eliminates major dependence on any one particular economic sector.

Atlanta, one of only five cities in the country where three interstate highways converge, is the undisputed southeastern center of the nation's 41,000-mile interstate system. Interstate Highway 20 (I-20) is the major east/west artery connecting Atlanta with Augusta, Georgia, to the east and Birmingham, Alabama, to the west. Interstate Highway 75 (I-75) is the principal northwest/southeast artery leading into Florida. It intersects with I-16 in Macon, approximately 85 miles to the south of Atlanta. This interstate provides access to Savannah, which is Georgia's primary coastal port. Interstate Highway 75 also funnels traffic northward into Tennessee and the mid-western states. Interstate Highway 85 (I-85) is the principal northeast/southwest artery connecting Atlanta with Greenville, South Carolina, and Montgomery and Mobile, Alabama. These three interstate highways, plus Interstate Highway 285 (I-285), a circumferential highway that allows a bypass around the city, form a spoke-and-rim "wheel" design, thus allowing Atlanta's traffic flow to be as efficient as any other metropolitan expressway system in the country.

Air service now plays the most important role in Atlanta's national and international prominence as a transportation center. Air transportation is provided by the Hartsfield Jackson Atlanta International Airport, which is located in south Atlanta. The airport provides service to 151 U.S. cities and 80 international cities in 52 countries. Other air transportation facilities include the

DeKalb-Peachtree Airport in north DeKalb County and the Fulton County-Charlie Brown Airport at the Fulton/Cobb County line. Due to its excellent transportation system, Atlanta has evolved as the wholesale trade and distribution center of the southeastern United States. This economic activity is generally considered most significant when analyzing Atlanta's economic base.

The Atlanta MSA encompasses twenty adjoining counties and 5,132 square miles. Ten core counties comprise the Atlanta region - Cherokee, Clayton, Cobb, DeKalb, Douglas, Fayette, Fulton, Gwinnett, Henry, and Rockdale. These counties are the most urbanized in the twenty county MSA and comprise over 80% of the MSA population. The City of Atlanta is located 90% in Fulton County and 10% in DeKalb County. The 2011 census population for the City of Atlanta was 432,427.

ARC estimated that the 10-county Atlanta region added 37,200 new residents between April 1, 2011 and April 1, 2012. This growth remains significantly slower than what the Atlanta region is accustomed to as migration nationwide remains muted and the national economy and is slow to recover. In the last two years combined (since 2010), the region added approximately 72,000 new residents. To put this into perspective, during the fast-growing 2000 decade, the Atlanta region was routinely adding 100,000 new residents each year. The Atlanta region's slowdown is directly attributable to the national economy. During weak economic periods, people don't move as much because, firstly, job opportunities are slim, thus people aren't moving to take new jobs. Secondly, with the housing market in such disarray, it is hard to sell a house, which tends to keep people put.

The 10-county Atlanta region is now home to 4,179,500 people according to the ARC, distributed as indicated below:

Table 1 -- Atlanta Region Population 1970-2012

1970	1980	1990	2000	2010	2011	2012	Average Annual Change 2010-2012	Average Annual Change 1990-2010	
Atlanta Region	1,500,823	1,896,182	2,557,800	3,429,379	4,107,750	4,142,300	4,179,500	35,875	77,498
Cherokee	31,059	51,899	91,000	141,903	214,346	218,500	220,800	3,227	8,187
Clayton	98,128	150,357	184,100	236,517	259,424	260,000	282,300	1,438	3,766
Cobb	196,793	297,718	453,400	607,751	688,078	693,600	689,500	5,711	11,734
DeKalb	415,387	483,024	553,800	685,865	891,893	694,400	700,700	4,404	8,905
Douglas	28,659	54,573	71,700	92,174	132,403	133,000	133,900	749	3,035
Fayette	11,364	29,043	62,800	91,263	106,567	107,100	107,500	467	2,188
Fulton	605,210	589,904	670,800	816,006	920,581	928,200	936,100	7,760	12,489
Gwinnett	72,349	166,808	356,500	588,448	805,321	814,100	823,100	8,890	22,441
Henry	23,724	36,309	59,200	119,341	203,922	207,800	209,600	2,789	7,236
Rockdale	18,152	38,747	54,500	70,111	85,215	85,600	88,100	443	1,538
City of Atlanta	495,039	424,922	415,200	416,474	420,003	420,700	421,800	799	240

Source: Atlanta Regional Commission (ARC)

The expansion of suburban employment, shopping, and residential opportunities have resulted in increased traffic for commuters into the urban job centers which is beginning to create demand, growth, and a renewal of interest for residential property within the Atlanta City Limits.

Atlanta's economy is well diversified, with service jobs accounting for 73.4% of total local employment, manufacturing jobs accounting for 11.4% and government jobs 15.1%.

Dr. Rajeev Dhawan, director of Georgia State University's Economic Forecasting Center, is a widely followed regional economist. Highlights from Dr. Dhawan's economic outlook for Georgia and Metropolitan Atlanta from his September 14, 2012 presentation at the State of Atlanta conference include:

- Georgia's annual growth and personal income growth were deeply negative during 2009, with limited job growth generally experienced since 2009 and projected over the next few years. The job forecast is for modest growth through 2014.
- A total of 84 banks, of which the most recent was November 16, 2012, have failed since 2007. This is the highest of any state in the country. Part of the ongoing difficulties in Georgia is a result of the state of Georgia banks.
- There has been a significant increase in Georgia's exports in recent years. Exports rose double digits in 2010 and 2011, but have since slowed to 3.2% year-to-date through May 2012.

The November 2012 unemployment rate for the state of Georgia was 8.5% (seasonally adjusted) and Metropolitan Atlanta was 8.0%. These figures reflect some improvement over the last three years, but remained elevated. While some economic recovery has occurred, it is not likely that the state of Georgia and Metropolitan Atlanta will enjoy a strong rebound in the short term.

Atlanta Overview

Coasting to the end of its best performing year since 2007, Atlanta's office market experienced yet another quarter of occupancy gains during the final three months of 2012. The positive results bring the final tally for office space absorbed in the year to almost 2.8 million square feet. This gain coupled with 790,000 square feet of space delivered resulted in a year-end vacancy rate of 17%; down 100 basis points from the end of 2011. Throughout 2012, the majority of the positive activity centered around three contributing factors: companies taking occupancy from previously signed transactions, companies expanding in and/or relocating to the Atlanta area, and the growth of small businesses. Some of Atlanta's office absorption in the year was a result of the commencements of transactions signed in 2010 and 2011 when companies took advantage of opportunistic market conditions and secured competitive lease structures. Many of these transactions included expansions of existing office space, though some also included consolidations. The most notable of these occupancies in 2012 included Kids II relocating and expanding into 102,818 square feet in Buckhead, SunTrust Robinson Humphrey expanding by 135,075 square feet in Buckhead, Greenberg Traurig moving to 93,466 square feet in Buckhead, PriceWaterhouseCoopers relocating within Midtown to 139,490 square feet and Alston & Bird

consolidating from two Midtown office towers to one. Likely the most beneficial factor contributing to the bulk of this year's office absorption was the expansion of existing companies in Atlanta and the relocation of others to the metro area. The most notable of these was also the largest lease transaction of the year. State Farm signed and moved into over 430,000 square feet of office space at 64 & 66 Perimeter Center in Central Perimeter. This transaction represented a new requirement to the city and was the result of an increase in State Farm's customer service business. The new office created 500 jobs. Finally, small business growth in Atlanta provided a steady stream of positive activity throughout the year. According to Sure Payroll, which tracks small business growth throughout the nation, Atlanta's year-over-year growth in small business hiring topped 6% in 2012. This surpassed the national average which showed -1.3% over the same time.

Office occupancy in Atlanta finished the year with a net gain of approximately 2.8 million square feet. The overall vacancy rate for office space is now 17%, decreasing 100 basis points compared to last year. Seven buildings delivered in 2012, adding 790,000 SF of inventory to the market. Atlanta's office market now consists of 221 million square feet.

Based on this year's activity, recovery of Atlanta's office market has taken hold. Despite uncertainty surrounding the economy, the metro Atlanta area managed to add 40,000 jobs over the past twelve months. The market has recovered and job growth has returned; however, the outlook heading into 2013 is somewhat imprecise. Office leasing activity and absorption are expected to continue their positive trend in the year, but the bulk of this activity is not expected to take hold until late spring. The apprehension of companies to make any big real estate decisions in the latter half of 2012 resulted in a significant drop in overall leasing. As absorption lags leasing, the first half of 2013 is likely to show flat movement of occupancy levels in Atlanta's office market, and possibly a slight increase in overall vacancy. Local economists are predicting slow, if any, job growth here during the first half of the year and do not see hiring picking back up until the third and fourth quarters. Once apprehension and continued uncertainty subside, Atlanta's office market should return to where it left off in 2012.

Vacancy and Availability

- Year-over-year, Atlanta's overall office vacancy rate dropped 100 basis points to 17%.
- Positive absorption and the absence of spec development have benefitted market fundamentals.
- The submarket seeing the most vacant space filled this year was Central Perimeter with over 1.2 million square feet reoccupied.
- Office vacancy will continue trending lower in 2013, but not until the latter half of the year.

Absorption and Leasing Activity

- Office absorption totaled 411,619 square feet in the fourth quarter bringing the year-to-date total to almost 2.8 million square feet.
- The centralized submarkets of Midtown, Buckhead and Central Perimeter accounted for all of the office absorption this year. North Fulton and Downtown experienced significant losses in 2012.
- Leasing activity slowed toward the end of the year which will affect office absorption in the first half of 2013.

Construction

- The second phase of Cox Enterprises' new office campus delivered in the fourth quarter, along with Home Depot's 80,000 SF call center. These completions bring the year-to-date total for office space delivered to 790,000 SF.
- Outside of possible build-to-suits, no significant construction projects are expected in 2013; meaning supply will continue to tighten.

Rental Rates & Concessions

- Overall average rental rates showed an uptick in the fourth quarter. Still, it is too soon to see any trend take hold; instead, this means market rents have likely hit bottom.
- While concessions have eased slightly, the largest requirements still command the best incentives as seen by the most recent Carter's lease transaction in Buckhead.

Investment & Sales Activity

Investment volume continued to remain solid in the final quarter of the year with over \$600 million in volume and 4.3 million square feet of office space sold.

NEIGHBORHOOD DATA - DOWNTOWN ATLANTA



Atlanta was founded in 1837 as the end of the Western & Atlantic railroad line (it was first named Marthasville in honor of the then-governor's daughter, nicknamed Terminus for its rail location, and then changed soon after to Atlanta, the feminine of Atlantic -- as in the railroad). Today the fast-growing city remains a transportation hub, not just for the country but also for the world: Hartsfield Atlanta International Airport is one of the nation's busiest in daily passenger flights. Direct flights to Europe, South America, and Asia have made metro Atlanta easily accessible to the more than 1,000 international businesses that operate here and the more than 50 countries that have representation in the city through consulates, trade offices, and chambers of commerce. The city has emerged as a banking center and is the world headquarters for 13 Fortune 500 companies.

Atlanta is the Capital city of the southeast, a city of the future with strong ties to its past. The old and new Atlanta is the soul of the city, the heritage that enhances the quality of life in a contemporary city. In the turbulent 60's, Atlanta was "the city too busy to hate." And today, in the 21st Century, Atlanta is the "city not too busy to care".

For more than four decades Atlanta has been linked to the civil rights movement. Civil Rights leaders moved forward, they were the visionaries who saw a new south, a new Atlanta. They

believed in peace. They made monumental sacrifices for that peace. And because of them Atlanta became a fast-paced modern city which opened its doors to the 1996 Olympics.

In the past two decades Atlanta has experienced unprecedented growth -- the official city population remains steady, at about 420,000, but the metro population has grown in the past decade by nearly 40%, from 2.9 million to 4.1 million people. A good measure of this growth is the ever-changing downtown skyline, along with skyscrapers constructed in the Midtown, Buckhead, and outer perimeter (fringing I-285) business districts.

The work of Central Atlanta Progress (CAP) and Atlanta Downtown Improvement District (ADID) includes a broad range of innovative programs and public-private partnerships focused on the economic development, the physical environment and the marketing of Downtown Atlanta.

Atlanta Streetcar

The long-term vision for the proposed streetcar includes a north-to-south route from the Brookhaven MARTA station to Fort McPherson and an east-to-west route connecting The King Center to the Centennial Olympic Park area west of Peachtree Street. Initial funding will kick start the first phase, focusing on the Downtown east-west route.

GreenLine Plan

Central Atlanta Progress in partnership with area stakeholders has developed an ambitious new vision for the East-West corridor of Downtown stretching from the state Capitol area to Philips Arena. Dominated by a linear park ringed by pedestrian-friendly development and hallmarked by increased multimodal connectivity, the plan provides a dynamic look at the future.

Imagine Downtown

Imagine Downtown is the vision plan focused on the redevelopment and revitalization of the center city. The plan process brought together the Downtown community to share one collaborative vision for how our community should grow and prosper. The plan provides a framework for the growth of Downtown neighborhoods and recommends transportation and open space infrastructure improvements necessary to support the plan.

Woodruff Park

CAP/ADID has taken a leadership role in the creation of the Woodruff Park Master Plan. The Master Plan communicates and guides programming and capital recommendations to ensure an active and attractive park for years to come. Through agreement with the City of Atlanta, ADID is playing an active role in the daily management of Woodruff Park.

Stop Panhandling - Give Change that Makes Sense

Give Change That Makes Sense is the tagline of the three-tiered strategic campaign to address aggressive panhandling throughout the city of Atlanta with focus in the Downtown area, and it will launch today by Central Atlanta Progress (CAP), Atlanta Convention and Visitors Bureau (ACVB), the Mayor's office, the Atlanta Police Department (APD) and other public certified law enforcement jurisdictions with full participation of the private sector.

Atlanta Downtown Design Excellence Award

In 2006, CAP created the Atlanta Downtown Design Excellence Award (ADDEA) to recognize newly created or renovated Downtown spaces that demonstrate distinction in design. With the significant amount of investment in Downtown buildings, CAP intends to showcase the stellar projects which make the community architecturally and spatially unique.

