APPRAISAL REPORT
for

HAVENTRUST BANK
of

THE ±4.84 ACRE RIVER POINTE TRACT
(±4.60 acres useable)
Off Thompson Bridge Road on Minor Drive
Gainesville, Hall County, Georgia

as of
July 18, 2008

by
David C. Ball, MAI
& Jason K. Barr

FILE#1744
THE DAVID BALL COMPANY

COMMERCIAL REAL ESTATE APPRAISAL & VALUATION CONSULTING
GAINESVILLE, GEORGIA

COMMERCIAL Real Estate REALTOR

THE DAVID BALL COMPANY, INC.

Commercial Real Estate Appraisal & Valuation Consulting

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DAVID C. BALL, MAI, CCIM
RUDOLPH T. QUILLIAN
JASON K. BARR

July 23, 2008

Mr. Robert Warner
HavenTrust Bank
6700 McGinnis Ferry Road
Duluth, Georgia 30097

Re: **THE ±4.84 ACRE RIVER POINTE TRACT**
(±4.60 acres useable assumed)
off Thompson Bridge Road on Minor Drive at Holly Park,
Gainesville, Hall County, GA
File #1744

Dear Mr. Warner:

At your request, we inspected the above referenced property, and completed the necessary research and analysis in order to form a **current market value** opinion of the fee simple interest in this property. The intended use of this current market value opinion is for collateral underwriting purposes.

The attached report communicates the analyses, opinions, and conclusions of a **summary appraisal report** in conformity with the requirements of the *Appraisal Institute*'s Code of Professional Ethics & Standards of Professional Appraisal Practice, which include the *Uniform Standards of Professional Appraisal Practice* (USPAP) as promulgated by the Appraisal Foundation in accordance with the Financial Institution Reform, Recovery and Enforcement Act of 1989 (FIRREA). This format meets or exceeds our understanding of the minimum appraisal standards and requirements of Haven Trust Bank.

An investigation and thorough analysis of the above referenced property and the comparable market data presented herein indicates the **current market value** of the fee simple interest in this property, based on conditions prevalent on the most recent inspection date of July 18, 2008, is

$1,400,000

ONE MILLION FOUR HUNDRED THOUSAND DOLLARS

This current market value opinion is subject to the Assumptions and Limiting Conditions and **Extraordinary Assumptions** set forth in the attached appraisal report. **Acceptance, and/or use, of the attached appraisal report constitutes acceptance of these conditions.**

A reasonable exposure period for this property at this market value is assumed to have occurred during the 12 to 24 month period preceding the effective date of appraisal. A professional marketing effort of the property subsequent to the appraisal date may require a marketing period of at least 12 months.

This **Summary Appraisal Report** is intended to comply with the reporting requirements set forth under USPAP Standards. As such, it presents a complete discussion of the data, reasoning, and the analyses that were used in the appraisal process to develop the opinion of value. Supporting documentation concerning the data, reasoning, and analyses is included in the Addenda or retained in the appraisal file. The depth of discussion contained in this report is specific to your needs as the client and the intended user. We are not responsible for the unauthorized use of this report.

Your attention is called to the restrictions regarding the use of the attached appraisal report. It is not to be reproduced in part or as a whole without our written consent, nor is it to be disseminated to any other party without our express written permission. This summary appraisal report is prepared for your sole use as the client for collateral underwriting purposes. It is not intended for any other use. Please review the attached Limiting Conditions and Basic Assumptions, and the following additional conditions and assumptions, which may limit or qualify this market value opinion.

Our employment is not conditional upon producing a specific value or a value within a given range. Future employment prospects are not dependent upon producing a specified value. Payment of the appraisal fee is not based upon whether a loan application is approved or disapproved, or if a transaction involving this property occurs.

Please contact the undersigned if you have any questions regarding this appraisal or if you require further assistance in this or any other commercial real estate valuation matter.

Thank you for the opportunity to fulfill your appraisal requirements. Attached herewith is the Appraisal Report.

Respectfully Submitted,

David C. Ball, MAI, CCIM, GAA
Certified General Real Estate Appraiser GA #1225

Jason K. Barr
State Registered Real Estate Appraiser GA #326248

TABLE OF CONTENTS

SUMMARY OF SALIENT FACTS & CONCLUSIONS

Property Type:	Vacant land
Property Rights Appraised:	Fee Simple
Address:	Minor Drive, Gainesville, GA 30501
Location:	Northwest side of Minor Drive at Holly Park, off the southwestern side of Thompson Bridge Road in Gainesville, Hall County, Georgia
Tax ID:	#01-100-001-004
Current Owner:	River Pointe LLC
Total Land Area	±4.84 Acres (±4.60 acre useable assumed)
Zoning:	(R-II) Multi-Family Residential by the City of Gainesville
Flood Plain:	Zone X (none), FIRM #13139C 0180F, September 29, 2006
Highest and Best Use as Vacant:	Multi-Family Residential Development

CURRENT FEE SIMPLE MARKET VALUE: $1,400,000

Adequate Exposure Period Assumed:	12 to 24 months
Inspection Date:	July 18, 2008
Effective Date of Value:	July 18, 2008
Date of Report:	July 23, 2008

CERTIFICATE OF APPRAISAL

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

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

3. I have no present or prospective interest in the property that is the subject of this report. I have no personal interest with respect to the parties involved.

4. I have no bias with respect to the property that is the subject of this report or to the parties involved in this assignment.

5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.

6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

7. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice* (USPAP).

8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

9. I have made a personal inspection of the property that is the subject of this report.

10. Mr. Jason K. Barr provided significant professional assistance by inspecting the property, participating in the research and analysis of comparable data, participating in the valuation process and the estimate of final value, and by participation in the development and reporting of this appraisal.

11. This appraisal assignment is not based on a requested minimum valuation, a specific valuation, approval of a loan, or the consummation of a sale or transfer involving the subject property.

12. As of the date of this report, I have completed the requirements of the continuing education program of the Appraisal Institute.

David C. Ball

David C. Ball, MAI
Certified General Real Property Appraiser GA #1225

CERTIFICATE OF APPRAISAL

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

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

3. I have no present or prospective interest in the property that is the subject of this report. I have no personal interest with respect to the parties involved.

4. I have no bias with respect to the property that is the subject of this report or to the parties involved in this assignment.

5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.

6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

7. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice* (USPAP).

8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

9. I have made a personal inspection of the property that is the subject of this report.

10. Mr. David C. Ball, MAI, CCIM, GAA inspected the property, participated in the research and valuation analysis, created and edited the report format, and provided significant professional assistance by reviewing this report for USPAP compliance and reasonableness, and is the author solely responsible for final value opinion.

11. This appraisal assignment is not based on a requested minimum valuation, a specific valuation, approval of a loan, or the consummation of a sale or transfer involving the subject property.

Jason K. Barr

Jason K. Barr
Certified General Real Property Appraiser GA #326248

APPRAISAL REPORT INTRODUCTION

This appraisal report is subject to the Assumptions and Limiting Conditions set forth herein. **Acceptance, and/or use, of this appraisal report constitutes acceptance of the conditions outlined in the next section**. This report is not to be reproduced in part or as a whole without written consent.

An appraisal is generally defined as an opinion of value based on the parameters of the assignment as of a specified date. The valuation of real estate is based on a process of data collection, analysis and conclusions prepared by a nonbiased third party. Photographs of the subject property, location maps, surveys, or any other renderings of the subject property are included in this report to aid in identification and description.

SUBJECT PROPERTY	**River Point Tract** ±4.84 acre tract located at Minor Drive, off Thompson Bridge Road in Gainesville, Hall County, GA
INTEREST APPRAISED	Fee Simple
CLIENT & INTENDED USER	Mr. Robert Warner for Haven Trust Bank
INTENDED USE	Collateral underwriting purposes
DATE OF REPORT	July 23, 2008
EFFECTIVE VALUATION DATE	July 18, 2008
INSPECTION DATE	July 18, 2008
INTEREST APPRAISED	Fee Simple
STANDARD OF VALUE	Market Value

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

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised and each acting in what he considers his own best interest;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and
5. the price represents a normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(The Appraisal Foundation, *Uniform Standards of Professional Appraisal Practice*)

DEFINITIONS

The definitions of terms used in this report are summarized as follows according to the Dictionary of Real Estate Appraisal as published by the *Appraisal Institute (3rd Ed).*

FEE SIMPLE ESTATE

The absolute ownership of real estate 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". These powers respectively allow the government to levy taxes on property owners, take (condemn) private property for public use with just-compensation, impose use restrictions on real property through zoning, and act as a receiver of title to real property from owners who die intestate (without heirs or an estate).

LEASED FEE ESTATE

The ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.

LEASEHOLD ESTATE

The interest held by a tenant (lessee) through a lease conveying the rights of use and occupancy for a stated term under certain conditions. Leasehold Improvements are improvements or additions to the leased property that have been made by the tenant.

ASSUMPTIONS & LIMITING CONDITIONS

This appraisal report is subject to the following general limiting conditions and basic assumptions:

1. Copyright © 2008 by The David Ball Company, Inc. a registered Georgia corporation and individually by David C. Ball, MAI, CCIM a Georgia State Certified General Appraiser. All rights reserved. No part of this published document may be reproduced, duplicated or copied in any form, including electronic forwarding or copying, xerography, microfilm or other methods, or incorporated into any information retrieval system, without the express written permission of David C. Ball, MAI, CCIM or The David Ball Company, Inc. except as expressly permitted by The Appraisal Institute or in conformance with USPAP.

2. **Acceptance and/or use of this appraisal report by the client or any third party constitutes acceptance of these limiting conditions**. Appraisal liability extends only to the stated client, not subsequent parties or users, and is limited to the appraisal fee.

3. The use of this report is subject to the requirements of The Appraisal Institute relating to review by its duly authorized representatives.

4. The contents of this Appraisal Report are for limited private use only. If this report becomes the property of any party, other than the addressee or the person who has paid the fee connected herewith, or the person who has engaged **David C. Ball, MAI, CCIM** to complete this appraisal, permission must be obtained from the original addressee for reproduction or additional copies. **Additional fees** will be charged for any copies, further consultation, reappraisal, or review of the property.

5. Disclosure of the contents of this Appraisal Report is governed by the by-laws and Regulations of The Appraisal Institute. Neither all, nor any part of the contents of this report (especially any value conclusions, the identity of the appraiser, the appraisal firm, or any reference to the Appraisal Institute or to the MAI designation, or to the CCIM designation) 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.

6. The appraiser is not obligated to give testimony of any kind nor appear in any court as a result of having completed this appraisal, unless arrangements were made prior to the initiation of the appraisal assignment.

7. Opinions of value contained herein are estimates and there are no guarantees, either written or implied, that the property would sell for the expressed estimates of value.

8. Unless otherwise noted, all existing liens and/or encumbrances, if any, have been disregarded, and the property has been appraised as though free and clear and under responsible ownership and competent management. Typical financing as may be customarily secured for this property type has been considered, as has a favorable mortgage position, if any.

9. The conclusions expressed herein assume competent and professional management and/or marketing of the subject property.

10. No research for validity of title was performed, nor is any responsibility assumed for corrections, which a survey of the property may reveal.

11. The information contained herein is not guaranteed, but it was gathered from reliable sources and believed to be accurate.

12. No responsibility is assumed for matters legal in character.

13. Sketches are accurate only for purposes of approximation.

14. Information regarding the location or existence of public utilities has been obtained through a verbal inquiry to the appropriate utility, or has been ascertained from visual evidence. No warranty is made regarding the exact location or capabilities of public utility systems.

15. The property history has been provided by conversations with various individuals involved with the chain of title, and if available, various documents such as contracts, deeds, leases, and closing statements. A title search was not performed, nor is the title history warranted. As presented herein, title history is assumed to be completely accurate. Anyone contemplating an interest in the subject property should rely solely upon a title search and opinion prepared by a qualified attorney-at-law.

16. It is assumed that the subject is not situated in a special flood hazard area, which would significantly limit its development.

17. A formal geological study was not conducted and the appraiser is not qualified to detect such conditions. Unless otherwise noted in the Site Description, the subject soils and subsurface conditions are assumed to be typical for the area and suitable for development.

    a. It is assumed that there are no hidden or unapparent conditions of the property, sub-soil, 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 such conditions. Unless otherwise stated in the report, the existence of hazardous material, which may or may not be present on the property, was not observed. The appraiser has no knowledge of the existence of such materials on or in the property and is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde, asbestos insulation, radon gas 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 condition or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field if desired.

18. This appraisal report conveys an opinion of value as defined herein. This value is based upon research and analysis of currently active market participants regarding market trends, forecasted market demand, expenses, absorption periods, inflation rates and discount rates as of the effective appraisal date. Also, economic trends such as population growth and future competition have been researched and analyzed. The concluded market value reflects the current expectations and perceptions of market participants along with available factual data. The appraiser cannot be held responsible for unforeseeable events that alter market conditions subsequent to the effective date of this appraisal.

19. The survey and/or site plan provided is assumed to be a reasonable facsimile of the subject and this analysis assumes no modifications have been made. If any modifications have been made, the value conclusion may be affected and this appraisal may require modification.

20. Unless otherwise noted, all maps are oriented with the top of the page toward the north.

21. This **Summary Appraisal Report** is intended to comply with the reporting requirements set forth under USPAP Standards Rule 2-2b. As such, it presents a summary discussion of the data, reasoning, or the analyses used in the appraisal process to develop the opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in the appraisal file. The depth of discussion contained in this report is specific to the client's needs and the intended use stated. The appraiser is not responsible for the unauthorized use of this report.

22. **Extraordinary Assumptions – Access & Useable Area**
    An extraordinary assumption is something that is assumed to be true, but it is not certain. If it is subsequently found to be untrue, the value conclusion may be impacted. Extraordinary assumptions are those assumptions that are specific to the particular assignment (e.g., that a possibly contaminated site is not adversely impacted by contamination), as opposed to general assumptions, which could be applicable to any assignment (e.g., that the title is marketable.)

    a) According Hall County and Corps of Engineer records, the subject property has no lake frontage, and any access to Lake Lanier is very limited. Clarification by the Corps for dock permit and/or any access has not been obtained and therefore it is assumed no access other than pedestrian is available.

    b) The subject is assumed to have legal and reasonable access via Minor Road. Its access from Thompson Bridge Road via ingress/egress and cross easements is also assumed over the existing driveway that benefits the Rubicon office building site.

    c) The subject tract has steeply sloping topography and is traversed by sewer line easements. The useable area is calculated using the Hall County GIS system. The useable area is deemed to be approximately 4.60 acres. This is confirmed by Patton & Boyer Surveyors in a letter dated 8/18/2008 and included in the addenda. If subsequently found to differ, the value conclusion will require modification.

23. **Hypothetical Conditions & Assumptions – none**
    Hypothetical conditions are known to be false, but are presumed to be true for the purpose of reasonable analysis. For example, if a property were appraised as of today as though the improvements were complete, but the property currently consists of a vacant site, the valuation of the improved property would be subject to the hypothetical condition that the improvements are complete.

THE VALUATION PROCESS

The Valuation Process is accomplished through specific steps contained within three analytical techniques known as the Cost Approach, the Sales Comparison Approach, and the Income Approach. Each approach provides an independent, well-supported value indication. Although the approaches are somewhat interrelated, the highest and best use of the property appraised determines which approach or approaches are most appropriate based on the availability of recent sales and rental data. The final step in the appraisal process is the reconciliation of the value indications.

THE SALES COMPARISON APPROACH

This technique is often referred to as the Market Approach since it provides an indication of market value by comparing the subject property to similar properties that have recently sold, are listed for sale, or are under contract (i.e., recently drawn up purchase offers accompanied by a cash or equivalent deposit). Similar properties are those of the same type and class and located in the same or competing areas. The sale prices of these comparable properties will tend to set the range in which the value of the subject property will fall. A major premise of the Sales Comparison Approach is that market value is directly related to the prices of comparable, competitive properties.

The principle of substitution is applied in this approach and states that the value of a property tends to be set by the price that would be paid to acquire a substitute property of similar utility and desirability within a reasonable amount of time. This principle implies that the reliability of the Sales Comparison Approach is diminished if substitute properties are not available in the market. This approach is most useful when a number of similar properties have recently sold or are currently for sale in the subject property market.

This approach is typically the only method utilized for estimating the value of vacant, undeveloped land. It also provides the best value indication for the underlying land value of an improved site. It is most useful when there have been ample sales of vacant sites with the same highest and best use in the immediate area. The land value is the basic component in the Highest and Best Use Analysis and utilized in the Cost Approach (if applicable).

RECONCILIATION

This analysis is included in the Conclusion section of this report. It also contains the financial feasibility analysis and provides a test of reasonableness by illustrating market transactions of similar property types. If development of the property is deemed financially feasible, the final analytical step in the Valuation Process is the reconciliation of the value indications into a single dollar figure or a range into which the value will most likely fall.

SCOPE OF THIS ANALYSIS

The initial step in the appraisal process is the market research phase, whereby basic data is collected and refined from all available sources. The local region, county and immediate market area is researched to understand the current economic and social climate within which the subject property operates. Additionally, the current and planned (if any) competition is surveyed and analyzed in order to understand the demand and supply characteristics of the local area. These findings are included in the **Market Area Analysis** section.

Data sources include the local municipal and county governments, public records, the local chamber of commerce, private real estate professionals, owners/investors of comparable properties, on-site management at comparable properties, real estate publications, and the actual subject property history. This information is verified and cross checked for accuracy and applicability.

Information relating to the subject property also collected includes ad valorem tax data, zoning information, utility availability, flood plain information, topography, frontage, and access. Other properties in the neighborhood are inspected to develop an overall opinion of the character, composition, and future trends of the market area. These findings are included in the **Site Description and Analysis** sections.

The consideration of all these factors, acting in concert, leads to a conclusion of the **Highest and Best Use** for the subject property, which is the basis of the valuation methodology.

REPORT FORMAT

The verbal or written communication of a value conclusion for a real property appraisal assignment must not be misleading according to the *Uniform Standards of Professional Appraisal Practice* (USPAP) adopted by the Appraisal Foundation and the Supplemental Standards of Professional Appraisal Practice adopted by the Appraisal Institute. The reporting of the assumptions, conditions, factual data, analysis, and value conclusion(s) must be prepared as either a **Self-Contained** Report, a **Summary** Report or a **Restricted Use** Report.

The essential difference among these three options is in the content and level of information provided. The appropriate reporting option is dependent on the intended use and the intended users. Generally, the Self-Contained format includes a complete explanation and discussion of all data and analysis used to determine the value conclusion. Additionally, all supporting documentation concerning the data, assumptions, conditions, reasoning and analyses is also included in detail in the appraisal report. The Summary format provides a more concise summary discussion of the same methodology, assumptions and conditions, factual data, analysis and conclusions with any supporting documentation retained in the appraisal file. The Restricted Use format provides only statements and conclusions of the methodology, facts, and value. Each format conveys the same, valid, credible and reliable value conclusion.

This report is prepared in a **Summary Report Format** that exceeds the minimum standards of the **USPAP** adopted by the Appraisal Foundation and the Supplemental Standards of Professional Appraisal Practice adopted by the Appraisal Institute. As such, it presents summary discussions of the data, reasoning, and analyses used in the appraisal process to develop the opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in the appraisal file. The depth of discussion contained in this report is specific to the client's needs and the intended use stated. The appraisers are not responsible for the unauthorized use of this report.

APPRAISAL METHODOLOGY

The subject property consists of a ±4.84 acre vacant site. The Sales Comparison Approach is the most meaningful indication of market value for this property type.

COMPETENCY PROVISION

In the preparation of this appraisal report, the appraisers have not knowingly departed from the appraisal standards established by the *Appraisal Institute*, and by the *Uniform Standards of Professional Appraisal Practice*. The appraisers have obtained the necessary knowledge and have prior experience appraising the interest (as defined) in properties similar to the subject. The competency provision of the Uniform Standards of the Appraisal Practice is satisfied.

MARKET AREA ANALYSIS

The constantly changing nature of economic relationships within a given area, as shaped by the forces controlling future growth and development, will have a direct bearing on the whole spectrum of economic activity, including the long-term value of real estate investments. Forces that generally interact in the marketplace and either create, destroy or influence in some way the value of real estate are defined as **social** (population and demographic trends), **economic** (employment and industry), **governmental** (public utilities, services and transportation) and **environmental** (natural resources). The interaction of these four forces creates an economic climate in which the subject is located and competes for investment dollars.

REGIONAL AREA County demographic data is included in the Addenda.

SUBJECT MARKET AREA The subject's market area specifically includes the Lake Lanier shoreline area of Hall County, but also encompasses Forsyth, Dawson, and Gwinnett Counties. Generally, the subject property will compete on a regional basis with other resort and retirement communities throughout the Southeastern US. The immediate area is described as the area within the city limits of Gainesville, north of downtown extending from Jesse Jewell Parkway, north along GA 60 to GA 400, inclusive of the Lumpkin County area.

Market Area Land Uses Uses in the subject market area primarily include upscale and luxury single-family residences and older, low-income multi-family residential developments along with a mix of highway commercial and retail/office uses. The subject's immediate area includes a multi-tenant office building (Class A for Gainesville), various apartment complexes, new and established single-family developments, and mixed highway commercial uses, many of which are in transition from SFR to O&I. The subject's immediate area generally has good locational features as they relate to transportation linkages.

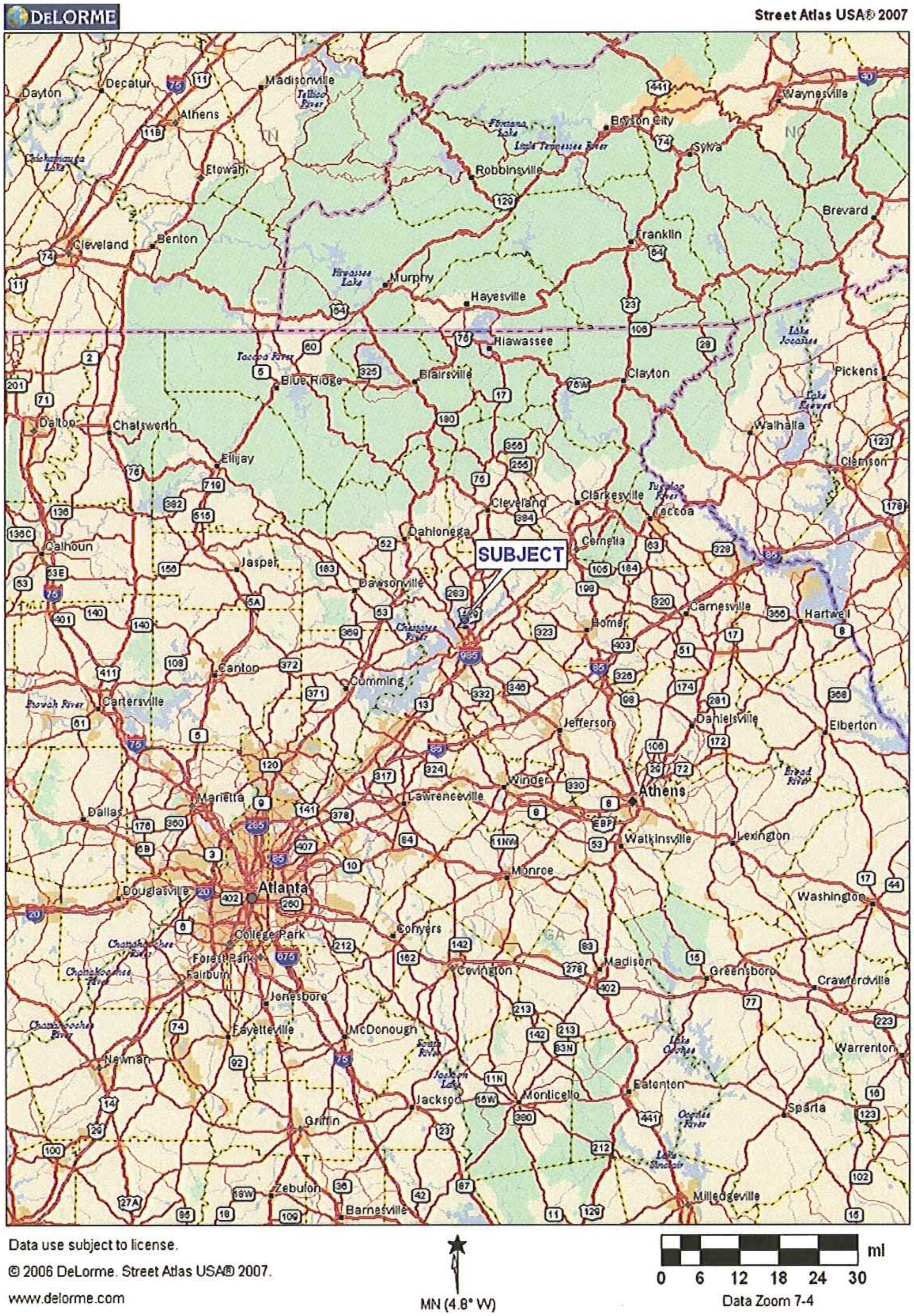
Market Area Life Cycle Stable with limited signs of growth in the form of redevelopment and speculation only.