Downtown Dining District

Atlanta's Downtown Dining District offers more than 300 dining and nighttime entertainment options including more than 100 spots for a quick bite. This Downtown Dining District is a branding initiative to position Downtown Atlanta as a premiere dining destination in the metro Atlanta region and highlight the diversity of culinary experience Downtown has to offer.

Downtown Marketing Roundtable

Created by Central Atlanta Progress, the Downtown Marketing Roundtable brings together marketing professionals with a vested interest in Downtown Atlanta. Participants represent the full-spectrum of Downtown stakeholders, from Fortune 500 companies to owner-operated businesses, from education to hospitality, from broadcast news to independent artistic theaters. For more information, or to get involved in the Downtown Marketing Roundtable contact Lynn Williamson at 404-658-5909 or lwilliamson@atlantadowntown.com.

Downtown Zoning

A partnership of Central Atlanta Progress and the City of Atlanta has recently resulted in an expanded and invigorated Special Public Interest (SPI) District zoning that governs the physical growth and redevelopment of Downtown Atlanta.

24/7 Gateway Center

With an overarching goal of ending chronic homelessness in metropolitan Atlanta, the 24/7 Gateway Center is scheduled to open in summer 2005. The Center is the flagship project under the Blueprint to End Homelessness in Atlanta in Ten Years, a plan developed by Atlanta leaders and the United Way at the behest of Mayor Shirley Franklin.

Multimodal Passenger Terminal

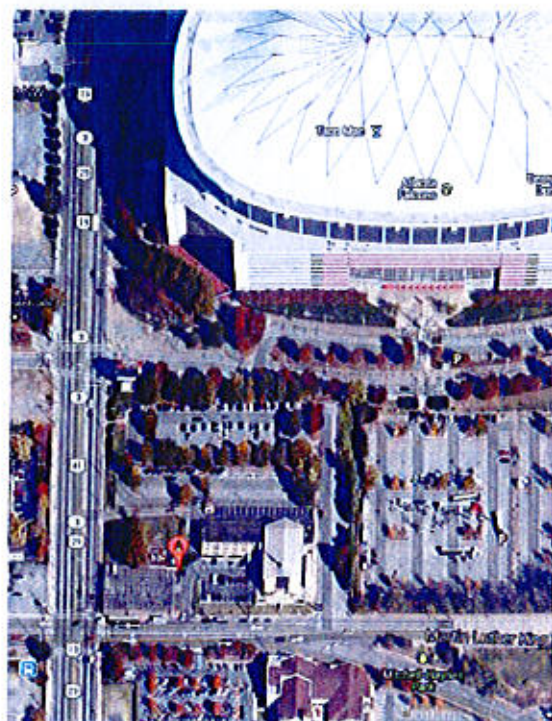
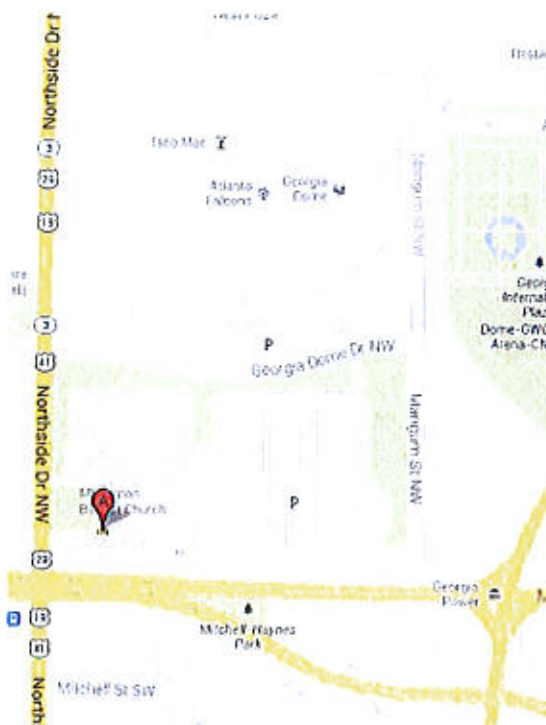
Central Atlanta Progress has been involved for over ten years in the planning, analysis and design of the Downtown Multimodal Passenger Terminal (MMPT). CAP has represented the business community in many cooperative efforts as the concept of the MMPT has evolved. The revised MMPT concept now appears to be positioned for real progress in the near future.

Downtown Atlanta's In Bloom

Beautification initiative adds to attractiveness of Downtown. Residents and workers of Downtown Atlanta may soon feel like everything's blooming. Central Atlanta Progress and the Atlanta Downtown Improvement District announce Downtown Atlanta's In Bloom, the latest effort to establish Downtown Atlanta as a beautiful 24-hour live/work environment. Drought conditions in Georgia have placed a hold on this initiative.

Immediate Neighborhood

The subject is contained in the historic Vine City Neighborhood in Atlanta, GA. The Vine City neighborhood boundaries include Simpson Street to the north, Northside Drive to the east, Martin Luther King Jr. Drive to the south, Lowery Boulevard to the west. The surrounding areas includes: English Avenue, Washington Park, Ashview Heights, Atlanta University Center, Castleberry Hill and Downtown Atlanta.



The neighborhood was historically bounded by Sunset, Magnolia, Foundry and Walnut Street. Historic maps show that Vine City was a thriving neighborhood, residences were nearby corner stores, laundries, restaurants and other small businesses. Vine City played an especially important role to African-Americans; it was home to entertainment destinations, leisure activities and residences. In 1947 the famous Paschal's Restaurant was opened. Dr. Martin Luther King Jr. moved his family to Vine City in 1967. With Urban Renewal in the 1960's and 70's, much of the characteristics of Vine City were lost. In 1976, the Georgia World Congress Center opened near the Vine City/Ashby neighborhood; GWCC expanded in decades after. In 1992 the Georgia Dome was constructed to the east of Vine City.

Vine City has an estimated population of 2,300 and over 97 percent of the population is African-American. Approximately 60% of the population is below 40 years old, with the median age being 34 years old. The median household income in the area is \$18,178. Over 45% of the population in Vine City is single; the married population is approximately 35%. Home prices in the area are around \$75,900, additionally home values have declined by 15.9% annually and approximately 77% of the residents are renters. A majority of the homes in the area were built from 1920 to 1939.

PROPERTY DATA

History of the Property

Mount Vernon Baptist church was founded in 1915. Based on our research, on the second Sunday in May 1961 Mount Vernon Baptist Church held its ground breaking ceremony. The church building was constructed in 1962.

As of the date of this report, the appraiser is aware that the subject is in sales negotiations and a price is yet to be determined.

Legal Description

Deed Book 45185 Pg. 566
Cathelene Robinson
Clerk of Superior Court
Fulton County, Georgia

Tract 1

All that lot, tract or parcel of land situate, lying and being in Land Lot 83, of the 14th District, Fulton County, Georgia, and being more particularly described as follows:

BEGINNING at a point on the west side of Haynes Street 185.75 feet north, as measured along the west side of Haynes Street, from the northwest corner of the intersection of Haynes Street and West Hunter Street, as said corner is now located; thence running north along the west side of Haynes Street 55.75 feet; thence west 181.3 feet to the east side of Terminal Street (formerly an alley); thence running south along the east side of Terminal Street 55.75 feet; thence east 181.8 feet to the west side of Haynes Street and the POINT OF BEGINNING.

Tract 2

All that lot, tract or parcel of land situate, lying and being in Land Lot 83, of the 14th District, Fulton County, Georgia, containing 0.2455 acre (10,692.25 square feet) and being more particularly shown as **Tract 237-B** on sheets 1 through 3 of a certain plat of survey dated May 17, 1991, as revised June 23, 1992, and consisting of three sheets, prepared for the State of Georgia and its Department of Industry and Trade by Riley, Park, Hayden & Associates, Inc., more particularly Larry W. Clark, Georgia Registered Land Surveyor No. 1709, and entitled "Part of the Project Site of Project No. GWCC-1, Phase III Expansion, Georgia World Congress Center, Atlanta, Georgia", blue line prints of said sheets of said plats are recorded in Plat Book 174, Page 64 through 86 of the plat records in the Office of the Clerk of the Superior Court of Fulton County, Georgia and by this reference is incorporated in and made a part of this legal description.

Tract 3

All that lot, tract or parcel of land situate, lying and being in Land Lot 83, of the 14th District, Fulton County, Georgia, and being more particularly described as follows:

BEGINNING at the northwest corner of Haynes Street and Hunter Street (as widened) and running thence west along the north side of Hunter Street 182 feet to the east side of Terminal Street (formerly Lester's Alley); thence north along the east side of Terminal Street (formerly Lester's Alley) 187.8 feet to a point; thence east 181.5 feet to the west side of Haynes Street; thence south along the west side of Haynes Street 185.5 feet to the northwest corner of Haynes and Hunter Streets at the POINT OF BEGINNING, as per plat made by E. L. Boggus, C. E., July 22, 1957.

Located on the above property is a structure designated **441 Martin Luther King, Jr. Drive, NW, Atlanta, Georgia 30313**, according to the present system of numbering structures in Fulton County, Georgia.

Transferring Deed

RECORDED
STATE PROPERTIES COMMISSION

APR 17 1991

REAL PROPERTY RECORDS

STATE OF GEORGIA

COUNTY OF FULTON

008097

Fulton County, Georgia
Real Estate Transfer Tax

Paid \$

Date APR 17 1991

JUANITA HICKS
Clerk, Superior CourtBy *G. Kemp*1800 File No. 88-MG-2498
CUSTODY IN DEPARTMENT
OF INDUSTRY AND TRADE
Tract No. 5

LIMITED WARRANTY DEED

THIS INDENTURE, made this 15 day of April, 1991, by and between TRUSTEES OF MT. VERNON BAPTIST CHURCH, whose address is 441 Martin Luther King Jr. Drive NW, Atlanta, Georgia 30313, as party of the first part, hereinafter called Grantor, and THE STATE OF GEORGIA (P.O. Box 38121, Capitol Hill Station, Atlanta Georgia 30334), as party of the second part, hereinafter called Grantee (the words "Grantor" and "Grantee" to include their respective heirs, successors and assigns where the context requires or permits).

WITNESSETH that: Grantor, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, and the exchange of Tracts 3, 4, and 13-B as recorded in the plat dated February 13, 1991, recorded in Plat Book 169, Pages 128 through 130, Fulton County, Georgia Records, and as set forth in that certain Quitclaim Deed between the parties herein dated March 25, 1991, in hand paid at and before the sealing and delivery of these presents, the receipt and sufficiency of all of which being hereby acknowledged, has granted, bargained, sold, aliened, conveyed and confirmed, and by these presents does grant, bargain, sell, alien, convey and confirm unto the said Grantee ALL THAT TRACT OR PARCEL of land lying and being in Land Lot 83, 14th District, Fulton County, Georgia and being more particularly described as follows:

BEGINNING at an iron pin located on the Eastern margin of the right-of-way of Northside Drive 274.7 feet South of the intersection of the Eastern margin of the right-of-way of Northside Drive and the Southern margin of the right-of-way of Rhodes Street, running thence South along the Eastern margin of the right-of-way of Northside Drive a distance of 154.94 feet to an iron pin; running thence in an Easterly direction along a line which forms an interior angle with the previous boundary line of 90° 31' a distance of 126.0 feet to an iron pin located on the Western margin of the right-of-way of Terminal Street (a 36' right-of-way); running thence in a Northerly direction along a line which forms an interior angle with the previous boundary line of 89° 9', which line is also the Western margin of the right-of-way of Terminal Street, a distance of 154.94

GEORGIA Fulton County Clerk's Office Superior Court
Filed & Recorded Apr 17 1991 at 3:34 *Juanita Hicks* CLERK

008097

14201 PAGE 206

Transferring Deed

feet to an iron pin, running thence in a Westerly direction along a line which forms an interior angle with the previous boundary line of 90° 31' a distance of 126.0 feet to an iron pin on the Eastern margin of the right-of-way of Northside Drive and the POINT OF BEGINNING, according to the Plat entitled "Plat of Property for Rising Star Baptist Church" dated November 28, 1975, and prepared by Noel W. Cook, Registered Land Surveyor.

TO HAVE AND TO HOLD the above-described tract or parcel of land, together with all and singular the rights, members and appurtenances thereof, to the same being, belonging, or in anywise appertaining, to the only proper use, benefit and behoof of the said Grantee forever IN FEE SIMPLE.

AND THE SAID Grantor will warrant and forever defend the right and title to the above-described tract or parcel of land unto the said Grantee against the claims of all persons claiming by, through, or under Grantor.

IN WITNESS WHEREOF, the Grantor has signed and sealed this deed, the day and year above first stated.