Development Density The subject area has a medium density mix of predominately residential uses, but high concentrations of commercial uses are present along the Thompson Bridge Road intersections.

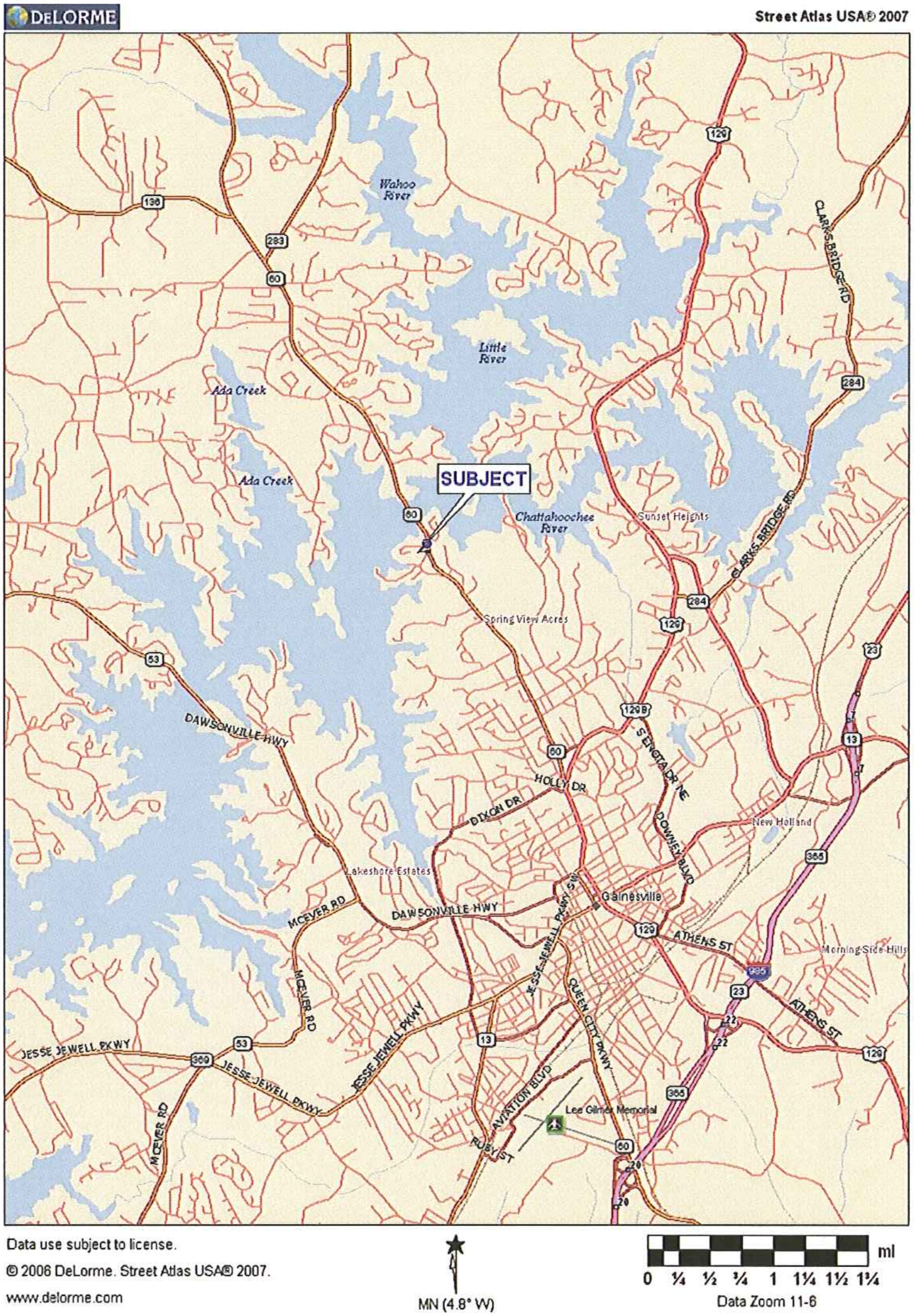
Traffic Counts

Location	2007	2006	2005
Thompson Bridge Road @ Linwood Drive	33,300	32,260	43,520

SUBJECT REGIONAL MAP



LOCAL MAP


DELORME
Street Atlas USA® 2007
SUBJECT
Wahoo River
Little River
Ada Creek
Ada Creek
Chattahoochee River
Sunset Heights
Spring View Acres
CLARKS BRIDGE RD
DAWSONVILLE HWY
HOLLY DR
DIXON DR
DOWNEY BLVD
New Holland
Lakeshore Estates
Gainesville
MCEVER RD
ATHENS ST
Morning Side Hills
JESSE JEWELL PKWY
QUEEN CITY PKWY
AVIATION BLVD
Lee Gilmer Memorial
RUBY ST
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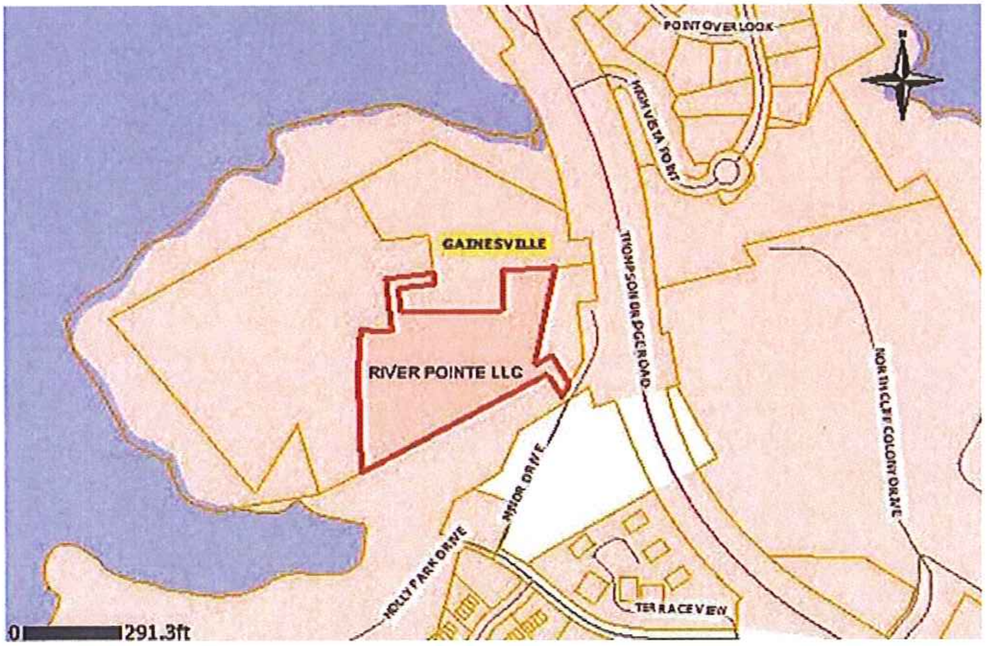
0 ¼ ½ ¾ 1 1¼ 1½ 1¾
mi
Data Zoom 11-6

SITE DESCRIPTION & ANALYSIS

The subject property is depicted on the following surveys. The general features observed or assumed are summarized in this section.

SUBJECT TAX MAP



AERIAL MAP

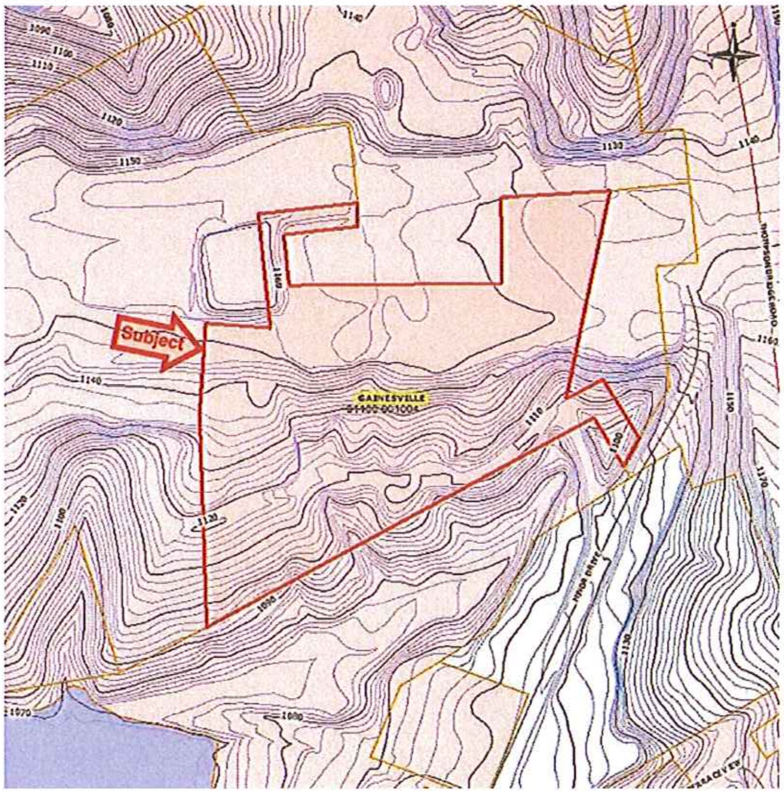
LEGAL DESCRIPTION	Metes and bounds legal descriptions are included in the Addenda as available. Refer to the Survey and/or Tax Maps provided for more detail.
TAX PARCEL IDENTIFICATION	#01-100-001-004
ADDRESS	Minor Drive, Gainesville, Georgia 30501
SIZE	±4.84 Acres
SHAPE	Very Irregular
STREET FRONTAGE	±45' on the northwest side of Minor Drive, a two-lane, paved, publicly maintained road, which is assessable from Thompson Bridge Road, a four-lane state highway with a central turning lane. The subject has no other legal access, but this street is only being minimally maintained by the city with expectations that it will be abandoned in the future.
ACCESS	Legal access to the subject is currently available via Minor Drive and considered very limited. Due to topo and the uncertain future of this street, this access is suspect and negatively impacts the subject's value. However, an ingress/egress easement and a cross easement along the private drive and over its parking lot that is controlled by the Rubicon Office Building owner allows access to the subject. Furthermore, both the subject owner and other property owner have confirmed that the access to the subject can be improved as long as the subject owner pays for it and enhances the Rubicon parking lot. This assumed access to the subject is considered adequate legal access for a variety of developments on the subject tract.
VISIBILITY	The subject's visibility is fair to poor. It is well below the Thompson Bridge Road grade.
UTILITIES & PROTECTION	Utilities include electricity, natural gas, telephone, public water and public sewer. These services are adequate to support a variety of use. Protection includes police and fire by the City.