TRUSTEES OF MT. VERNON BAPTIST CHURCH

Signed, sealed and delivered this 1st day of April, 1991, in the presence of:

BY: Christine B. Harris (SEAL)

Title: Chairman Trustees Board

BY: Virginia R. Richardson (SEAL)

Title: Church Clerk

Witness

Leatrice J. Fisher
Notary Public

My commission expires: Oct. 24, 1991

(NOTARIAL SEAL)

Notary Public, Cobb County, Georgia
My Commission Expires Oct. 24, 1991

N.P.
SEAL

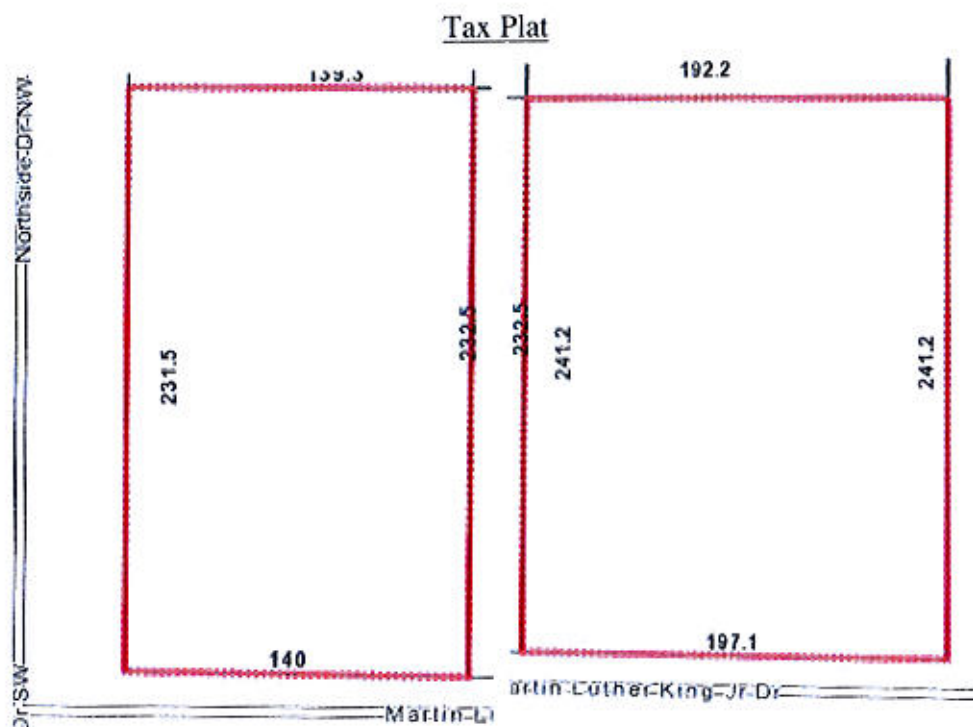
14201 207

008097

Description of the Site

Size and Shape

The subject property consists of two parcels on the north easterly corner of Northside Drive and Martin Luther King Jr Drive. Fulton County Tax Assessor's Office has identified the parcels as 14-0083-0008-108 and 14-0083-0008-109, consisting of 1.8 acres or 78,408 square feet. This tract contains approximately 232 feet of frontage along the west side of Northside Drive and 337 feet of frontage along Martin Luther King Jr Drive.



Topography and Drainage

The site is slightly downward sloping on Martin Luther King Jr Drive and significantly downward sloping on Northside Drive. The topography of the site is not seen as a major impediment to future development. No drainage problems were observed upon inspection.

Soil Condition

We have not been furnished a report indicating the capacity of the subsoil, and we assume no responsibility for hidden, unapparent or abnormal conditions which would render the land more or less valuable. Nor do we assume any responsibility for adverse soil conditions or for engineering which may be required to discover them.

Flood Hazard Statement

According to the National Flood Insurance Program Map Panel # 13121C0244E, May 7, 2001, the subject property is located in Zone X, designated as an area of no flooding. Base flood elevations for this zone have not been determined.

This opinion is based on our visual inspection and review of the Tax Plat and available Flood Hazard Maps.

Therefore, based on our interpretation of the available information, we assume that no portion of the site is within a flood hazard area.

However, the appraiser is not qualified or trained to make engineering type determination regarding these type matters. Therefore, any person or persons contemplating purchase or financing of the subject property is/are advised to seek knowledgeable professional guidance in this regard. The appraiser is not qualified to make an exact determination of the amount of flood plain land or its location.

Hazardous Material Statement

Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property.

The value estimate is predicted based on the assumption that there is not such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain and expert in this field, if desired.

Environmental Contamination

Potential environmental hazards were noted during our inspection. Due to the year of construction, 1962, the presence of lead based paints and/or asbestos is possible. However, we are not experts in this field. We would recommend a Phase I environmental study be performed in order to determine if there are any environmental hazards on or around the site. This appraisal assignment will not consider the existence of toxic waste and/or potentially hazardous materials in/on the subject site or used in the construction of the subject buildings. The appraisers are not qualified to detect such substances.

Streets and Access

Martin Luther King Jr. Drive (MLK) is a four lane paved public street which provides traffic flow in an east and west direction. Northside Drive has concrete sidewalks on both sides of the street. Northside Drive is a four lane paved public street which provides traffic flow in a north and south

direction. Northside Drive has concrete sidewalks on both sides of the street. The corner of Northside Drive and MLK Jr. Drive has a street light.

Site Improvements

The subject parcel has asphalt paved parking for approximately 174 vehicles in the front, side and rear and three individual driveways.

Easements

According to our visual inspection, it appears that typical utility easements are located throughout the subject property, this would include, sewer, water and drainage easements.

Utilities and Services

All utilities are available to the site in adequate quality and quantity to service the property as improved.

Conclusion as to Site Features

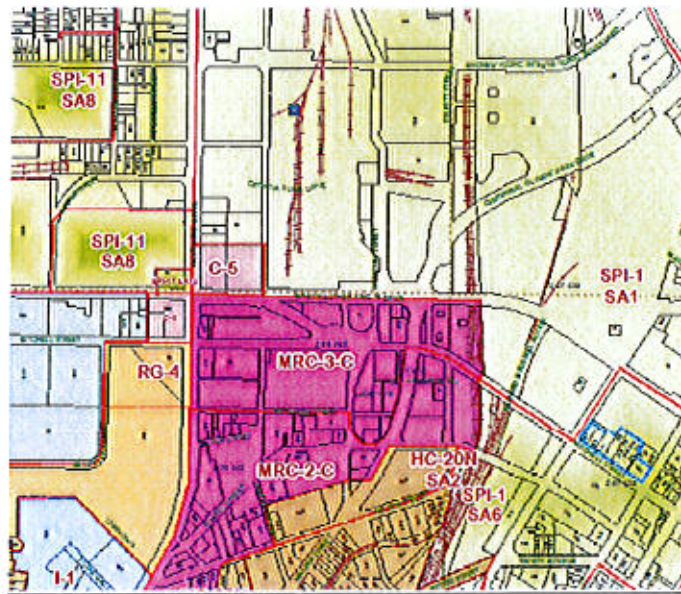
The subject property is considered to possess average to slightly above average overall physical utility for the existing development. There are no known detrimental uses in the immediate vicinity. The site has good frontage and exposure from both Northside Drive and MLK Jr. Drive and there are no known environmental issues. Further, it is our opinion that the existing improvements do reflect a reasonable utilization of the site's physical characteristics.

Zoning

The property is subject to the use control of the City of Atlanta and currently is zoned C5, Central Business Support District. The intent of this zoning classification is to preserve, protect and enhance downtown's role as the civic and economic center of the Atlanta region. Details of the zoning regulations are as follows:

Zoning Map





Zoning Ordinance

Sec. 16-15.001. Scope of provisions.

The regulations set forth in this chapter, or set forth elsewhere in this part when referred to in this chapter, are the regulations in the C-5 Central Business Support District.

Sec. 16-15.002. Statement of intent.

The intent of this chapter in establishing the C-5 Central Business Support District is as follows:

- (1) To provide supporting service functions for those high-intensity modes in the central core at moderate intensities.
- (2) To encourage parking garages and lots to serve the major development within the core.
- (3) To provide for the development of high-density employment centers where adequate transportation facilities are available.
- (4) To provide opportunities for the construction of new high-density housing.

Sec. 16-15.003. Permitted principal uses and structures.

A building or premises shall be used only for the following principal purposes:

- (1) Adult businesses as defined in [section 16-29.001\(3\)](#). See [section 16-28.016](#) for locational requirements.
- (2) Banks, savings and loan associations, and similar financial institutions.
- (3) Broadcasting towers, line-of-sight relay devices for telephonic, radio or television communications when located 200 feet or more from any off-site residential districts or residential use not located within an industrial district,

and when such towers or devices are greater than 200 feet in height, when located a distance which is less than or equal to the height of the tower or device from a residential district or residential use which is not in an industrial district.

- (4) Business or commercial schools.
- (5) Child care centers, kindergartens and special schools.
- (6) Churches, synagogues, temples, mosques and other religious worship facilities.
- (7) Clubs and lodges.
- (8) Commercial greenhouses.
- (9) Commercial recreation establishments, including bowling alleys, theaters, convention halls, places of assembly, and other similar uses, with primary activities conducted within fully enclosed buildings.
- (10) Eating and drinking establishments, including those licensed for the on-premises consumption of malt beverages, wine and/or distilled spirits.
- (11) Dormitories, fraternity houses and sorority houses, officially affiliated with an accredited college, university or private school and only for the time period that such affiliation is in effect, such that loss of affiliation shall result in the loss of permission for the use.
- (12) Repealed.
- (13) Repealed.
- (14) Hospitals.
- (15) Hotels and motels.
- (16) Institutions of higher learning, including colleges and universities.
- (17) Laundry and dry cleaning collection stations or plants; laundry and dry cleaning establishments where equipment is operated by customers.
- (18) Manufacturing, wholesaling, compounding, assembly, processing, preparation, packaging or treatment of articles, foods, components, products, clothing, machines and appliances and the like, where character of operations, emissions and by-products do not create adverse effects beyond the boundaries of the property. Use of heavy drop hammers, punch presses or other machinery or processing methods creating excessive noise or vibration is prohibited in this district.
- (19) Mercantile uses, to include merchandise marts and exhibit buildings for wholesale trade.
- (20) Mortuary and funeral homes.
- (21) Multifamily dwellings.
- (22) Museums, galleries, auditoriums, libraries, and similar facilities.
- (23) Repealed.

- (24) Offices, clinics (including veterinary), laboratories, studios and similar uses, but not blood donor stations except at hospitals. Veterinary clinics shall be located within soundproof buildings when located within 300 feet of any residential use.
- (25) Parking structures and surface parking lots with fewer than 30 parking spaces.
- (26) Printing or blueprinting shops.
- (27) Professional or personal service establishments.
- (28) Repair garages, paint and body shops.
- (29) Repair establishments for home appliances, bicycles, lawn mowers, shoes, clocks, and similar activities.
- (30) Retail establishments, including catering establishments, delicatessens and bakeries with wholesale operations.
- (31) Sales and leasing agencies for new and used passenger automobiles, bicycles, mopeds, and commercial vehicles.
- (32) Service and repair establishments dealing with office equipment or installations; minor repairs to plumbing, heating or air conditioning installations, replacement of glass, roof repairs, and the like.
- (33) Service stations, car washes.
- (34) Structures and uses required for operations of MARTA and of public utility.
- (35) Tailoring, custom dressmaking, millinery and similar establishments.
- (36) Single room occupancy residence.
- (37) Supportive housing.

No use or manner of operation shall be permitted which is obnoxious or offensive by reason of odor, smoke, noise, glare, fumes, gas, vibration, unusual danger of fire or explosion, emission of particulate matter.

Sec. 16-15.004. Permitted accessory uses and structures.

Structures and uses which are customarily accessory and clearly incidental to permitted principal uses and structures, to include devices for the generation of energy such as solar panels, wind generators and similar devices.

No merchandise shall be stored other than that to be sold at retail on the premises, and no storage for such merchandise shall occupy more than 25 percent of the total floor area on the premises. No off-premises storage of such merchandise shall be permitted in the district as either a principal or accessory use.

Sec. 16-15.005. Special permits.

The following uses are permissible only by special permits of the kinds indicated, subject to limitations and requirements set forth herein or elsewhere in the part:

- (1) *Special use permits:*

- (a) Blood donor stations other than at hospitals.
- (b) Helicopter landing facilities or pickup or delivery stations.
- (c) Outdoor amusement enterprises, exhibits, entertainments, meetings, displays or sales areas, or outdoor areas for religious ceremonies of 90 days' or more duration.
- (d) Nursing homes, assisted living facilities, rehabilitation centers and personal care homes.
- (e) *Truck stops*: Provided that no truck stop shall be located within 1,000 feet of any other truck stop nor within 1,000 feet of any public or private school, any public or private park or recreation facility, any public or private hospital or mental health care facility, any church or similar place of religious worship, any cemetery, any child care or day care facility or any residential districts.
- (f) Bingo parlors.
- (g) Broadcasting towers, line-of-sight relay devices for telephonic, radio or television communications when located 200 feet of any off-site residential districts or residential use not located within an industrial district, and when such towers or devices are greater than 200 feet in height, when located a distance which is less than or equal to the height of the tower or device from a residential district or residential use which is not in an industrial district in accordance with the provisions of sections [16-25.002](#) and [16-25.003](#)
- (h) Roominghouses.
- (i) Shelter.

(2) *Special administrative permits:*

- (a) Outdoor amusement enterprises, exhibits, entertainments, meetings, displays or sales areas, or outdoor areas for religious ceremonies of less than 90 days' duration.
- (b) Zero-lot-line development (see [section 16-28.011\(6\)](#)).
- (c) Parking structures and surface parking lots with a total of 30 or more parking spaces in accordance with the provisions of sections [16-15.010](#) and [16-15.011](#)
- (d) New or additional uses of existing broadcasting towers and line-of-sight relay devices for telephonic, radio, or television communications that are required to get a special use permit as contemplated by [section 16-15.005\(1\)\(g\)](#).
- (e) Farmers' markets.

- (3) *Special exceptions:* None.

Sec. 16-15.006. Development controls.

- (1) *Bulk limitations:*

- (a) For nonresidential uses, floor area shall not exceed an amount equal to ten times net lot area.
- (b) For residential use, floor area shall not exceed an amount equal to 6.4 times gross lot area as indicated on table I, "Land Use Intensity Ratios." See [section 16-08.007](#). Development shall in all other respects comply with the R-G requirements shown in chapter 8.
- (c) For mixed use (see [section 16-29.001\(23\)](#)), floor area shall not exceed the sum of nonresidential (a) and residential (b) above, but in no event greater than the maximum ratios permitted for each.

- (2) *Maximum building coverage:* 85 percent of the net lot area.

- (3) *Minimum open space requirements:*

- (a) For exclusively residential use, appropriate open space requirements as indicated on table I, "Land Use Intensity Ratios," shall be required for both Total Open Space (TOSR) and Usable Open Space (UOSR).
- (b) For mixed use developments, appropriate open space requirements as indicated on table I, "Land Use Intensity Ratios," shall require the Usable Open Space (UOSR) only.

- (4) *Front yard setback:* Ten foot minimum.

Sec. 16-15.007. Maximum height limitations.

None.

Sec. 16-15.008. Off-street parking, minimum requirements or maximum limitations.