LAKE FRONTAGE	**NONE:** The subject is located on a peninsula along Thompson Bridge Road. It lacks shoreline although it abuts US Army Corps of Engineers property that controls lake access. The Corps grants lake access to adjacent property owners, but the subject's lack of direct frontage may not allow access to the lake and the subject property is located adjacent to County Parkland this cove has been off limits to any dock permits and its former ramp has been permanently closed.
EASEMENTS AND/OR ENCROACHMENTS	Typical utility easements are assumed. A sewer line easement traverses the subject as shown on the Utilities map on pages following this discussion. This easement area cannot be improved with anything other than paving. Given its location and the subject's topo, it may limit development potential of the tract, but not to the degree that is lessens the useable area by a quantifiable amount. No other adverse easements are known to exist.
TOPOGRAPHY	The northern portion of the subject is generally level and accessible. The southern portion of the tract slopes downward toward Lake Lanier, dropping approximately 50 feet in elevation. See the topographic map for more detail. This sloping topography negatively affects the site utility. Although over/under style buildings are common in the area on similar tracts, a quantifiable deduction is made to determine the useable area. Patton & Boyer Surveyors indicate 4.60 acres of the subject is useable with the remainder in slope or easements, some of which can be utilized for density calculations, driveways and parking, or on-site water retention.
SOILS AND SUBSURFACE	A site inspection revealed no apparent evidence of adverse soil and subsurface conditions. There is no obvious evidence of erosion or pooling at the site.
HAZARDOUS MATERIALS	The existence of any hazardous substances, including but not limited to polychlorinated biphenyls, petroleum leakage or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the appraiser's attention or observable from an inspection of the site other than as noted above.

HAZARDOUS MATERIALS (CONTINUED)

There are no other obvious sources of environmental hazards observed on the subject tract at the time of physical inspection. No responsibility is assumed for the determination of the absence or presence of hazardous materials on the property, as no actual testing to identify specific hazards has been undertaken within the scope of this analysis.

TOPOGRPAHIC MAP

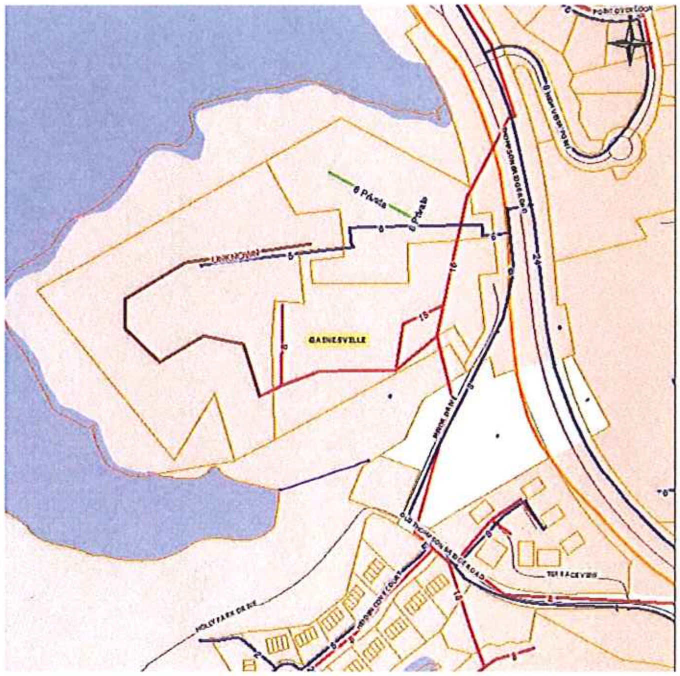


ZONING & LAND USE

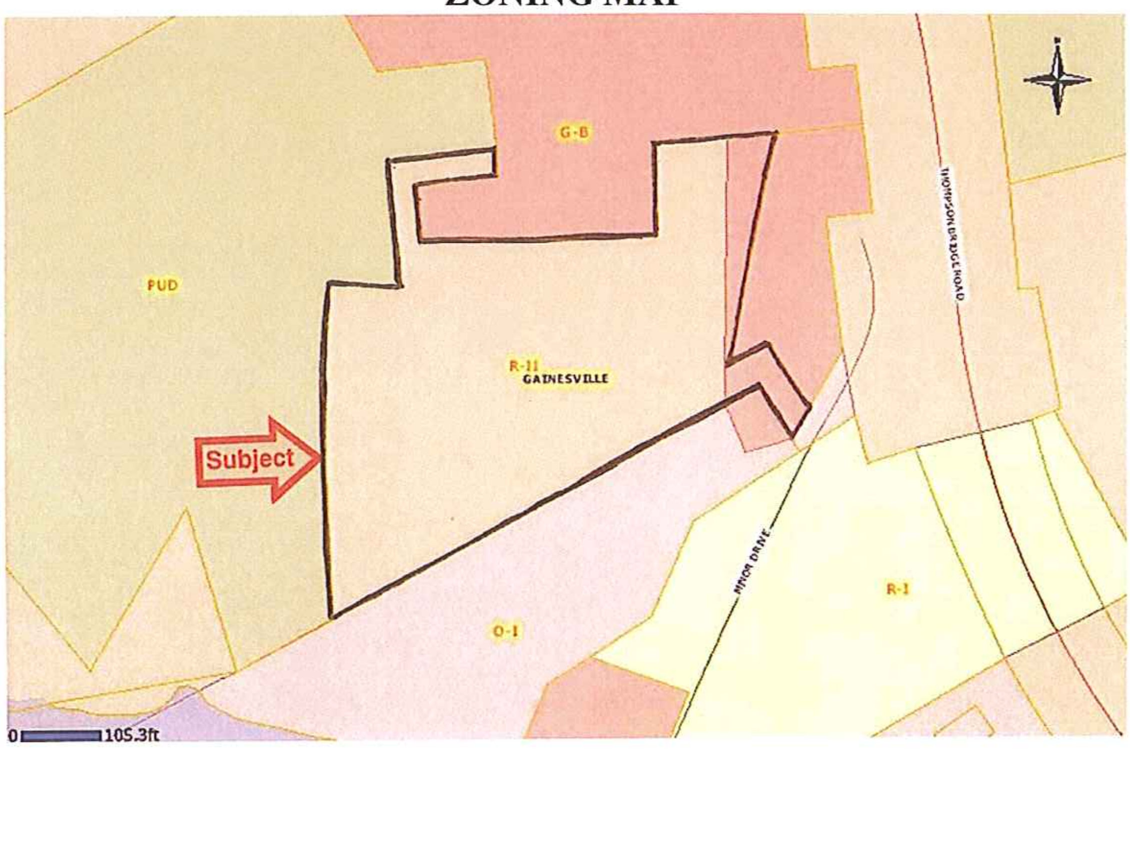
The subject is zoned Multi-Family Residential (R-II). Permitted uses include single-family, two-family, and multi-family residential uses in apartments, town homes, and condominium units. The subject is approved for a town home development with a maximum of 44 units.

Surrounding land uses include office and retail and apartments with an adjacent planned development for luxury townhomes with lake access and community dock.

UTILITIES MAP



ZONING MAP



Flood Plain

No portion of the subject tract is located within a flood hazard area according to FIRM Map #13139C 0180F dated September 29, 2006. A Flood Hazard Data Map provided by **Flood Insights** through the *CCIM Institute* is reproduced in the Addenda.

Site Analysis Conclusion

The subject property includes a ±4.84 acre site located on a peninsula near Thompson Bridge Road. It is currently zoned for multi-family use and approved for 44 townhomes. The subject is very irregularly shaped and has severely sloping topography. The presence of a sewer easement traversing one of its more level areas along the southern portion of tract will limit development potential. Zoning issues may also pose challenges. However, nearby approved developments include single and multi-family residences, a Class A office development, and highway commercial uses. The subject lacks lake access and docking privileges and is thus considered to be **only a lake view tract**. Its lake views are excellent and the adjacent Park provides both a buffer and restrictions to the subject's use potential. Overall, the subject is considered to be a below average secondary commercial site with an approximately useable area of ±4.60 acres. This acreage is mostly located off Thompson Bridge Road toward the northern portion of the tract. However, portions of this acreage are included for driveways and parking areas along its southern, low lying acreage off Minor Road.

SUBJECT PROPERTY HISTORY

Current Ownership River Pointe LLC

Date Acquired October 28, 2003

Purchase Price $550,500

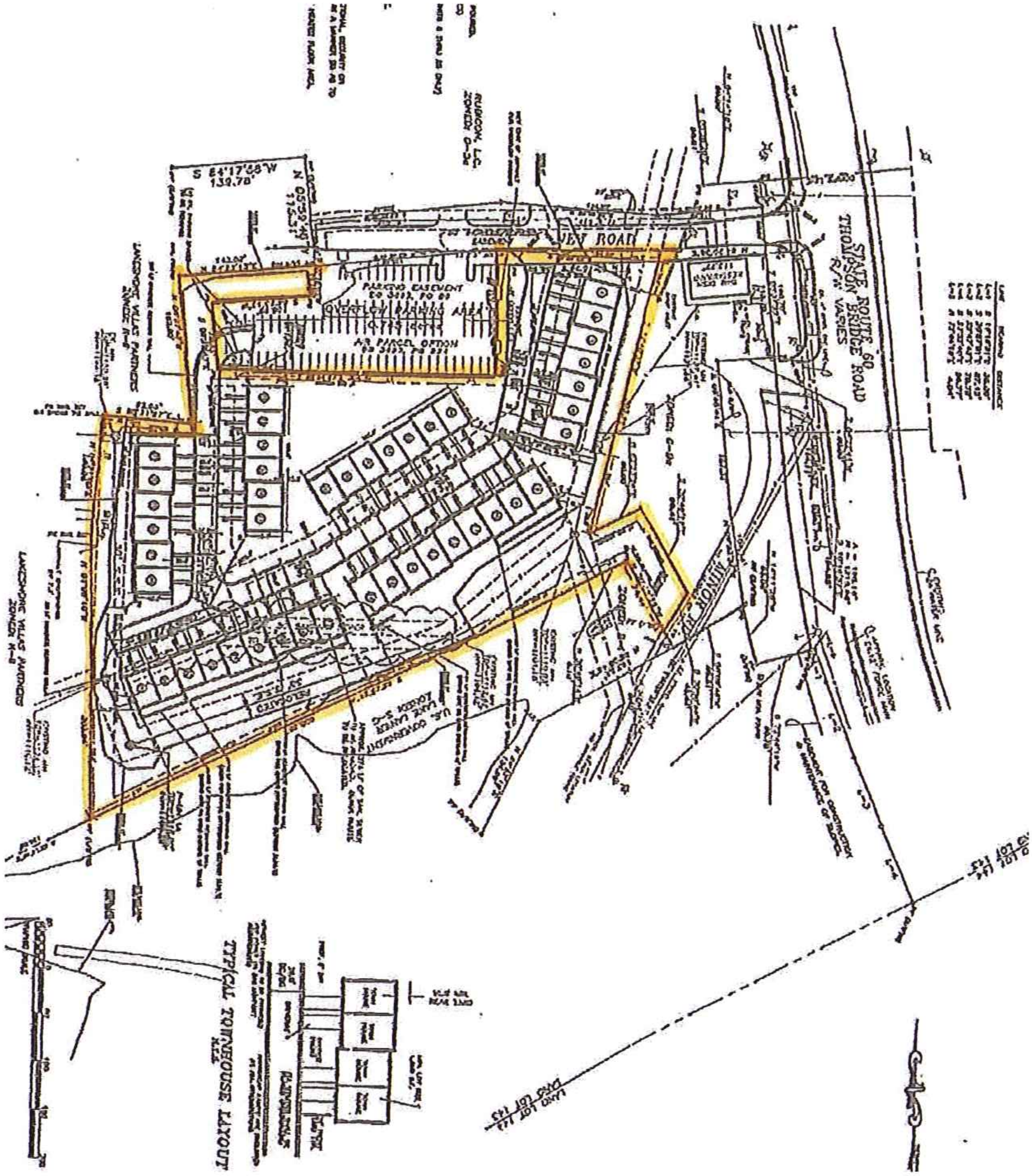
Deed Book/Page 4782/617

Prior Transactions

River Pointe LLC acquired the subject property as shown above from Wayne Clark Properties, LLC. The property owners (Mr. David Derusha & Mr. Larry Cherry) have several conceptual plans for the subject including the approved 44 lot townhome development, mid and high rise condo/office towers and retail shopping centers.