- (a) *For nonresidential uses:* None; see [section 16-28.015](#) for loading requirements. Floor area for eating and drinking establishments shall include areas within the existing building footprint where walls have been removed and a permanent roof remains.
- (b) *For residential uses:* See table I, "Land Use Intensity Ratios," for parking requirements under appropriate FAR for the development.
- (c) *Shelter:* One parking space for each on duty staff member, whether paid or unpaid. In addition to staff parking, a space of sufficient size is required for each van, bus or other vehicle used by the facility and one additional parking space shall be provided for each 2,000 square feet of the facility.

Sec. 16-15.009. Reserved.

Sec. 16-15.010. Parking structures and surface parking lots, parking attendants, security and maintenance requirements.

All surface parking lots and structures with a total of 30 or more parking spaces, whether primary or accessory in use and whether commercial or noncommercial, shall have minimum requirements as follows:

- (1) A parking attendant shall be present during all hours of operation at any parking-for-hire parking facility with 200 or more parking spaces. An attendant will not be required if a card operated security gate is provided or if less than 50 percent of the lot is being utilized.
- (2) Whenever parking rates are increased in connection with a special event, an attendant shall be present during a period beginning one hour before and ending one hour after said event.
- (3) Lighting shall be provided throughout all parking facilities to equal a minimum of one-half footcandle of light. A footcandle of light is a uniformly distributed flux of one lumen on a surface of one square foot in area. Where applicable, public street lighting may be utilized to either partially or totally fulfill the lighting requirements; however, where such street lighting is removed, it shall be the responsibility of the parking facility to independently provide these required levels of illumination.
- (4) Parking facilities shall be maintained in a clean, safe, sanitary and attractive condition. Parking spaces and driving lanes shall be clearly defined and maintained as such. Parking lots shall not be operated when any damage impairs the drivability of the parking lot.
- (5) Identifying signage shall be located at the primary entrance to all park-for-hire facilities. Such signage shall consist of one 24-inch by 24-inch upper sign which shall be located directly above one 12-inch-high by 24-inch-wide lower sign. Such signage shall be located at a minimum of seven feet above ground level and shall be displayed such that both sign faces are visible from the street. The upper sign shall display a capital "P" which shall be a minimum of 18 inches in height. The lower sign shall display the address of the parking facility with lettering which shall be a minimum of six inches in height. The upper and lower signs may be constructed as one sign that shall be 36 inches in height and 24 inches in width. Sign faces shall be dark blue with white letters in a helvetica medium type face. All lettering shall be clearly legible from the street.
- (6) Parking facilities operating before the effective date of this section shall have 24 months to comply herewith.

Sec. 16-15.011. Surface parking lots, landscaping and barrier requirements.

All surface parking lots with a total of 30 or more parking spaces, whether primary or accessory in use and whether commercial or noncommercial, shall have minimum barrier curb and landscaping requirements as follows:

- (1) Barrier curbs shall be installed around the perimeter of the parking lot and around landscaped areas that are required herein, except where the perimeter abuts an adjacent building or structure and at points of ingress and egress into the facility, so as to prevent encroachment of vehicles onto adjacent property, rights-of-way and landscape areas.
- (2) Barrier curbs shall be a minimum of six inches in height and a minimum of eight inches in width and permanent in nature. Barrier curbs shall be concrete or stone. Such curbs shall be securely installed and maintained in good condition.
- (3) Where the end of a parking space abuts a landscaped area, barrier curbs may be placed in the parking space at a maximum of two feet from the end of the parking space. This two-foot-wide area may have the pavement removed, and be developed as part of the required landscaped area.
- (4) Surface parking lots shall have a minimum landscaped area equal to at least ten percent of the paved area within said lot. In no case shall a parking lot owner be required to provide landscaped areas that exceed ten percent of the paved area.
- (5) A minimum of one tree per eight parking spaces shall be included in the required landscaped areas. For the purposes of satisfying this requirement, existing trees that are two and one-half inches or more in caliper as measured at a height 36 inches above ground level, shall be considered to be equivalent to one or more newly planted trees on the basis of one tree for each two and one-half inches in caliper.
- (6) In addition to trees, ground cover shall be provided in order to protect tree roots and to prevent erosion. Ground cover shall consist of shrubs, ivy, liriopse, pine bark mulch, and other similar landscaping materials.
- (7) Shrubs shall be maintained at a maximum height of two and one-half feet, except where such shrubs are screening the parking surface from an adjacent residential use.
- (8) In the event that landscaped areas are in the interior of a parking lot they shall be a minimum of six feet in width and six feet in length with a minimum area of 36 square feet.
- (9) Continuous landscaped buffer strips shall be constructed along sidewalks and public rights-of-way where surface parking lots are adjacent to such sidewalks or public rights-of-way, except at points of ingress and egress into the facility. Such landscaped buffer strips shall be a minimum of five feet in width and shall

- contain, in addition to ground cover, trees planted a maximum of 42.5 feet on center along the entire length.
- (10) Newly planted trees shall be a minimum of two and one-half inches in caliper as measured at a height six inches above ground level; shall be a minimum of ten feet in height; shall have a 40-foot minimum mature height and shall be drought-tolerant. Trees shall be planted a minimum of 30 inches from any barrier curb, so as to prevent injury to trees from vehicle bumpers.
 - (11) Where landscaped areas are located adjacent to vehicle overhangs, the trees shall be planted in line with the side stripes between parking spaces in order to avoid injury to trees by vehicle bumpers.
 - (12) All landscaped areas, including trees located in the public right-of-way that are counted in the fulfillment of this requirement, shall be properly maintained in accordance with approved landscape plans. In the event that a tree or any plant material dies, it shall be replaced within six months so as to meet all requirements of this section and to allow for planting in the appropriate planting season.
 - (13) Notwithstanding subsection (4) above, existing parking lots shall not be required to reduce the number of parking spaces by more than three percent as a result of implementing these landscaping regulations.
 - (14) If it is determined by the bureau of planning that implementation of these regulations will result in the loss of parking spaces in existing lots, the director of the bureau of traffic and transportation may increase the percentage of allowable compact car spaces from 25 percent up to 35 percent so as to minimize the loss of parking spaces.
 - (15) Administrative variances may be granted by the director, bureau of planning only upon making all of the following findings:
 - (a) There are extraordinary and exceptional conditions pertaining to the particular piece of property in question because of its size, shape, topography, subsurface conditions, overhead structures or the existence of sufficient trees in the public right-of-way within ten feet of the property line;
 - (b) Such conditions are peculiar to the particular piece of property involved; and
 - (c) Relief, if granted, would not cause substantial detriment to the public Atlanta.
 - (16) Owners, lessees, or authorized agents of existing parking lots shall be required to submit a landscaping plan within 12 months of the effective date of this section, which illustrates the proposed application of these landscaping regulations. Within 24 months of the effective date of this section, all required landscaping shall be implemented.

Description of the Improvements

The subject property is improved with a two level church building with a three story education building attached. The church building contains a Sanctuary on the main level and an auditorium/fellowship hall and kitchen on the lower level. The education building is a 3-story structure. The entire property contains a total of approximately 41,580 square feet (as measured by the appraiser) distributed as follows:

Sanctuary:	5,940 SF
Lower level:	5,940 SF
Education bldg.:	<u>29,700 SF</u>
Total	41,580 SF

See, following this discussion the typical floor plan.

The building was built about 1962. The Sanctuary building consists of two levels. The Sanctuary itself is on the main floor and includes a main seating area, balcony and a choir section behind the pulpit area. Access to the choir area is provided from the second level behind the choir section. Also wrapping around the choir section on levels two and three are offices, bathrooms, choir rooms and vestibules. There is also a sound room and baptismal pool. The Sanctuary has a seating capacity of approximately 1,051 with 800 on the main level and 251 in the balcony. The Sanctuary includes stain-glassed windows, drop down lighting, floodlighting for the choir area and spotlights on the pulpit, organ and pianist area. An elevator is in this section of the building providing access to the upper floors and to the education wing. The lower level of the Sanctuary building consists of the commercial kitchen and an auditorium with a stage area that also functions as a fellowship hall. The boiler/mechanical room is also on this lower level.

The attached education building consists of three levels of typical classroom and some office space. Bathrooms are located on each floor along with stairwells at each end.

A summary of construction features is as follows.

STRUCTURAL SYSTEM:	Concrete block foundation and steel frame with poured concrete footings and column pads. Steel beam and wood frame roof construction.
EXTERIOR FINISH:	Glass panel and concrete columns and brick exterior facade.
INTERIOR FINISH:	Walls and ceilings are predominately concrete block and drywall and suspended acoustical tile. Carpet and/or sheet vinyl over concrete slab. Fixed casement windows. Glass in aluminum frame doors.
HVAC, ELECTRICAL & PLUMBING:	Plumbing and electrical system assumed adequate.

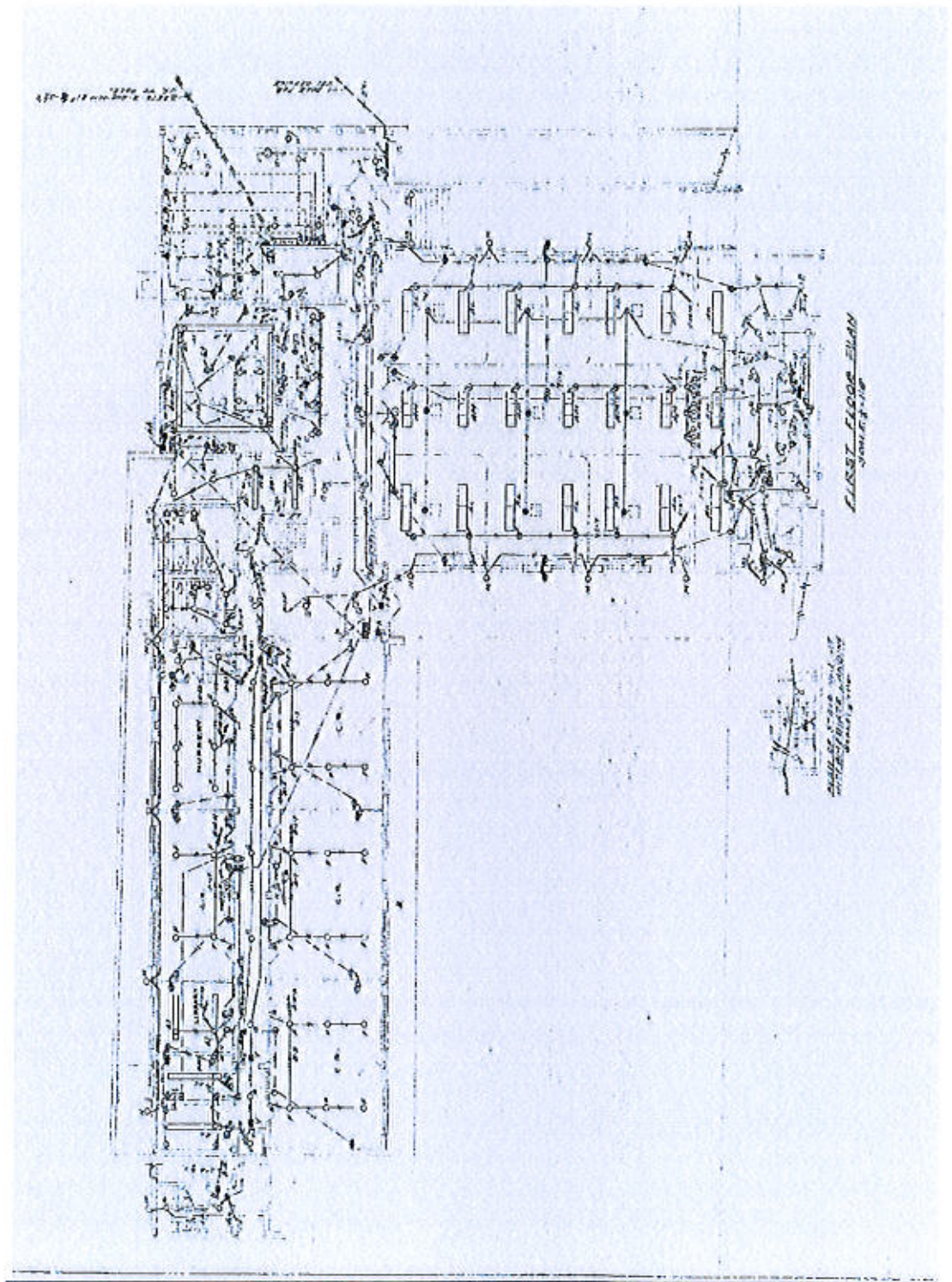
**PARKING, PAVING &
LANDSCAPING:**

Asphalt-paved parking area with approximately 174 onsite parking spaces, a playground area and minimal landscaping.

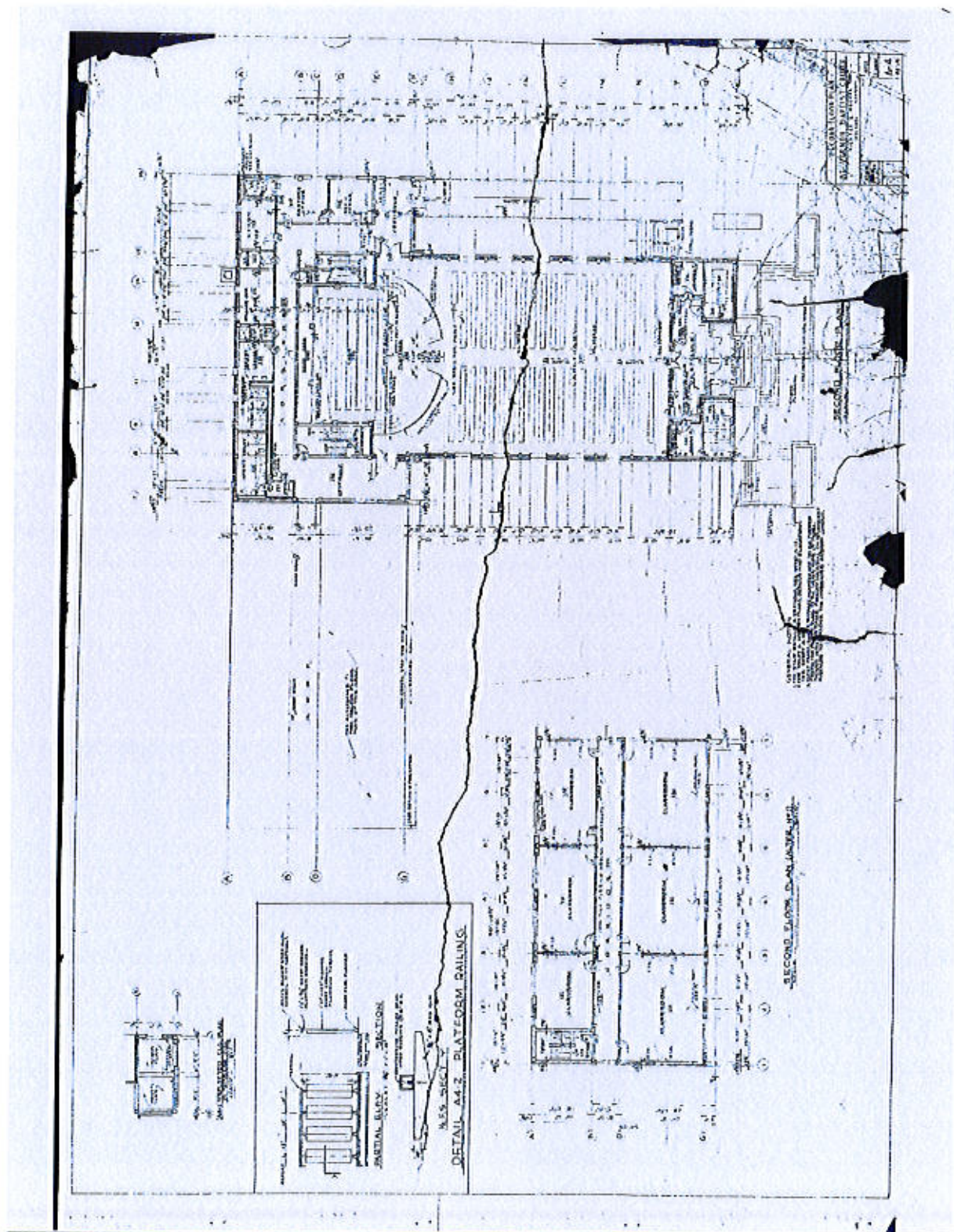
We have not made a specific compliance survey of the subject property to determine whether it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of the ADA in estimating the value of the subject property.

In conclusion, the quality of construction is considered good and the overall condition of the improvements is average. The building exhibits average design and market appeal and is considered functional for its intended use. No functional obsolescence was noted. The building has an actual age of 51 years, and an effective age of 30 years.

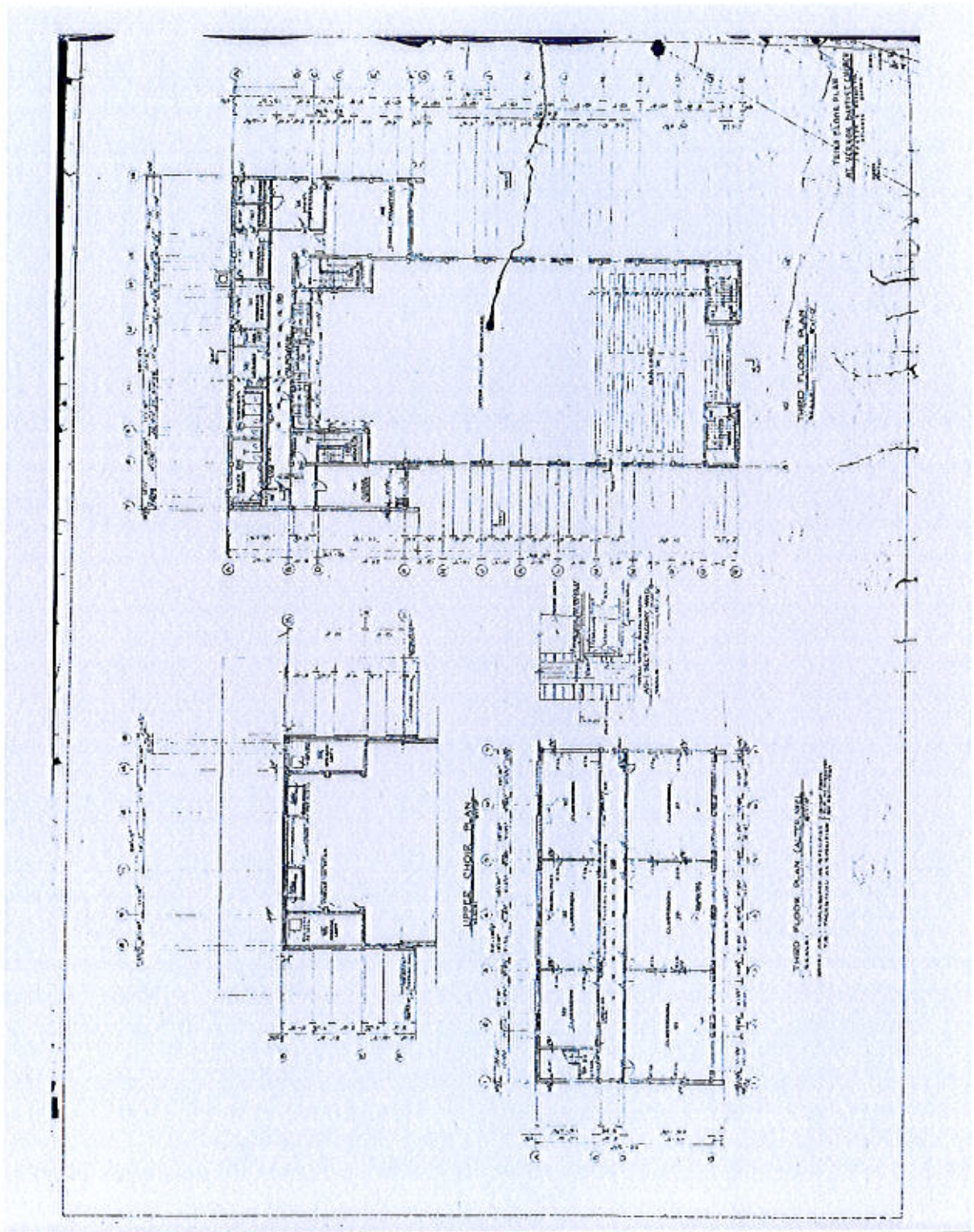
Typical Floor Plan



Typical Floor Plan



Typical Floor Plan



Taxes

Overview:

The following table is for the church at 441 MLK Jr. Drive.

Calculation:

$$\text{APPRAISED VALUE} * 40\% = \text{ASSESSED VALUE}$$

$$\text{ASSESSED VALUE} / \$1,000.00 * \text{MILLAGE RATE} = \text{TAXES OWNED}$$

SUBJECT PROPERTY TAXES FOR 2012

Appraised Value (100%)	441 MLK Jr. Drive
Land	\$1,413,900
Improvements	\$2,502,600
Total	\$3,916,500
Assessment Factor	x 40%
Assessment Value	\$455,520

Conclusion

The subject property is tax exempt.

HIGHEST AND BEST USE

Highest and Best Use is taken to mean that most probable, profitable and permissive use to which the property is adapted and for which it could be used. The Highest and best use of a property as improved pertains to the use that should be made of an improved property in light of its improvements. The use that maximizes an investment property's value, consistent with the long term return and associated risk, is its highest and best use. Highest and Best Use considers four criteria; such use must be: (1) physically possible, (2) legally permissible, (3) financially feasible, and (4) maximally productive.

The condition underlying the appraiser's conclusions pertaining to Highest and Best Use is the continued functioning of the current improvements, which are substantial and contributory to value of the property, and which conform to the intent of the zoning under which they are permitted. Any alternative use of the site must consider the recovery of the current value contribution of the improvements, which necessarily would require razing in the event of an alternative use.

Physically Possible - The size, shape, topography, and availability of public utilities impose physical constraints upon the types of uses possible for the subject site. The size of the site is approximately 1.8 acres and the site is sloping and irregular. This site has easy access from both Northside Drive and MLK Jr. Drive. All utilities are available to this site.

Legally Permissible - The zoning of the subject is C5; Central Business Support District, under the zoning ordinance of the City of Atlanta. The list of permitted developments under this ordinance is long and provides a large array of commercial uses. The zoning allows for the subject use.

Financially Feasible - Any use of the site which provides a financial return to the land in excess of that required to satisfy operating expenses, financial yields on capital and capital amortization is considered financially feasible, albeit such performance may be less than that available from alternative financial investments. Based upon the size of the site, its location, access and topography, coupled with the intentions for the zoning ordinance, we conclude that a residential use or the existing use as a church are permissible and most likely. Current pricing for apartments has not reached the estimated value for the church at this time (\$4,900,000) and therefore based purely on financial feasibility, the best use is the existing church use.

Maximally Productive - The use that has the most probable prospect of producing the greatest amount of monetary profit is the Highest and Best Use of the site. Given its location and the condition, its current use would generate the most return.

AS VACANT:

It is the appraiser's opinion that the land should be used as its current use.

AS IMPROVED:

It is the appraiser's opinion that the building does add value to the property. Therefore, the subject's current use represents its highest and best use.

METHODOLOGY

Appraisal methodology applied to any specific property or property type must emulate the thinking of the most probable class of purchaser. The basic tenet of the three classical appraisal approaches is the principle of substitution which affirms that a prudent purchaser has three alternate courses of action available: to either acquire an equally desirable existing property offering comparable utility (market approach); buy a vacant site and build a similar property (cost approach); or acquire a substitute income stream of comparable quality, quantity, and durability (income approach).

In any determination of value, data is sought in the local market on such factors as sales and offering of similar properties and tracts of vacant land, current prices for construction materials and labor, rental rates of similar properties and their operating expenses, and current rate of return on investments and properties.

From these data, a value may be developed both for the land and for the property as a whole. For the latter, all three methods may be used. Land is valued as if vacant and available for use. Similar land recently sold or offered for sale is analyzed, and comparisons are made of such factors as size, characteristics, location, time, and prospective use.

In the cost approach, an estimate is made of the current cost of reproduction of the improvements. This amount is then adjusted to reflect depreciation resulting from physical, functional and economic obsolescence, and then added to the value of the land.

In the market approach, similar properties recently sold or offered for sale in the market are analyzed and compared with the property being appraised.

In the income approach to value, the quantity and quality of the income stream of a property is converted to a lump-sum present value through a capitalization process.

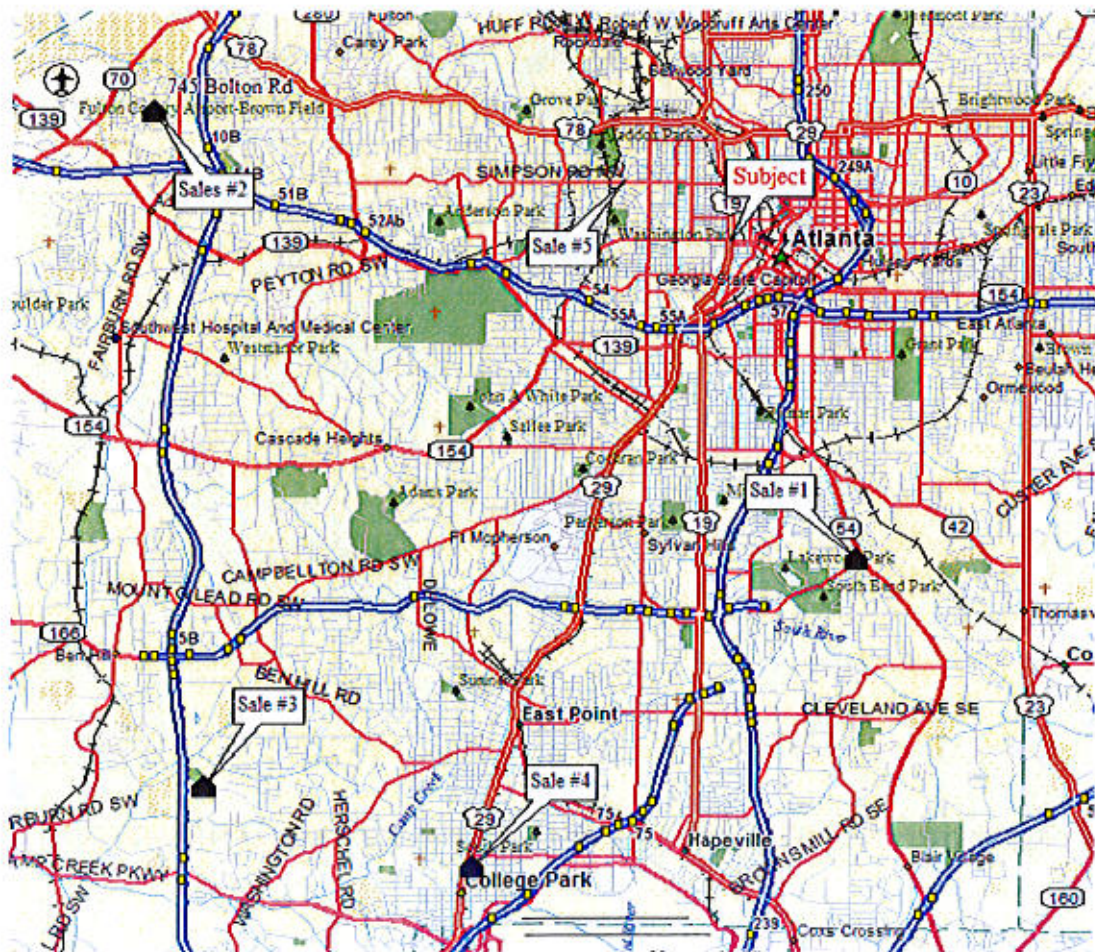
Our valuation analyses relative to the subject property are in accordance with the preceding described methodology regarding valuation techniques. As discussed previously, the subject property is a church building that sits on 1.8 acres. The conclusion under the analysis of Highest and Best Use was for a use under its current zoning of C5, Central Business Support District. Since the subject site benefits from an excellent location with good exposure and visibility there is the potential for the site to be redeveloped in the future to high density mixed use development of office, retail, hotel, and residential uses. Based on the property's current use which represents its highest and best use at this time, the appraiser researched current church building sales and current land sales to determine and support a final value conclusion. The subject also generates incidental parking income from local events. This income stream was valued and was then added to the concluded property value. A total value combining the building value and parking income was concluded.