No other transactions involving the subject property are known to have occurred during the past five years.

PRELIMINARY SITE PLAN – NOT COUNTY APPROVED



REAL ESTATE TAXES

Hall County and the City of Gainesville levy property taxes on the subject property. The 2007 tax values are shown in the following table. A review of tax records for similar properties reveals these tax values are reasonable. There is no record of outstanding taxes for the subject. A copy of the subject's property record card is included in the Addenda for reference.

Tax Parcel #01-100-001-004

	Hall County	Gainesville
Assessor's Land Value	$496,385	$496,385
Assessor's Bldg Value	$0	$0
100% Assessment	$496,385	$496,385
Assessment Rates	40.00%	100.00%
2007 Assessed Value	$198,554	$496,385
2007 Millage Rates	0.00651	0.00962
Sub-total Taxes	$1,292.59	$4,775.22
Total Tax (rounded)	**$6,100**	

Parcel 01100 001004 — Gainesville - Hall County GIS

Owner Information	Property Information
RIVER POINTE LLC 2857 BRIDGEVIEW DRIVE GAINESVILLE, GA 30507	*Primary Site Address:* 0 MINOR DRIVE NORTHWEST GAINESVILLE, GA 30501 *Legal Description:* MINOR ROAD *Tax District:* 04 - GAINESVILLE 1 — *Homestead:* S0 *Digest Class:* C-Commercial — *Digest Strata:* 3-Lot *Deed Acres:* 4.84 — *Calc Acres:* 4.84

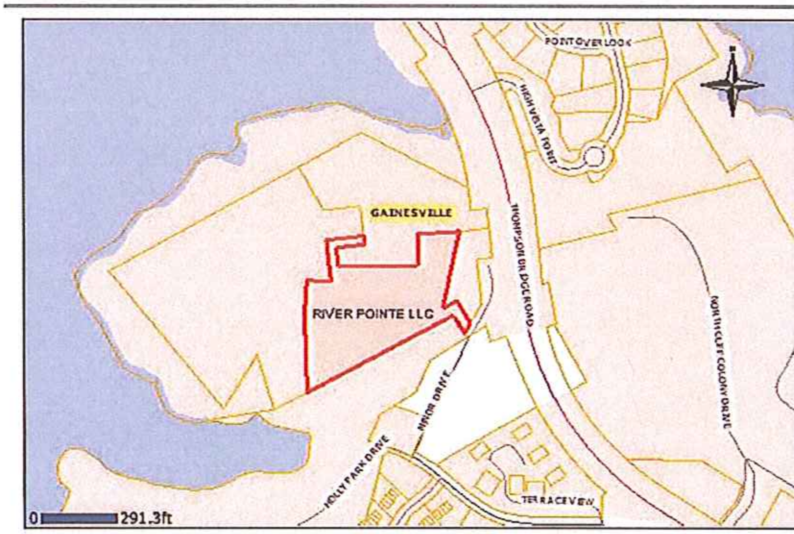
Property Values

Current Year	
Improvements:	$0
Land:	$496,385
Total :	$496,385

DISCLAIMER: The Total Current Year Value is not final until assessment notices are mailed in April.

Sales Information

Sale Date	*Sale Price*	*Deed Book*	*Plat Book*
10/28/2003	$550,000	4782 617	



DISCLAIMER
HALL COUNTY GOVERNMENT AND THE CITY OF GAINESVILLE MAKE NO WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PURPOSE, CONCERNING THE ACCURACY, COMPLETENESS, RELIABILITY, OR SUITABILITY OF THIS DATA. FURTHERMORE, HALL COUNTY GOVERNMENT AND THE CITY OF GAINESVILLE ASSUME NO LIABILITY WHATSOEVER ASSOCIATED WITH THE USE OR MISUSE OF SUCH DATA. ANY INTERPRETATION OR CONCLUSIONS FROM THE DATA ARE THE RESPONSIBILITY OF THE USER.

HIGHEST AND BEST USE ANALYSIS

Highest and Best Use is defined as the reasonably probable and **legal** use of vacant land or an improved property, which is **physically possible**, appropriately supported, **financially feasible**, and that results in the highest value (**maximally productive**). Implied within this definition is that the determination of highest and best use results from the appraiser's judgment and the analytical skill; i.e., that the highest and best use determined from analysis represents an opinion, not a fact to be found. The highest and best use of a vacant site should analyze what type and size improvements should be constructed in accordance with the above definition and criteria. The purpose of determining the highest and best use of the land as vacant is to define the criteria for the selection of comparable sales to be used in the valuation of the site, as well as to determine if the highest and best use as though vacant differs from that as improved, or proposed.

AS VACANT

LEGALLY PERMISSIBLE

A variety of single and multi-family residential uses are allowed under the subject's R-II Residential zoning. The current zoning was approved for the development of a 44 unit town home project.

<u>However</u>, the subject tract is surrounded by general business (GB), office (O-I) and planned unit development (PUD). It is reasonably probable that the zoning could be changed. Furthermore, discussions with neighboring property owners (Mr. David Mercer) and City zoning officials (Mr. Rusty Ligon) indicate that a change in zoning to allow a variety of office and retail would be approved <u>**if properly and professional planned**</u>. The most likely zoning change is to PUD to allow a mix of office and retail uses as the county has indicated that a destination restaurant and specialty, upscale retail uses are the more favored plans.

PHYSICALLY POSSIBLE

The subject's location within view of Lake Lanier and on a peninsular just north of the downtown Gainesville commercial district and surrounded by a mix of middle to high income housing, with the City's most affluent neighborhoods just across the lake, significantly improves its development potential.

The subject's size, shape, topography, access and presence of sewer easement all significantly diminish its potential site utility, reducing its useable area to an assumed ±4.60 acres. Development will remain challenging due to access, but as evidenced by other developments in the area, it could be developed with a mixed use that incorporates these topo features and maximize its value if professionally and expertly planned.

FINANCIALLY FEASIBLE

Very few multi-family sales are known to have occurred over the last 12 months and local market participants indicate the apartment and townhome markets are both is a sever slump. Historical multi-family land prices in the Gainesville area reveal prices from $21,000 to $48,000 per unit for luxury town homes and condominium developments and $7,000 to $10,000 per unit for conventional multi-family apartment developments throughout Hall County. Applying the upper apartment land unit values and the lower townhome unit value to the subject property's currently maximum allowable number of units (44) the total value potential indicated is $98,000 to $190,000 per acre. Commercial developments in the area indicate higher land prices at more than $200,000 per acre. Overall, given its location and the cost of development, a development that includes components of office and retail uses should be the most financially feasible at the present time.

MAXIMALLY PRODUCTIVE

The maximally productive use of the subject site includes a mixed use development.

CONCLUSION

The most productive, legally permitted, physically possible, and financially feasible use of this site is for a planned mixed use development.

LAND VALUE ANALYSIS

In order to determine the market value of the subject tract, the Gainesville and North Georgia and South Carolina market area was researched for similar sized vacant tract sales. The most comparable sales are included here.

LAND VALUATION BY SALES COMPARISON ANALYSIS

The most comparable land sales are analyzed based on sale price per acre and price per unit. These sales are compared to the subject tract with respect to various transactional, physical, and locational characteristics including date of sale, conditions of sale, location, tract size, access, exposure, topography, utilities, zoning and overall utility. Adjustments are applied to each sale indicating a market value per acre for the subject tract.

The adjustments in this analysis are subjective based on available knowledge of the properties and the subject market as well as discussions with numerous brokers and developers in the area.

COMPARABLE SALES

The following tables summarize the pertinent details of the sales chosen as the most comparable. A detailed profile of each comparable sale is included in the Addenda and a location map follows this discussion.

COMPARABLE LAND SALES SUMMARY

No.	Location	Sale Date	Sale Price	Lot Acres	Price per Acre
---	SUBJECT, off Thompson Bridge Road	10/03	$ 550,500	4.844	$113,646
1.	CVS site, Thompson Bridge Road & Price Road	02/08	$1,400,000	2.100	$666,667
2.	Thai Dish Site, Thompson Bridge Road	02/07	$ 610,000*	1.000†	$610,000
3.	Habour View Apts. Site, off Thompson Br. Road	12/06	$6,000,000	10.370	$578,592
4.	2600 Thompson Bridge Road	11/06	$1,100,000	2.350†	$468,085
5.	Cambridge Development, Limestone Parkway	06/07	$1,200,000	3.000†	$400,000
6.	Hilton Garden Inn, Browns Bridge Road	07/06	$ 875,000	2.190	$399,543
7.	Candler Street Condos, Candler and Prior St.	01/06	$1,360,000	3.530	$385,269
8.	High Pointe, Thompson Bridge, Lanier	07/00	$ 550,000	1.500†	$366,667
9.	Padgett's Office, Limestone Pkwy at Beverly Rd	09/07	$ 950,000	2.850†	$333,333
10.	Carriage Nissan North, Browns Bridge Road	09/07	$1,032,000	3.440	$300,000
11.	Rubicon Site, Thompson Bridge, Lake Lanier	06/00	$ 600,000	2.200†	$272,727
---	SUBJECT	10/03	$ 550,500	2.500†	$220,200
12.	Shop Ctr., Thompson Drive Road at Cochran	01/05	$ 450,000	2.470	$182,186

**Sale Price adjusted to reflect demo costs; † useable area*

The 2003 purchase of the subject tract is shown above at a price of $550,500 or $220,200 per useable acre. Sales 2, 3 and 4 surround the subject tract and reflect useable acreages with prices from $468,085 to $610,000 per useable acre. Sale 2 was improved with a small commercial building at the date of sale and the new owner has extensively renovated the interior as a sales office for the planned Greystone Condos (Sale 3) that have yet to be built. This owner (David Mercer) is currently holding the property as no pre-sales have yet to be obtained and marketing is on hold due to the currently tightening of the residential lending climate. Sale 4 was purchased by an out of state investor with plans for a high rise condo tower. After purchase zoning for such a use was denied and the site is currently listed for re-sale at the same price. These tracts have superior visibility and superior access; Sale 3 superior lake frontage with dock permits for 14 slips. Sale 1 is the graded pad site at the new Price Road development located several miles north of the subject.

Sale 11 is also adjacent to the subject and this price reflects the graded useable acreage sale of 2.2 acres for $272,727 per acre in June 2000. This site was subsequently developed with a Class A office building that remains only partially leased. This sale, although dated is compared to Sale 8 which is located on the opposite side of Thompson Bridge Road that sold in July of the same year, is significantly larger in gross but has such steeply sloping topo that only 1.5 acre was deemed useable and resulted in a price of$366,667 per useable area for a subdivision that is still not fully sold out.

Overall, Sales 1 through 4 indicate the subject value is **significantly less than $450,000 per useable acre.** Sales 8 and 11 and the subject sale at $220,200 per useable acre all indicate a value at **more than $200,000 per useable acre**.

The broad value range of $200,000 to $450,000 per useable area is narrowed by other sales in the Gainesville market area. These sales are included above and indicate the most appropriate subject value range per useable acre is **$300,000 to $400,000 per useable acre**. Sale 5, 9 and 10 are located in otherwise similar high visibility, high traffic and growing submarkets. Sales 6 and 7 are secondary commercial and townhome tracts, respectively that sold in 2006 before the current economic downturn and support this value range. Sale 6 is now being improved with a Hilton Garden Inn and its higher visibility and superior access have allowed a higher density use than the subject can expect and overall indicates the most reliable value for the subject at less than $400,000 per acre. Considering Sale 9 is most similar to the subject in topo and access, but perhaps slightly inferior in general location with no lake views, it most reliably indicates the subject value at more than $350,000 per acre. The resulting range is therefore the most reliable indicated by these sales.