SALES COMPARISON APPROACH

In order to determine market value for the subject property we have researched both church building and land sales. Because of the potential for different uses for the church site, the appraisers used both types of market data to support a final value conclusion. Also, since the building square footage was calculated by the appraiser based on a physical inspection and walk-through, there is the possibility of human error. We have concentrated our search to the Atlanta market area immediately surrounding the subject property and have summarized each of the sales.

The following table summarizes the recent land sales activity.

SUMMARY OF CHURCH BUILDING SALES						
COMPS	ADDRESS	SIZE (SF)	SALES PRICE	PRICE PER SF	DATE OF SALE	ZONING
#1	1766 Lakewood Ave.	12,000	\$299,000	\$24.91	3/2013	C2
#2	745 Bolton Road	16,000	\$610,000	\$38.13	11/2011	R4
#3	3243 Stone Road	27,500	\$1,700,000	\$61.82	9/2011	R4
#4	3557 Main Street	19,700	\$850,000	\$43.14	9/2012	R5
#5	1029 Joseph Boone Blvd	6,500	\$225,000	\$34.62	7/2012	R5
	Subject	41,580				C5



COMPARABLE #1 1766 Lakewood Avenue

Building(s)	Similar to the subject. This property consists of a Sanctuary building and an education building, commercial kitchen and a fellowship hall. Smaller building size limits usage and warrants an upward adjustment for utility.
Size of parcel	Inferior to the subject and requires an upward adjustment.
Location	South of the subject. Inferior locational characteristics and requires an upward adjustment.
Condition	Inferior condition and requires no adjustment.
Summary	Overall, upward adjustments are warranted for location, size of parcel and condition.

COMPARABLE #2 745 Bolton Road

Building(s)	This property consists of a single two level structure including a Sanctuary and a fellowship hall. Upward adjustment for utility.
Size of parcel	Similar to the subject and requires no adjustment.
Location	West of the subject. Inferior locational characteristics and requires an upward adjustment.
Condition	Similar condition and requires no adjustment.
Summary	Overall, an upward adjustment is warranted for location and utility.

COMPARABLE #3 3243 Stone Road SW

Building(s)	This property consists of a brick two level Sanctuary building with a 3 level education building. The education building has a driveway canopy. Similar utility.
Size of parcel	Similar to the subject and requires no adjustment.
Location	Southwest of the subject. Similar locational characteristics and requires an upward adjustment.
Condition	Similar condition and requires no adjustment.
Summary	Overall, no adjustments were made.

COMPARABLE #4 3557 Main Street

Building(s)	This property consists of a two level structure including a Sanctuary, with additional buildings for other church functions at the rear.
Size of parcel	Similar to the subject and requires no adjustment.
Location	South of the subject. Similar locational characteristics and requires no adjustment.
Condition	Inferior condition at the time of sale and requires an upward adjustment.
Summary	Overall, an upward adjustment is warranted for condition.

COMPARABLE #5 1029 Joseph E Boone Boulevard

Building(s)	This property consists of a single two level structure including a Sanctuary building, commercial kitchen and a fellowship hall. Upward adjustment is required for utility.
Size of parcel	Similar to the subject and requires no adjustment.
Location	Northwest of the subject. Inferior locational characteristics and requires an upward adjustment.
Condition	Similar condition and requires no adjustment.
Summary	Overall, upward adjustments are warranted for utility and location.

The matched-paired technique was not used to determine price adjustments because pairing was not possible. Specific dollar amount adjustments were not used, and only general directional adjustments were used.

There is emotion involved with purchasing a church. However there are certain elements that buyers seek and appear to want. These items include additional land for future growth, additional buildings which will allow for other church activities, location in terms of access to major roads and corner influence, and condition of the buildings and their design. The design relates to "utility" of the facility is important as well which refers to the functionality of the property in terms of size, expansion potential and interior layout. The subject benefits from all of these items.

RECONCILIATION

The comparables selected reflected a reasonable and tight value range because of their size and fairly recent dates of sale. The value range is \$24.91 to \$61.82 per square foot. All of the sales were considered inferior to the subject in terms of utility and quality of improvements. None of the church properties had the size or layout of the subject nor did any look as good in terms of the quality of the improvements. Therefore, upward adjustments were required for these categories.

Sale #1 represents the low end of the value range. The building has not been maintained and was on the market for six and a half years. The lot and building size do not allow for any expansion potential and limits its productive use as a functional church facility. The property is also situated in an economically depressed area. Sale #2 is located on a small two way street in a modest single family residential neighborhood. The exposure and visibility is inferior to the subject and consequently an upward adjustment was justified. Sale #3 is considered the most similar to the subject in terms of size and locational characteristics. Sale #4 also had visibility and frontage on a main road which was similar to the subject. The building required considerable repairs and maintenance. Sale #5 is in an area of minimal development activity or potential and therefore an upward adjustment for inferior location was required.

The adjustment grid below incorporates a 10% adjustment for each category.

ADJUSTMENTS	COMP#1	COMP#2	COMP#3	COMP#4	COMP#5
Sales Price Per SF	\$24.91	\$38.13	\$61.82	\$43.14	\$34.62
Financing Terms	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Price	\$24.91	\$38.13	\$61.82	\$43.14	\$34.62
Condition of Sale	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Sales Date	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Price	\$24.91	\$38.13	\$61.82	\$43.14	\$34.62
Location	\$2.49	\$3.81	\$0.00	\$0.00	\$3.46
Building or Parcel size	\$2.49	\$0.00	\$0.00	\$0.00	\$0.00
Utility	\$2.49	\$3.81	\$6.18	\$4.31	\$3.46
Quality of Improvements	\$2.49	\$3.81	\$6.18	\$4.31	\$3.46
Net Adjustment	\$9.96	\$11.43	\$12.36	\$8.62	\$10.38
ADJUSTED SALES PRICE	\$34.87	\$49.56	\$74.18	\$51.76	\$45.00

After the adjustments, the range is \$34.87 to \$74.18 per square foot. The average adjusted sales price from the comparable sales after adjustments is \$51.07 per square foot.

It is the opinion of this appraiser that the market value of the subject parcels is well represented at \$50.00 per square foot.

VALUATION						
						Rounded
Building	\$50.00	*	41,580	SF =	\$2,079,000.00	\$2,100,000.00

COMPARABLE #1 14th Street NW

Atlanta, GA

Financing NA**Condition Of Sale** Arms-length**Size of parcel** 169,884 sf - similar to the subject**Location** North of the subject.**Summary** The site is adjacent to recent residential and commercial development. A downward adjustment is warranted for location and condition size.**COMPARABLE #2 Ponce De Leon Avenue NE**

Atlanta, GA

Financing NA**Condition Of Sale** Arms-Length**Size of parcel** 108,900 sf – similar to the subject**Location** Northeast of the subject.**Summary** The site is also bordered by Juniper Street, North Avenue and a part of Piedmont Avenue. A mixed use project including residential, commercial and retail is under construction. Downward adjustments are required for potential use, condition and location.**COMPARABLE #3 623 Dallas Street**

Atlanta, GA

Financing NA**Condition Of Sale** Arms-Length**Size of parcel** 91,040 sf – similar to the subject**Location** Northeast of the subject.**Summary** The property was sold for the land value and a one and two bedroom apartment project is currently under construction. Site improvements included a finished grade. A downward adjustment is required for condition of the site and an upward adjustment for location.**COMPARABLE #4 608 Ralph McGill Boulevard**

Atlanta, GA

Financing NA**Condition Of Sale** Arms-Length**Size of parcel** 106,286 sf – similar to the subject**Location** Northeast of the subject.**Summary** The parcel is improved with curb and sidewalk. The buyer purchased the land for residential development. An upward adjustment is required for location and downward for condition.

COMPARABLE #5 846 Huff Road

Atlanta, GA

Financing NA**Condition Of Sale** Arms-Length**Size of parcel** 73,181 sf – similar to the subject**Location** Northwest of the subject.

Summary The site was purchased by the adjacent school for assemblage purposes. The site was previously occupied by an Atlanta public school but was vacant land at the time of sale. An upward adjustment is required for location.

In analyzing the sale of vacant land, certain elements should be considered and compared when making adjustments to the price of each comparable property. The elements of comparison are:

- **Market Conditions (relative to time of sale)**
- **Location**
- **Physical Characteristics**
 - ♦ **Size**
 - ♦ **Zoning**

Market Conditions (relative to time of sale)

The conditions of the market may change between the time of sale and the date of appraisal. If this happens, an adjustment must be made to the sale to reflect the current market conditions. Changed market conditions result from various causes such as inflation, deflation, changing demand, and changing supply.

Location

An adjustment for location may be required if the locational characteristics of a comparable property are significantly different from those of the subject property. A property's location may be analyzed in terms of traffic counts, desirability and/or the relative time-distance relationship between it and likely destinations and origins. Location is typically the single most significant factor which impacts value.

Physical Characteristics

Physical Characteristics differ between properties. These differences require a number of comparisons and adjustments to the comparables to reflect the same conditions as are present in the subject property. An appraiser might be required to judge the value that is added or lost by size, corner influence, utility availability, etc. The size can affect the functional utility of a site. Larger tracts tend to sell for less per unit measure than smaller tracts. Smaller tracts often have more intensive land use and greater supply of potential buyers. Corner tracts enjoy greater frontage exposure and accessibility than do interior tracts, and this too influences functional utility. The availability of utilities to the site determines cost to develop and what type of improvements are possible; thus, affecting the highest and best use of a particular tract.

LAND SALES ANALYSIS

All of the sales involve fee simple transfers, requiring no adjustments for rights conveyed. The appraiser took into consideration the potential uses available at the subject property in comparison to the intended uses of the comparable sales analyzed. The most productive uses that are allowed by zoning will usually correlate closely to what a buyer is willing to pay. The variations in price are reflective of the density requirements of the purchasers.

The appraiser concentrated on identifying the most recent land sale activity within the subject's neighborhood and the immediate areas bordering the neighborhood. The comparable sales produce a range of \$15.25 per square foot to \$59.78 per square foot before adjustments. Based on our review and analysis, these sales are considered reflective of current market activity and pricing.

Size: Typically, as the size of the site increases, the price per square foot decreases, conversely, as the size decreases, the price per square foot increases. The subject consists of a 78,408 square foot tract of land, and is considered similar to all of the Comparables. **No adjustment was taken for any of the other sales.**

Location: The subject is located within a historical area known as Vine City at the major intersection of Northside Drive and MLK Jr. Drive and has excellent visibility and exposure. The location is also enhanced by its direct proximity to the Georgia Dome, the World Congress Center, Phillips Arena and CNN Center. Comparables #1 is a developing area of commercial and high density residential uses. Comparable #5 is in a redeveloping area in northeast Atlanta but still lacks the exposure and visibility of the subject. Comparables #3 and #4 are located in Old Fourth Ward where redevelopment activity is also occurring but the area is an older in-town area. Comparable #2 is very close to prime commercial downtown area and is considered superior to the subject. Comparable #1 is in an area with higher density usage than the subject and is considered superior as well.

Consequently, all of the Comparables (except Comparable #1 and #2) were considered to have a locational disadvantage to the subject and upward adjustments were made to each sale. Comparable #1 and #2 warranted downward adjustments.

Condition: The subject site slopes from the north down westerly and southerly towards Northside Drive and Martin Luther King Jr. Drive, indicating that site clearing and grading will be required. All of the comparable sites researched required some clearing and grading which would be considered similar to what the subject would require. Comparable #2 required significant clearing and grading. **Consequently, only Comparables #2 was adjusted downward.**

Use: This category relates to the potential use of the site based on zoning, configuration, topography etc. The subject is being valued for land value under its' current zoning of C5 which has been discussed in the Highest & Best Use section of this report. Comparables #1, #3 and #4 are associated with residential uses, however Comparable #1 is a high density use. Comparable #5 is part of a school assemblage. **Comparable #1 and #2 have a higher use potential compared to the subject and a downward adjustment is justified.**

The adjustment grid below incorporates a 10% adjustment for each category.

ADJUSTMENTS	COMP#1	COMP#2	COMP#3	COMP#4	COMP#5
Sales Price Per SF	\$44.15	\$59.78	\$22.52	\$30.11	\$21.03
Financing Terms	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Price	\$15.25	\$59.78	\$22.52	\$30.11	\$21.03
Condition of Sale	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Sales Date	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Price	\$44.15	\$59.78	\$22.52	\$30.11	\$21.03
Size	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Location	-\$4.42	-\$5.98	\$2.25	\$3.01	\$2.10
Condition	\$0.00	-\$5.98	\$0.00	\$0.00	\$0.00
Use	-\$4.42	-\$5.98	\$0.00	\$0.00	\$0.00
Net Adjustment	-\$8.84	-\$17.94	\$2.25	\$3.01	\$2.10
ADJUSTED SALES PRICE	\$35.31	\$41.84	\$24.77	\$33.12	\$23.13

RECONCILIATION

After the adjustments, the range is \$21.03 to \$41.84 per square foot. The average adjusted sales price from the comparable sales after adjustments is \$31.63 per square foot.

It is the opinion of this appraiser that the market value of the subject parcels is well represented at \$30.00 per square foot.

VALUATION

						Rounded
Subject Tract	\$30.00	*	78,408	SF =	\$2,352,240.00	\$2,300,000.00

Based on the preceding analysis and conclusions from analyzing church sales activity and land sales activity, both value estimates support each other. Therefore, we have relied more on the existing use and have concluded a market value for the property of **Two Million One Hundred Thousand Dollars (\$2,100,000)**.