FEE SIMPLE LAND VALUE INDICATION

Additional regional lakefront condominium sales were reviewed and provide further support this value range. However, these sales were not included since none have occurred within the most previous 18 month period.

Considering the limited of vacant land on or near Lake Lanier, this analysis indicates that development of the subject can only be successful if well planned by expert land planners that take advantage of its location, views, access, and proximity to the Chattahoochee Country Club and Riverside Drive affluent residential neighborhoods and the commercial districts of down town Gainesville and those along GA Highway 60. This is one of the few tracts on Lake Lanier that could implement a mixed use development without significantly impacting neighboring tracts of residential uses.

The most comparable sales indicate the subject value is $300,000 to $400,000 per useable acre. Overall, the subject land value is best indicated as follows:

± 4.60	Useable Acres	@	$400,000	Per Useable Acre	=	$1,840,000
± 4.60	Useable Acres	@	$300,000	Per Useable Acre	=	$1,380,000

CORRELATED & ROUNDED LAND VALUE: $1,400,000

MARKETABILITY AND REASONABLE EXPOSURE TIME

Overall marketability of the subject tract is considered fair. The subject tract has a good location at the northern end of Lake Lanier and its close proximity to Gainesville and the Chattahoochee Country Club significantly increase its marketability as a high-end mixed use development tract. Its current multi-family zoning limits its development potential to one that is currently not feasible. A change in zoning is likely to be approved if well planned and properly executed according to City/County officials. Development tracts of this nature have a limited number of potential purchasers and could require additional marketing time. If this property is marketed for sale, a period of more than 18 months may be required.

Exposure time is defined, as the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. A reasonable exposure time for the subject property to have been actively marketed for sale by a professional brokerage company is assumed to have been 12 months.

ADDENDA

ENGAGEMENT LETTER

<<Verbally committed by Mr. Bob Warner @ HavenTrust Bank>>

REGIONAL & COUNTY DATA

Executive Summary

Prepared for David C. Ball, MAI, CCIM

	Counties: Hall, GA
2008 Population	
Total Population	182,061
Male Population	50.8%
Female Population	49.2%
Median Age	33.9
2008 Income	
Median HH Income	$57,026
Per Capita Income	$23,451
Average HH Income	$69,955
2008 Households	
Total Households	60,637
Average Household Size	2.97
1990-2000 Annual Rate	3.16%
2008 Housing	
Owner Occupied Housing Units	64.0%
Renter Occupied Housing Units	26.7%
Vacant Housing Units	9.2%
Population	
1990 Population	95,428
2000 Population	139,277
2008 Population	182,061
2013 Population	211,827
1990-2000 Annual Rate	3.85%
2000-2008 Annual Rate	3.3%
2008-2013 Annual Rate	3.07%

In the identified market area, the current year population is 182,061. In 2000, the Census count in the market area was 139,277. The rate of change since 2000 was 3.3 percent annually. The five-year projection for the population in the market area is 211,827, representing a change of 3.07 percent annually from 2008 to 2013. Currently, the population is 50.8 percent male and 49.2 percent female.

Households	
1990 Households	34,721
2000 Households	47,381
2008 Households	60,637
2013 Households	70,101
1990-2000 Annual Rate	3.16%
2000-2008 Annual Rate	3.04%
2008-2013 Annual Rate	2.94%

The household count in this market area has changed from 47,381 in 2000 to 60,637 in the current year, a change of 3.04 percent annually. The five-year projection of households is 70,101, a change of 2.94 percent annually from the current year total. Average household size is currently 2.97, compared to 2.89 in the year 2000. The number of families in the current year is 44,812 in the market area.

Housing

Currently, 64.0 percent of the 66,809 housing units in the market area are owner occupied; 26.7 percent, renter occupied; and 9.2 percent are vacant. In 2000, there were 51,046 housing units— 66.0 percent owner occupied, 26.8 percent renter occupied and 7.2 percent vacant. The rate of change in housing units since 2000 is 3.32 percent. Median home value in the market area is $151,615, compared to a median home value of $192,285 for the U.S. In five years, median home value is projected to change by 0.79 percent annually to $157,693. From 2000 to the current year, median home value changed by 3.79 percent annually.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013. ESRI converted 1990 Census data into 2000 geography.

Executive Summary

Prepared for David C. Ball, MAI, CCIM

	Counties: Hall, GA
Median Household Income	
1990 Median HH Income	$29,774
2000 Median HH Income	$44,909
2008 Median HH Income	$57,026
2013 Median HH Income	$65,823
1990-2000 Annual Rate	4.2%
2000-2008 Annual Rate	2.94%
2008-2013 Annual Rate	2.91%
Per Capita Income	
1990 Per Capita Income	$13,356
2000 Per Capita Income	$19,690
2008 Per Capita Income	$23,451
2013 Per Capita Income	$27,208
1990-2000 Annual Rate	3.96%
2000-2008 Annual Rate	2.14%
2008-2013 Annual Rate	3.02%
Average Household Income	
1990 Average Household Income	$36,515
2000 Average Household Income	$56,988
2008 Average HH Income	$69,955
2013 Average HH Income	$81,770
1990-2000 Annual Rate	4.55%
2000-2008 Annual Rate	2.52%
2008-2013 Annual Rate	3.17%

Households by Income

Current median household income is $57,026 in the market area, compared to $53,154 for all U.S. households. Median household income is projected to be $65,823 in five years. In 2000, median household income was $44,909, compared to $29,774 in 1990.

Current average household income is $69,955 in this market area, compared to $73,126 for all U.S. households. Average household income is projected to be $81,770 in five years. In 2000, average household income was $56,988, compared to $36,515 in 1990.

Current per capita income is $23,451 in the market area, compared to the U.S. per capita income of $27,916. The per capita income is projected to be $27,208 in five years. In 2000, the per capita income was $19,690, compared to $13,356 in 1990.

Population by Employment

Total Businesses	8,586
Total Employees	72,026

Currently, 94.6 percent of the civilian labor force in the identified market area is employed and 5.4 percent are unemployed. In comparison, 93.4 percent of the U.S. civilian labor force is employed, and 6.6 percent are unemployed. In five years the rate of employment in the market area will be 95.3 percent of the civilian labor force, and unemployment will be 4.7 percent. The percentage of the U.S. civilian labor force that will be employed in five years is 93.9 percent, and 6.1 percent will be unemployed. In 2000, 65.5 percent of the population aged 16 years or older in the market area participated in the labor force, and 0.1 percent were in the Armed Forces.

In the current year, the occupational distribution of the employed population is:

- 53.2 percent in white collar jobs (compared to 60.2 percent of U.S. employment)
- 14.5 percent in service jobs (compared to 16.5 percent of U.S. employment)
- 32.3 percent in blue collar jobs (compared to 23.3 percent of U.S. employment)

In 2000, 76.4 percent of the market area population drove alone to work, and 2.2 percent worked at home. The average travel time to work in 2000 was 26.1 minutes in the market area, compared to the U.S. average of 25.5 minutes.

Population by Education

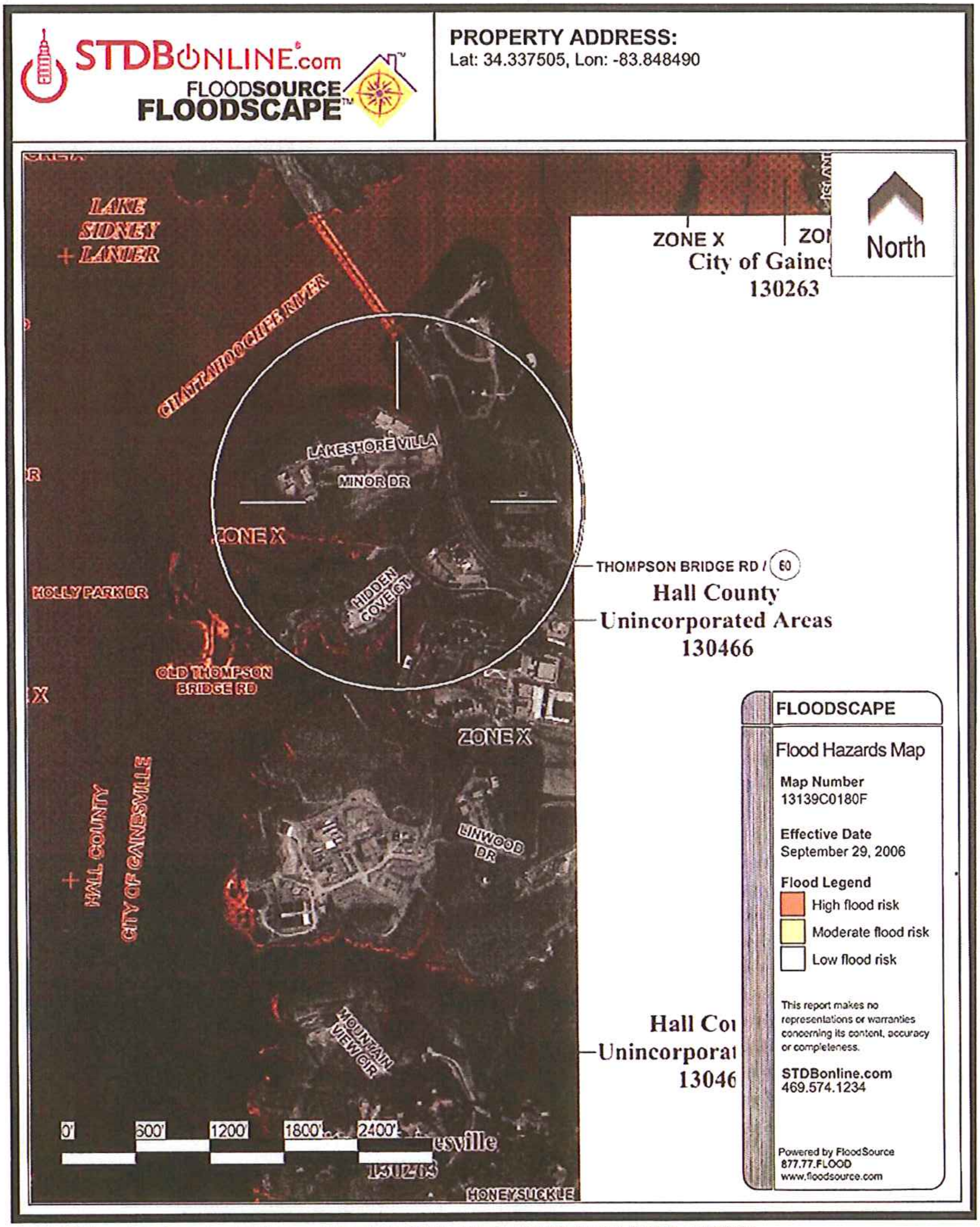
In 2008, the educational attainment of the population aged 25 years or older in the market area was distributed as follows:

- 25.2 percent had not earned a high school diploma (16.4 percent in the U.S.)
- 31.3 percent were high school graduates only (29.6 percent in the U.S.)
- 5.3 percent had completed an Associate degree (7.2 percent in the U.S.)
- 13.1 percent had a Bachelor's degree (17.0 percent in the U.S.)
- 7.5 percent had earned a Master's/Professional/Doctorate Degree (9.7 percent in the U.S.)

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013. ESRI converted 1990 Census data into 2000 geography.

 6/24/2008

FLOOD MAP


STDBONLINE.com
FLOODSOURCE
FLOODSCAPE
PROPERTY ADDRESS:
Lat: 34.337505, Lon: -83.848490
LAKE SIDNEY LANIER
CHATTAHOOCHEE RIVER
ZONE X
City of Gaines
130263
North
LAKESHORE VILLA
MINOR DR
ZONE X
THOMPSON BRIDGE RD / 60
Hall County
Unincorporated Areas
130466
HOLLY PARK DR
HIDDEN COVE CT
OLD THOMPSON BRIDGE RD
ZONE X
HALL COUNTY
CITY OF GAINESVILLE
LINWOOD DR
MOUNTAIN VIEW CIR
Hall Co
Unincorporat
13046
0'
600'
1200'
1800'
2400'
HONEYSUCKLE
FLOODSCAPE
Flood Hazards Map
Map Number
13139C0180F
Effective Date
September 29, 2006
Flood Legend
High flood risk
Moderate flood risk
Low flood risk
This report makes no representations or warranties concerning its content, accuracy or completeness.
STDBonline.com
469.574.1234
Powered by FloodSource
877.77.FLOOD
www.floodsource.com

SUBJECT DEED

04782
00617

GEORGIA, HALL COUNTY, CLERK 4782
SUPERIOR COURT FILED IN OFFICE
AND RECORDED IN BOOK 4782
PAGE (S) 617-618 THIS 29
DAY OF Oct 2003 AT 2:46pm
DWIGHT S. WOOD, CLERK BY
30745, 20823

HALL COUNTY, Georgia
Real Estate Transfer Tax
Paid $ 550.50
Date 10-29-03
DWIGHT S. WOOD
Clerk Superior Court
By

AFTER RECORDING PLEASE RETURN TO:
Hulsey, Oliver & Mahar
P. O. Box 1457
Gainesville, GA 30503
ATTENTION: Jane A. Range

000617

047640

WARRANTY DEED

GEORGIA, HALL COUNTY:

This deed made by and between Wayne Clark Properties, LLC, successor entity by merger to Holding Partners, L.L.C., Grantor, and River Pointe, LLC, Grantee,

WITNESSETH, that the said Grantor, for and in consideration of Ten ($10.00) Dollars and other valuable consideration in hand paid at and before the sealing and delivery of these presents, the receipt and sufficiency whereof is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell and convey unto the Grantee,

All that tract or parcel of land lying and being in Land Lot 143 of the 9th Land District, City of Gainesville, Hall County, Georgia, and being more particularly described upon plat for The Cove at River Pointe dated November 12, 2002, and last revised January 22, 2003, and being more particularly described according to said plat as follows:

BEGINNING at a pin on the westerly right of way of Minor Road (no public right of way recorded) which pin is North 48° 03' 00" West 1134.59' from the centerline intersection of Old Thompson Bridge Road and State Route 60 (Thompson Bridge Road), thence North 30° 49' 14" West 6.10' to an iron pin found; thence North 30° 49' 19" West 74.49' to a concrete monument found; thence South 62° 23' 24" West 629.99' to an iron pin found at a corner common to Lakeshore Villas Partners, now or formerly; thence North 01° 09' 10" West 303.64' to a nail set; thence North 04° 31' 00" East 130.06' to a p.k. nail set on a cross tie wall; thence South 85° 21' 27" East 92.95' to an iron pin found; thence North 05° 27' 43" West 162.60' to a nail found; thence North 84° 23' 13" East 143.02' to an iron pin found; thence South 00° 18' 03" West 33.18' to an iron pin set; thence South 84° 23' 13" West 106.69' to an iron pin set; thence South 05° 27' 43" East 72.63' to an iron pin set; thence South 89° 54' 47" East 304.39' to an iron pin set; thence North 00° 05' 12" East 122.29' to an iron pin set; thence North 87° 10' 28" East a distance of 156.69'; thence South 12° 40' 37" West 303.25' to a point; thence North 62° 23' 24" East 60.00' to a point; thence South 30° 49' 19" East

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00618

000618

99.41' to a point on the Northerly right of way of Minor Road; thence along Minor Road South 30° 50' 44" West 45.44' to the TRUE POINT OF BEGINNING.

TO HAVE AND TO HOLD the said premises, together with all rights and appurtenances unto the said Grantee, forever in **FEE SIMPLE**, and the Grantor **WARRANTS** the title to the same against the lawful claims of all persons whomever.

Whenever there is a reference herein to the Grantor or the Grantee, the singular includes the plural and the masculine includes the feminine and the neuter, and said terms include and bind the heirs, executors, administrators, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the Grantor has hereunto set his hand and affixed his seal this 28th day of October, 2003.

Wayne Clark Properties, LLC

By: (SEAL)
H. Wayne Clark, Manager

Signed, sealed and delivered this 28th day of October, 2003.

Witness

Notary Public
My Commission Expires:

LEGAL DESCRIPTION

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00667

Exhibit "A" 000667

All that tract or parcel of land lying and being in Land Lot 143 of the 9th Land District, City of Gainesville, Hall County, Georgia, and being more particularly described upon plat for The Cove at River Pointe dated November 12, 2002, and last revised January 22, 2003, and being more particularly described according to said plat as follows:

BEGINNING at a pin on the westerly right of way of Minor Road (no public right of way recorded) which pin is North 48° 03' 00" West 1134.59' from the centerline intersection of Old Thompson Bridge Road and State Route 60 (Thompson Bridge Road), thence North 30° 49' 14" West 6.10' to an iron pin found; thence North 30° 49' 19" West 74.49' to a concrete monument found; thence South 62° 23' 24" West 629.99' to an iron pin found at a corner common to Lakeshore Villas Partners, now or formerly; thence North 01° 09' 10" West 303.64' to a nail set; thence North 04° 31' 00" East 130.06' to a p.k. nail set on a cross tie wall; thence South 85° 21' 27" East 92.95' to an iron pin found; thence North 05° 27' 43" West 162.60' to a nail found; thence North 84° 23' 13" East 143.02' to an iron pin found; thence South 00° 18' 03" West 33.18' to an iron pin set; thence South 84° 23' 13" West 106.69' to an iron pin set; thence South 05° 27' 43" East 72.63' to an iron pin set; thence South 89° 54' 47" East 304.39' to an iron pin set; thence North 00° 05' 12" East 122.29' to an iron pin set; thence North 87° 10' 28" East a distance of 156.69'; thence South 12° 40' 37" West 303.25' to a point; thence North 62° 23' 24" East 60.00' to a point; thence South 30° 49' 19" East 99.41' to a point on the Northerly right of way of Minor Road; thence along Minor Road South 30° 50' 44" West 45.44' to the TRUE POINT OF BEGINNING.

Z.C.
DAO

COMPARABLE LOCAL MULTI-FAMILY SALES

Land Sale 1 & Comparable 2

Property Identification	
Record ID	1740
Property Type	Multi-family, Condo
Property Name	Harbor View
Address	2601 Thompson Bridge Road, Hall County, Georgia
Location	SW quadrant Thompson Bridge Road
Tax ID	01-100-001-002A
Sale Data	
Grantor	HarborView, LLC
Grantee	Regions Hospitality
Sale Price	$5,800,000
Cash Equivalent	$5,800,000
Land Data	
Zoning	R-II Multi-Family Residential
Utilities	All
Shape	Irregular
Flood Info	Zone X FIRM #130263 0180 E, March 21, 2000
Land Size Information	
Gross Land Size	10.340 Acres or 451,717 SF
Indicators	
Sale Price/Gross Acre	$559,306
Sale Price/Gross SF	$12.84

Land Sale No. 3

Property Identification	
Record ID	2256
Property Type	Residential, Residential assemblage
Property Name	Candler Park Condos Site
Address	Candler Street, Gainesville, Hall County, Georgia 30501
Location	N&S/s Candler Street E of Prior Street
Tax ID	Various (see Remarks Section)
Sale Data	
Grantor	Various
Grantee	Candler Parks, LLC
Sale Date	January 28, 2006
Deed Book/Page	Various
Verification	Brad Abernathy (developer); 770-536-9700
Sale Price	$1,285,000 Total for all parcels
Upward Adjustment	$75,000 Demo/Asbestos abatement
Adjusted Price	$1,360,000
Land Data	
Zoning	R-II, Multi-Family Residential
Utilities	All available
Shape	Irregular
Land Size Information	
Gross Land Size	3.530 Acres or 153,767 SF
Indicators	
Sale Price/Gross Acre	$364,023 Actual or $385,269 Adjusted
Sale Price/Gross SF	$8.36 Actual or $8.84 Adjusted

Remarks

This is the site for Candler Park Condos, a 29-unit complex that is under development. The following parcels were involved in this assemblage:
01-038-004-001,2,3,4,5,6,7 & 01-038-002-009,10,13,16

These parcels were purchased from various owners from May 2005 to February 2006. The total acquisition cost was $1,285,000 and the developer spent an additional $75,000 on the demolition of existing residences and asbestos abatement. The developer has installed a new curb/gutter, retention pond, and connected to water/sewer lines. He estimates that he currently has invested $95,000/unit in land including landscaping, utilities, and a sign at the entry.

The developer is building 3 BR/3.5 BA units (3,000 SF) marketed at $530,000 - $550,000 and 2 BR/2.5 BA units (1,800 SF) marketed at $470,000 - $520,000.

Land Sale No. 4

Property Identification	
Record ID	2258
Property Type	Residential, Residential lot
Property Name	Richardson Place Condos Site
Address	719 Park Street, Gainesville, Hall County, Georgia 30501
Location	N/s Park Street, just E of Prior Street
Tax ID	01-038-004-018
Sale Data	
Grantor	Estate of Elizabeth Petecost Richardson
Grantee	R.B. Abernathy, Inc.
Sale Date	February 28, 2005
Deed Book/Page	5244/72
Verification	Brad Abernathy (grantee); 770-536-9700
Sale Price	$157,500
Upward Adjustment	$15,000 Demo
Adjusted Price	$172,500
Land Data	
Zoning	R-II, Multi-Family Residential
Utilities	All available
Shape	Rectangular
Land Size Information	
Gross Land Size	0.492 Acres or 21,432 SF
Front Footage	89 ft Park Street
Indicators	
Sale Price/Gross Acre	$320,122 Actual or $350,610 Adjusted
Sale Price/Gross SF	$7.35 Actual or $8.05 Adjusted

Remarks

This was a single family dwelling and lot that was purchased for the development of condos. The demolition cost of the existing improvements was $15,000. The developer improved the site with 4 condos. These sold in the range of $250,000 each.

Land Sale No. 5

Property Identification	
Record ID	2257
Property Type	Residential, Residential lot
Property Name	Prior Street Condo Site
Address	429 Prior Street, Gainesville, Hall County, Georgia 30501
Location	W/s Prior Street, N of Park Street
Tax ID	01-038-003-021
Sale Data	
Grantor	Lloyd Unnold
Grantee	Hammertone Properties, LLC
Sale Date	October 26, 2006
Deed Book/Page	5856/143
Verification	Rufus Brown (developer); 770-534-6069
Sale Price	$155,000
Upward Adjustment	$10,000 Demo
Adjusted Price	$165,000
Land Data	
Zoning	R-II, Multi-Family Residential
Utilities	All available
Shape	Rectangular
Land Size Information	
Gross Land Size	0.522 Acres or 22,738 SF
Front Footage	88 ft Prior Street
Indicators	
Sale Price/Gross Acre	$296,935 Actual or $316,092 Adjusted
Sale Price/Gross SF	$6.82 Actual or $7.26 Adjusted

Remarks

This was a single family dwelling and lot that was purchased for the development of town homes. The demolition cost of the existing improvements was $10,000. The buyer felt that he got a good deal on this land and the market value may be higher. The developer plans to improve the site with 4 town home units. Three of these will consist of 1,750 SF finished space on the first level and 600 SF unfinished space on the second level. These will be marketed at $280,000 each.