Valuation of Incidental Parking Income

Projection of Incidental Parking Income

The subject property operated as a church generates incidental yet not trivial income from its occasional employment as a parking facility servicing events hosted in the proximate Georgia Dome and other major neighborhood venues which define the immediate neighborhood environs. The subject area available for parking is configured for approximately 175 spaces. Parking fees range from \$50.00 per vehicle for home games of the National Football League's Atlanta Falcons down to \$10.00 per vehicle for less popular events. This parking enterprise is informally operated at the convenience of the leadership and members of the subject church. Manpower is provided by volunteers among the church membership, and operating expenses are minimized. Annual gross parking revenue is reported by the church treasury as follows (the period of major revenue collection is associated with the NFL season beginning in August):

2009	\$145,708
2010	\$105,734
2011	\$131,231
2012	\$140,764
2013 (as of June 10, 2013)	\$ 47,379

Because the operation of the parking enterprise is informal, at the discretion of church leadership, and ancillary to the greater operation of the church, operating expenses associated with maintaining this revenue stream are expected to remain trivial. The stabilized base year (2013) net revenue stream therefore is estimated at \$140,000. Long run growth in the revenue stream is expected to hedge inflation. Anticipated long term inflation is estimated by considering the nominal yield on the 30 year US Treasury Bond, reported on June 20, 2013 to be 3.49% (see US Department of the Treasury www.treasury.gov/resource-center).

Derived directly from Irving Fisher's classic equation, equation 1 defines a nominal yield rate (i.e., a discount or interest rate).

$$r = rf + rp + f + f(rf + rp) \quad (1)$$

where

r	is the pursuant investment's anticipated nominal rate of return
rf	is the default risk-free, inflation risk-free earning power of capital
rp	is the default risk premium associated with the pursuant capital investment
f	is the average annual rate of inflation anticipated over the term of the pursuant capital investment

For US Treasury securities, rp, the default risk premium, is generally accepted as having a value of zero. The default risk-free, inflation risk-free earning power of capital is variously

estimated to be between one and two percent. By substituting these values into equation 1 and solving for f , the market's long term anticipated rate of inflation can be estimated. The resulting calculations result in a range of from 1.5% to 2.5% for the 30 year bond. An estimate of 2% for the long term anticipated rate of annual inflation and therefore the long term annual growth rate of the incidental parking revenue stream appears reasonable.

Capitalization of the Incidental Parking Revenue Stream

A growth model is used to capitalize the anticipated parking revenue stream into a lump sum estimate of value. Since the revenue stream derives from indestructible land rather than a depreciating capital asset, the model sums an infinite series and takes the following common form:

$$V = I_1 / (r - g) \quad (2)$$

where

- V is the net present value of the pursuant infinite net revenue stream
- I_1 is the anticipated net revenue of the pursuant capital asset in year 1
- r is the appropriate discount rate for the pursuant capital investment
- g is the estimated constant growth rate of the pursuant net revenue stream

The constant grow rate for the revenue stream, g , is the long-term anticipated rate of inflation previously estimated at 2% (.02). Year 0 net revenue, previously estimated at \$140,000 is combined with the growth rate to derive the estimate of I_1 , (\$140,000 \times 1.02 = \$142,800). The appropriate discount rate for the incidental parking revenue stream is estimated by returning to equation 1. Employing the mid-range value for r_f (.015), the derived estimate of f (.02), and a default risk premium (rp) of .035 representing the relative risk associated with the income stream, the following estimate of r can be calculated:

$$\begin{aligned} r &= r_f + rp + f + f(r_f + rp) \\ r &= .015 + .035 + .02 + .02(.015 + .035) \\ r &= .071 \end{aligned} \quad (1)$$

Substituting into equation 2, obtains

$$\begin{aligned} V &= I_1 / (r - g) \\ V &= 142,800 / (.071 - .02) \\ V &= 2,800,000 \end{aligned} \quad (2)$$

Conclusion

The net present value of the incidental parking revenue stream is therefore estimated to be **\$2,800,000 as of June 7, 2013**. The reliability and validity of this estimate is totally dependent upon the accuracy of the parking revenue information supplied to the analyst. These data are assumed to be correct although no audit was conducted and no warrant is given. Because this estimate is based upon market rather than idiosyncratic rates and because the management skills necessary to maintain the incidental revenue stream are neither specialized nor costly, this net present value estimate may be viewed as additive to the market value of the property with a highest and best use as an on-going religious facility.

Final Value Conclusion

The total value for the subject property including the existing property and the additional revenue generated by the property is concluded as follows:

Market Value of Property:	\$2,100,000
Parking Revenue:	<u>\$2,800,000</u>
Final Value:	\$4,900,000

RECONCILIATION OF VALUE INDICATIONS

The three approaches to market value are as follows:

Cost Approach	N/A
Sales Comparison Approach	\$ 4,900,000
Income Approach	N/A

The Sales Comparison Approach is based on the principle of substitution. In this approach, the subject property was compared to five other church buildings which sold recently. To support the value from existing church sales the appraisers also valued the underlying land to consider the potential value from a land play perspective. The sales were analyzed using the sale price per square foot, which is typical. The quantity and quality of market data was considered sufficient and applicable, reflecting recent behavior of market participants. The Sales Comparison Approach produced a reliable indication of value, with both methods supporting each other, and was given high consideration in the final analysis. The income generated from special event parking revenue was also considered in the valuation analysis. A reasonable value conclusion was reached and was added to the market value conclusion for the property.

Based upon our observation of the subject property and conversations with knowledgeable brokers, we contend that the estimated exposure period for the subject property at the market value estimated herein would be twelve months.

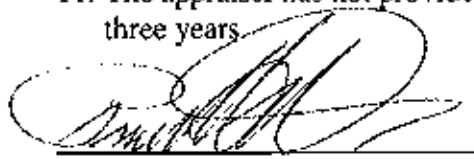
Therefore, it is my opinion that the Market Value of the Fee Simple Interest in the subject property as of June 7, 2013 is:

FOUR MILLION NINE HUNDRED THOUSAND DOLLARS
(\$ 4,900,000)

CERTIFICATION

It is hereby certified and attested to that:

1. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions, and conclusions.
2. No one provided significant professional assistance to the persons signing this report. Dr. Julian Diaz III and Sterling Hedley provided technical assistance and support.
3. Pamela Smith and Sterling Hedley did personally inspect the real property that is the subject of this appraisal report and has no present or contemplated future interest in the property.
4. We have no present interest or bias with respect to the subject matter of this appraisal report or the parties involved.
5. To the best of our knowledge and belief, the statements of fact contained in this appraisal report, upon which the analyses opinions and conclusions expressed herein are based, are true and correct.
6. The analyses, opinions and conclusions developed in this report have been prepared in conformance with the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice.
7. As of the date of this report, Pamela J. Smith has completed the requirements under the continuing education program of the State of Georgia.
8. Our compensation is not contingent on an action or event resulting from the analyses, opinions or conclusions in, or the use of, this report.
9. The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
10. The use of report is subject to the requirements of The State of Georgia relating to review by its duly authorized representative.
11. The appraiser has not provided any services regarding the subject property during the past three years.



Pamela J. Smith

Certified Real Estate Appraiser No. 492

EXHIBITS

CHURCH COMPARABLE #1

LOCATION: 1766 Lakewood Avenue SE, Atlanta, GA 30315

District 17 Land Lot 57 Block 26 Square 5

GRANTOR/SELLER: Atlanta Decatur Oxford District of Methodist Church

GRANTEE/BUYER: Power of Peace Ministries, Inc.

RECORDED: **BOOK NA** **PAGE NA** **COUNTY:** Fulton

TRANSACTION DATE: March 29, 2013

SALES PRICE: \$299,000 **PRICE PER SF:** \$24.91

FINANCING TERMS: NA

ZONING: C2

INSPECTION DATE: June, 2013

VERIFICATION: CoStar, Broker

CONDITION OF SALE: Arms-length

PRESENT USE: Church

TOTAL AREA OF SITE:

<i>Square Footage</i>	23,958 SF	<i>Building Size</i>
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<i>Acres</i>	.55	12,000 SF
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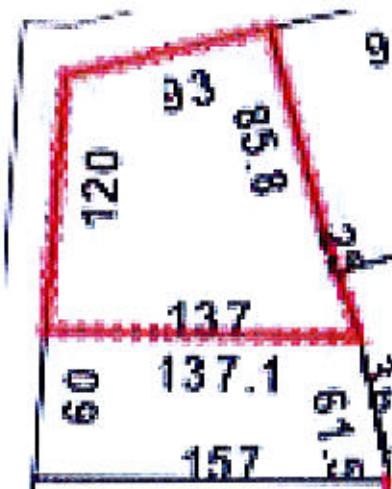
Access Lakewood Ave.

Frontage 180 SF on Lakewood Ave.

Topography Level

of Seats 250

Comments The property consists of two adjacent parcels. The building was in poor condition and had been on the market for six and a half years according to the broker.



CHURCH COMPARABLE #2

LOCATION: 745 Bolton Road, Atlanta, GA 30331

District 14 Land Lot 241 Block 3 Square 4

GRANTOR/SELLER:

Quantum National Bank

RECORDED: BOOK 50641 PAGE 345 COUNTY: Fulton

TRANSACTION DATE: November 29, 2011

\$610,000

PRICE PER SF: \$38.13

FINANCING TERMS: \$549,000 from Quantum National Bank

ZONING: R4

INSPECTION DATE: June, 2013

VERIFICATION: CoStar, Broker

CONDITION OF SALE: Arms-length

PRESENT USE: Church

TOTAL AREA OF SITE:

Square Footage 222,766 SF

Building Size

Acres 5.11

16,000 SF

Access Bolton Road

Age: 1963

Frontage 325 SF on Bolton Road

Topography Level

of Seats 550

Comments This was an owner/user sale that involved a bank owned asset. Sale was considered a market transaction. 150 surface spaces are available.



CHURCH COMPARABLE #3

LOCATION: 3243 Stone Road, Atlanta, GA 30331

District 14 Land Lot 254 Block LL Square 17

GRANTOR/SELLER: Embassy National Bank

GRANTEE/BUYER: 3243 Stone Road LLC; Union Institutional Baptist Church

RECORDED: **BOOK** 50513 **PAGE** 138 **COUNTY:** Fulton

TRANSACTION DATE: September 23, 2011

SALES PRICE: \$1,700,000 **PRICE PER SF:** \$61.82

FINANCING TERMS: NA

ZONING: R4

INSPECTION DATE: June, 2013

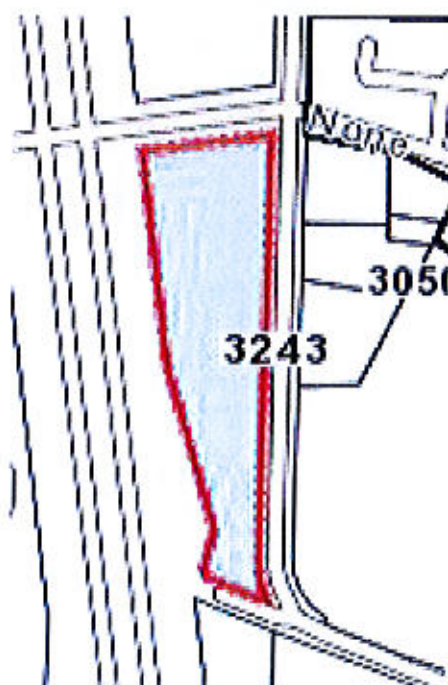
VERIFICATION: CoStar, Broker

CONDITION OF SALE: Arms-length

PRESENT USE: Church

TOTAL AREA OF SITE:

<i>Square Footage</i>	171,626 SF	<i>Building Size</i>
<i>Acres</i>	3.94	27,500 SF
<i>Access</i>	Stone Road	Age: 1968
<i>Frontage</i>	948 SF on Stone Road	
<i>Topography</i>	Sloping	
<i># of Seats</i>		
<i>Comments</i>	Two level brick Sanctuary with 3-level education building. 285 surface spaces are available.	



CHURCH COMPARABLE #4

LOCATION: 3549 Main Street, College Park, GA 30337

District 14 Land Lot 162 Block 19 Square 34

GRANTOR/SELLER: College Park Presbyterian Church Inc.

GRANTEE/BUYER: Victory Temple National Holiness

RECORDED: **BOOK 51781** **PAGE 117** **COUNTY:** Fulton

TRANSACTION DATE: October 16, 2012

SALES PRICE: \$850,000 **PRICE PER SF:** \$43.14

FINANCING TERMS: None

ZONING: R5

INSPECTION DATE: June, 2013

VERIFICATION: CoStar, Courthouse

CONDITION OF SALE: Arms-length

PRESENT USE: Church

TOTAL AREA OF SITE:

<i>Square Footage</i>	46,000 SF	<i>Building Size</i>
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<i>Acres</i>	1.06	19,700 SF
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<i>Access</i>	Main St.	Age: NA
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<i>Frontage</i>	209 SF on Main St.
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<i>Topography</i>	Level
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<i># of Seats</i>	600
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<i>Comments</i>	The building needed a lot of work at the time of sale. An out of town group paid all cash.
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CHURCH COMPARABLE #5

LOCATION: 1029 Joseph E Boone Boulevard, Atlanta, GA 30314

District 14 Land Lot 114 Block 6 Square 57,27,24

GRANTOR/SELLER: New Spirit United Methodist Church

GRANTEE/BUYER: Greater Pleasant Hill Missionary Baptist Church

RECORDED: BOOK 51389 PAGE 587 **COUNTY:** Fulton

TRANSACTION DATE: July 6, 2012

SALES PRICE: \$225,000 **PRICE PER SF:** \$34.62

FINANCING TERMS: \$145,000 from private individual

ZONING: R5

INSPECTION DATE: May, 2013

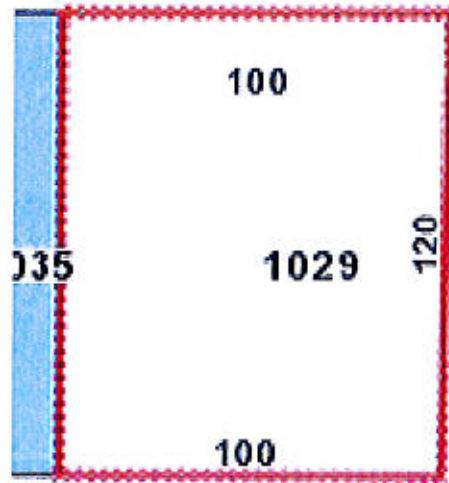
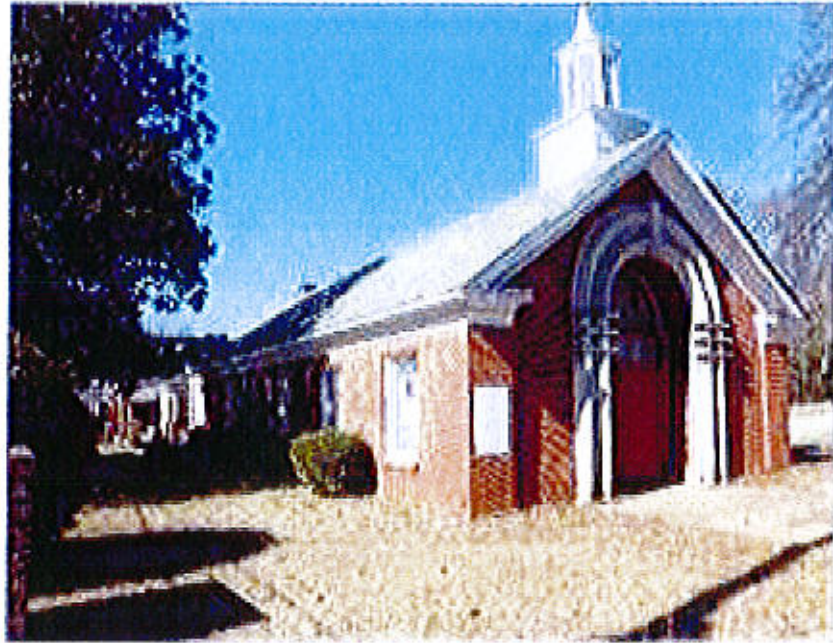
VERIFICATION: CoStar, Courthouse

CONDITION OF SALE: Arms-length

PRESENT USE: Church

TOTAL AREA OF SITE:

<i>Square Footage</i>	43,560 SF	<i>Building Size</i>
<i>Acres</i>	1.0	6,500 SF
<i>Access</i>	Boone Blvd.	Age: 1950
<i>Frontage</i>	100 SF on Boone Blvd.	
<i>Topography</i>	Level	
<i># of Seats</i>	NA	
<i>Comments</i>	Single level masonry and brick church building. 100 surface parking spaces are available.	



LAND COMPARABLE #1

LOCATION: 16th Street & Mecaslin , NW, Atlanta, GA

District 17 Land Lot 149 Block LL Square 7

GRANTOR/SELLER: Georgia Tech Foundation, Inc.

GRANTEE/BUYER: CRP/Pollack Atlantic Lofts LLC

RECORDED: **BOOK** 52459 **PAGE** 668 **COUNTY:** Fulton

TRANSACTION DATE: April 4, 2013

SALES PRICE: \$7,500,000 **PRICE PER SF:** \$44.15

FINANCING TERMS: NA

ZONING: I2

INSPECTION DATE: May, 2013

VERIFICATION: CoStar, Seller

CONDITION OF SALE: Arms-length

PRESENT USE: Residential

TOTAL AREA OF SITE:

Square Footage 169,884 SF

Acres 3.9

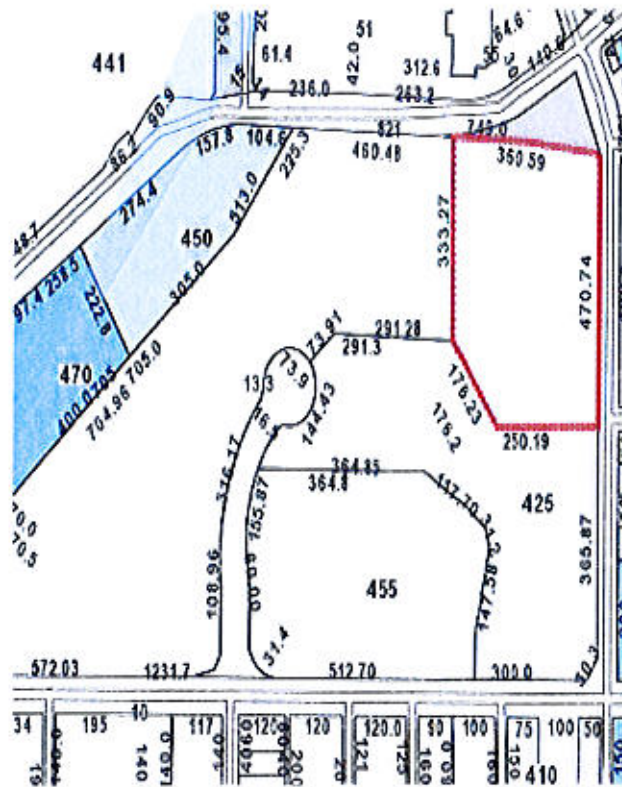
Access 14th St.

Frontage 598 SF on 14th Street

Topography Level

Utilities All Available

Comments This parcel was purchased as vacant land for high density residential use. A 310 unit apartment complex is currently under construction.



LAND COMPARABLE #2

LOCATION: Ponce De Leon Avenue NE, Atlanta, GA

District 14 Land Lot 49 Block 9 Square 91

GRANTOR/SELLER: Thirty-Third Latitude Properties, LLC

GRANTEE/BUYER: Sereo Group

RECORDED: **BOOK** 51494 **PAGE** 473 **COUNTY:** Fulton

TRANSACTION DATE: August 3, 2012

SALES PRICE: \$6,510,000 **PRICE PER SF:** \$59.78

FINANCING TERMS: NA

ZONING: C4

INSPECTION DATE: June, 2013

VERIFICATION: Seller

CONDITION OF SALE: Arms-length

PRESENT USE: Office Building

TOTAL AREA OF SITE:

Square Footage 108,900 SF

Acres 2.50

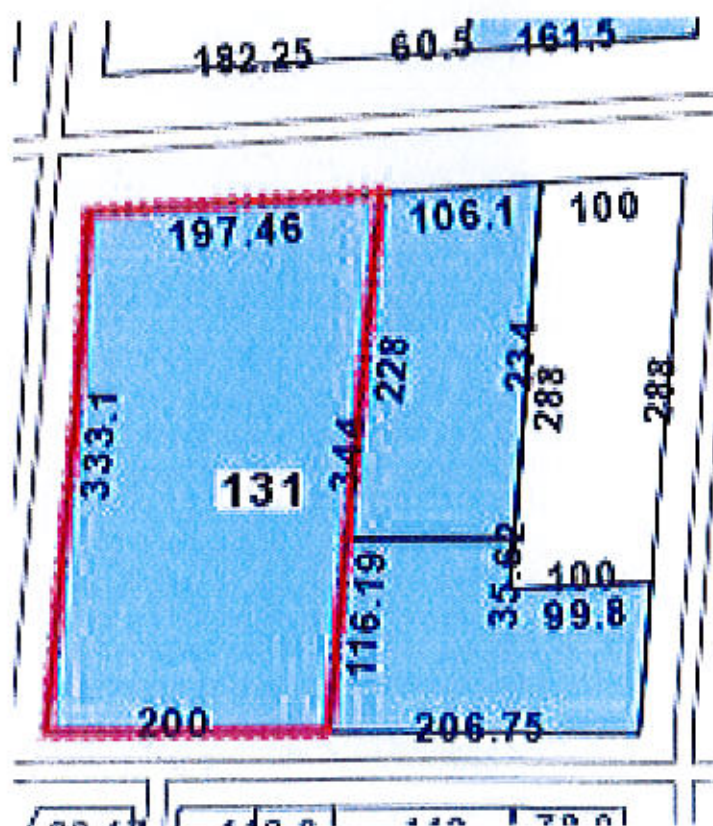
Access Ponce De Leon
Ave

Frontage 309 SF on Ponce De Leon
Ave

Topography Level

Utilities All Available

Comments The 2.5 acres parcel was sold as an investment property. Major mixed use development under construction.



LAND COMPARABLE #3

LOCATION: 623 Dallas Street, Atlanta, GA 30308

District 14 Land Lot 18 Block 5 Square 80

GRANTOR/SELLER: Dallas-Rankin, LLC

GRANTEE/BUYER: Glen Iris Partners LLC

RECORDED: **BOOK** 51051 **PAGE** 287 **COUNTY:** Fulton

TRANSACTION DATE: March 23, 2012

SALES PRICE: 2,050,000 **PRICE PER SF:** \$22.52

FINANCING TERMS: NA

ZONING: II

INSPECTION DATE: May, 2013

VERIFICATION: CoStar, Courthouse

CONDITION OF SALE: Arms-length

PRESENT USE: Vacant land

TOTAL AREA OF SITE:

Square Footage 91,040 SF

Acres 2.09

Access Dallas St.

Frontage 146 SF on Rankin St.

Topography Level

Utilities Available

Comments Total sale consists of 3 parcels. The property was sold to a developer for the land value and with plans for a new project. Site improvements include a finished grade.

LAND COMPARABLE #4

LOCATION: 608 Ralph McGill Boulevard, Atlanta, GA 30312

District 14 Land Lot 18 Block 7 Square 21

GRANTOR/SELLER: Ralph McGill Partners LLC

GRANTEE/BUYER: Inland Atlantic Fourth Ward LLC

RECORDED: BOOK 52069 PAGE 179 COUNTY: Fulton

TRANSACTION DATE: December 28, 2012

SALES PRICE: \$3,200,000 PRICE PER SF: \$30.11

FINANCING TERMS: \$700,000 from seller

ZONING: R4

INSPECTION DATE: May, 2013

VERIFICATION: CoStar, Courthouse

CONDITION OF SALE: Arms-length

PRESENT USE: Vacant land

TOTAL AREA OF SITE:

Square Footage 106,286 SF

Acres 2.44

Access Ralph McGill

Frontage 310 SF on Ralph McGill

Topography Level

Utilities All Available

Comments This parcel is improved with curb, gutter and sidewalk. The buyer purchased the land for residential development.



LAND COMPARABLE #5

LOCATION: 846 Huff Road, Atlanta, GA 30318

District 17 Land Lot 150 Block 1 Square 10

GRANTOR/SELLER: Hull Family Properties iv LLC

GRANTEE/BUYER: The Howard School, Inc.

RECORDED: **BOOK** 52565 **PAGE** 435 **COUNTY:** Fulton

TRANSACTION DATE: April 12, 2013

SALES PRICE: \$1,539,300 **PRICE PER SF:** \$21.03

FINANCING TERMS: NA

ZONING: I2

INSPECTION DATE: May, 2013

VERIFICATION: CoStar, Courthouse

CONDITION OF SALE: Arms -length

PRESENT USE: Vacant land

TOTAL AREA OF SITE:

Square Footage 73,181 SF

Acres 1.68

Access Huff Rd.

Frontage 200 SF on Huff Road

Topography Level

Utilities Available

Comments The buyer purchased the land for future development.

QUALIFICATIONS OF PAMELA J. SMITH

*Pamela J. Smith, President
20 Years Experience*

*1984 – current
Smith Real Estate Services,
Inc.*

Pamela J. Smith founded Smith Real Estate Services, Inc. in 1984. She has over eighteen years of experience in real estate consulting, brokerage, appraising, right of way acquisition services and development consulting.

As President and Chief Executive Officer, she is responsible for all aspects of the firm's operations including financial management, marketing/business development, project administration and management.

Ms. Smith's project experience in the area of real estate analysis, consulting, and project management includes the following partial list of major projects.

- Acquisition and valuation services provided to Atlanta Hartsfield International Airport Project for appraisal of full and partial takes required for airport Right of Way program.
- Acquisition and valuation services for City of Atlanta Infrastructure Program, which involves the appraisal of temporary and permanent easements and acquisition of full interests in real estate for capital improvement projects.
- Physical assessment and analysis of market conditions affecting surplus properties owned by the Atlanta School Board. Services also included development of appropriate strategy for disposition when conditions warranted.
- Valuation services provided to Fulton County Land Department for full takes required for expansion of Charlie Brown Airport.
- Property assessment services provided to Atlanta Life Insurance Company to determine current financial, physical and economic status of REO (real estate owned) properties. REO properties consisted of \$12 million dollars worth of property located throughout the country. Services also included development of recommendations to hold/dispose of properties depending on productivity as measured by earning/return potential.
- Property assessment services provided to the Atlanta Housing Authority to assess financial, physical and economic conditions of 33 public housing communities containing approximately 8,000 residential units.
- Development management and consulting services provided to numerous nonprofit and private developers.
- Valuation and Real Estate Consulting Services provided on residential and commercial properties for public and private clients.

Education:

Massachusetts Institute of Technology, Certificate in Real Estate Development, 1993

Georgia State University, College of Business Administration, Master of Science in Real Estate, 1987

New York University, College of Public Administration, Master of Public Administration, 1977

Rutgers University, Newark College of Arts and Sciences, Bachelor of Arts, Urban Studies/Urban Planning, 1974

License and Certifications:

State of Georgia, Certified Real Estate Appraiser, No. 492

State of Georgia, License Real Estate Broker, No 116890

Professional Memberships:

National Society of Real Estate Appraisers

Empire Real Estate Board

Professional Appointments and Boards:

Board Member, City of Atlanta, Once Stop Capital Shop
Chairperson, Urban Residential Development Corporation
Chairperson, Fulton County Board of Tax Assessors

Awards and Special Recognition:

1989-90, Meritorious Service Award, Department of Housing and Urban Development

1980, Women to Watch, Atlanta Business Chronicle

1994, Non-Traditional Business Achievement Award, Atlanta Business League

1995, Dollars and Sense Magazine, America's Best and Brightest Women Award

1996, Semi-Finalist, Small Business Person of the Year, Atlanta Chamber of Commerce

1999, Outstanding Achievement Award, Atlanta Business League