Land Sale No. 6

Property Identification	
Record ID	2259
Property Type	Residential, Residential assemblage
Property Name	Enota/Yonah Ave Town Home Site
Address	Yonah Avenue & Enota Avenue, Gainesville, Hall County, Georgia 30501
Location	SW corner Enota Avenue & Yonah Avenue
Tax ID	01-075-001-021, 21A, 22, 23, 24
Sale Data	
Grantor	Eddie Martin
Grantee	Dominion Development Company, LLC
Sale Date	August 28, 2006
Deed Book/Page	5796/289
Recorded Plat	54/81
Verification	Marion Ray, Rusty Leggett - Planning & Zoning Dept.;
Sale Price	$880,000
Upward Adjustment	$50,000 Demo
Adjusted Price	$930,000
Land Data	
Zoning	PUD, PUD
Utilities	All available
Shape	Irregular
Land Size Information	
Gross Land Size	3.422 Acres or 149,062 SF
Indicators	
Sale Price/Gross Acre	$257,159 Actual or $271,771 Adjusted
Sale Price/Gross SF	$5.90 Actual or $6.24 Adjusted

Remarks

This is the sale of 5 parcels improved with single family dwelling. The improvements are being demolished at a reported cost of $50,000. The land is being redeveloped with luxury town homes. These will be 3,200 - 3,500 SF with a garage or basement and the complex will have a gated wall. The expected asking price of the finished town homes is $550,000 each.

Land Sale No. 7

Property Identification	
Record ID	1741
Property Type	Commercial
Property Name	Old Thompson Bridge Road
Address	Thompson Bridge Road, Hall County, Georgia
Location	SW quadrant of Thompson Bridge Road
Tax ID	00100 001001
Sale Data	
Grantor	NA
Listing Price	$1,750,000
Land Data	
Zoning	R-1, R-2 and CG
Topography	Unusable slope on Thompson Bridge Road
Utilities	All
Shape	Irregular
Land Size Information	
Gross Land Size	4.320 Acres or 188,179 SF
Wetlands Land Size	3.740 Acres or 162,914 SF
Front Footage	291 ft Thompson Bridge Rd;97 ft Old Thompson Bridge Road
Indicators	
Sale Price/Gross Acre	$405,093
Sale Price/Gross SF	$9.30

Remarks

Commercial waterfront property on Lake Lanier served by city water and sewer. Property is a 4.32 acre tract with 0.29 acres lying on the east side of Thompson Bridge Road. The 0.29 acres is unusable due to the size of said tract. The larger tract lies adjacent to city managed park with beach access and boat ramps. A boat dock is possible per the selling agents. An existing road onto property can be closed or modified according to the needs of the buyer. A restaurant or package sales store is considered to be the best use of the property. Seller is willing to rezone property to suit buyer's needs.

Land Sale No. 8

Property Identification	
Record ID	825
Property Type	Commercial, Office
Property Name	Rubicon/Lanier Point office site
Address	Thompson Bridge Road, Gainesville, Hall County, Georgia
Location	SW/q GA 60 & Thompson Bridge at Lake Lanier
Tax ID	01-100-01-002
Sale Data	
Grantor	Holding Partners, LLC
Grantee	Rubicon, LLC
Sale Date	June 7, 2000
Deed Book/Page	3687/220
Verification	Deed; Grantor; The Norton Agency, broker
Sale Price	$600,000
Land Data	
Zoning	GB, General Business
Topography	Rough Graded Pad by Seller
Utilities	All Available
Shape	Irregular
Land Size Information	
Gross Land Size	4.264 Acres or 185,740 SF
Useable Land Size	2.200 Acres or 95,832 SF 51.59%
Unusable Land Size	2.064 Acres or 89,908 SF 48.41%
Front Footage	100 ft SW/s GA 60; 731 ft southern bank of Lake Lanier
Actual/Planned Building SF	51,758
Indicators	
Sale Price/Gross Acre	$140,713
Sale Price/Gross SF	$3.23
Sale Price/Useable Acre	$272,727
Sale Price/Useable SF	$6.26
Sale Price/Planned Bldg. SF	$11.59

Remarks

Highly irregular site purchased for a new two-story Class A office building with subterranean parking. Site has steeply sloping downward topo to the lake, but the seller agreed to rough grade a 2.2 acre pad site for the buyer. The site area includes a 40' wide driveway/street easement for the adjacent Harbor View Apartments and an 80'x280' pad for future parking located on the opposite site of this easement from the building pad; this additional parking pad is included in the useable area.

Land Sale No. 9

Property Identification	
Record ID	2254
Property Type	Residential, Subdivision
Property Name	Peidmont Place Townhomes Site
Address	Piedmont Road, Gainesville, Hall County, Georgia 30501
Location	N/s Piedmont Road across from Bradford Street
Tax ID	01-070-003-009, 008, 007, & 084
Sale Data	
Grantor	Douglass R. Gee
Grantee	Cumberland Real Estate, LLC
Sale Date	September 28, 2006
Deed Book/Page	5828/175
Recorded Plat	138/50
Verification	Pat Kline (buyer);
Sale Price	$395,000
Land Data	
Zoning	R-II, Multi-Family Residential
Utilities	All available
Shape	Irregular
Land Size Information	
Gross Land Size	2.020 Acres or 87,991 SF
Front Footage	236 ft Piedmont Road
Indicators	
Sale Price/Gross Acre	$195,545
Sale Price/Gross SF	$4.49

Remarks

This site was purchased for the development of an 18-unit town home development called Piedmont Place. The purchasers of this transaction are currently under contract to sell the developed sites for $66,000 per unit. This will include all underground utilities, sewer/water permits and tap fees, an asphalt paved street, and curb/gutter. The total site development costs were reported at $400,000.

Land Sale No. 10

Property Identification	
Record ID	458
Property Type	Multi-family
Property Name	High Pointe Hi-Rise Condo Site
Address	Thompson Bridge Road, Gainesville, Hall County, Georgia
Location	SE/q Thompson Bridge
Tax ID	01-100-02-01
Sale Data	
Grantor	Clark & Cheek, LLC
Grantee	J. Bradley Abernathy & David W. Scroggs
Sale Date	July 5, 2000
Deed Book/Page	3700/447
Recorded Plat	S787/250A
Verification	Deed; verified by MAI appraiser
Sale Price	$550,000
Land Data	
Zoning	PUD
Topography	Steeply upward sloping
Utilities	All Avail
Shape	Irregular
Land Size Information	
Gross Land Size	4.847 Acres or 211,135 SF
Useable Land Size	1.500 Acres or 65,340 SF 30.95%
Unusable Land Size	3.347 Acres or 145,795 SF 69.05%
Planned Units	34
Indicators	
Sale Price/Gross Acre	$113,472
Sale Price/Gross SF	$2.60
Sale Price/Useable Acre	$366,667
Sale Price/Useable SF	$8.42
Sale Price/Unit	$16,176

Remarks

Hill top site that is planned for a 12-story, 34-unit condominium building adjacent to the prestigious High Pointe cluster-lot subdivision. This site features excellent lake and distant mountain views, but its steeply sloping topo, approx. 150 feet higher than the highway elevation, offers a small building pad. Zoning would allow up to 200 units in two, 15-story buildings, the grantee purchased this site contingent upon approval for the planned hi-rise condo tower with two levels of parking.

COMPARABLE CONDO SITE SALES

Land Sale No. 1

Property Identification	
Record ID	1722
Property Type	Commercial, Condo
Property Name	Lakeview Condominiums
Address	Lakeview Dr., Putnam County, Georgia
Tax ID	38B18
Sale Data	
Grantor	James M. Reynolds, III
Grantee	Lakeview Pointe Development, LLC
Sale Date	November 11, 2005
Deed Book/Page	527/151
Recorded Plat	27/209
Verification	McMichael Appraisals; 706-485-9575, Other sources: DA, Public Records
Sale Price	$2,025,000
Land Data	
Land Size Information	
Gross Land Size	2.460 Acres or 107,158 SF
Indicators	
Sale Price/Gross Acre	$823,171
Sale Price/Gross SF	$18.90

Remarks

The property has been zoned for condominium. There will 20 units total which were all pre-sold before construction for $500,000. Construction was set to begin February 2006. 2-10 slip docks will also be on the property. John Barrett is developing the site.

Pending Land Sale No. 2

Property Identification	
Record ID	2312
Property Type	Residential, Condo
Property Name	Montelago Condominium Development (Proposed)
Address	Luther Land Road, West Union, Oconee County, South Carolina
Location	N/s Luther Land Rd, E of Petty Rd, E of SC Hwy 188
Tax ID	164-01-016, 005, 006, 003, 036
Sale Data	
Grantor	Multiple Owners
Grantee	Marick Home Builders
Closing Date	March 14, 2007
Property Rights	Fee Simple
Conditions of Sale	UNDER CONTRACT
Financing	N/A - Proposed
Verification	Rick Thoennes (Proposed Developer); 864-232-5555
Contract Price	$24,000,000
Land Data	
Zoning	Unrestricted
Topography	Rolling
Utilities	Tele, Elec, Water
Shape	Irregular
Land Size Information	
Gross Land Size	18.000 Acres or 784,080 SF
Planned Units	270
Indicators	
Sale Price/Gross Acre	$1,333,333
Sale Price/Gross SF	$30.61
Sale Price/Planned Units	$88,889

Remarks

18 acre assemblage located along three coves in Lake Keowee, SC. Marick Homebuilders are trying to assemble this tract for development of a 270 unit luxury town home development that will feature full amenities such as restaurant, spa, tennis, pool, etc. The proposed development is heavily opposed by the homeowners in an adjoining subdivision called Beacon Shores. In addition to disapproval from surrounding homeowners to the high density of the development, the primary hurdle is the relatively narrow width of Luther Land Road which would have to be widened considerably and would encroach on a number of property owners. If approved, the developer plans to market condominiums in the $550,000 to $1,400,000 range.

Land Sale No. 4

Property Identification	
Record ID	2314
Property Type	Residential, Condo
Property Name	The Regatta Condo Site
Address	Tucker Drive, Anderson, Anderson County, South Carolina
Location	E/s Tucker Tr, N of Inlet Dr, E of SC Hwy 24
Tax ID	046-00-05-006
Sale Data	
Grantor	Mary T. McPhail
Grantee	Anderson Premier Properties, LLC
Sale Date	June 20, 2005
Deed Book/Page	6798/157
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Verification	Public Records, Adam Perutelli w/Charles Stone, MAI & Associates;
Sale Price	$1,287,000
Upward Adjustment	$400,000 rough grading
Adjusted Price	$1,687,000
Land Data	
Zoning	No County Zoning
Topography	Rolling
Utilities	All available
Shape	Irregular
Land Size Information	
Gross Land Size	7.160 Acres or 311,890 SF
Actual Units	28
Indicators	
Sale Price/Gross Acre	$179,749 Actual or $235,615 Adjusted
Sale Price/Gross SF	$4.13 Actual or $5.41 Adjusted
Sale Price/Actual Units	$45,964 Actual or $60,250 Adjusted

Remarks

7.16 acre site located along Lake Hartwell in Anderson, SC. This tract was purchased for development of 28 luxury town homes. The sales price was adjusted upward by $400,000 to reflect site work that was required to make the site suitable for multi-family development. According to the appraiser, the developer had 12 units pre-sold in the $550,000 range prior to breaking ground. The remaining units are offered in the $600,000 and above range. Amenities include a community boat dock, swimming pool, and clubhouse.

Land Sale No. 5

Property Identification

Record ID	1723
Property Type	Commercial, Condo
Property Name	South Bay Lake Oconee
Address	Marina Rd, Putnam County, Georgia
Tax ID	050A-015

Sale Data

Grantor	Brantley Marina & Gun Shop
Grantee	S&P Lake Properties, LLC
Sale Date	August 24, 2005
Deed Book/Page	515/614
Recorded Plat	18/13
Verification	McMichael Appraisals; 706-485-9575, Other sources: DA, Public Records
Sale Price	$4,500,000

Land Data

Land Size Information

Gross Land Size	12.791 Acres or 557,176 SF

Indicators

Sale Price/Gross Acre	$351,810
Sale Price/Gross SF	$8.08

Remarks

Property is in three parts with only two sales closed. The third is set to close on April 14, 2006. 130 Collis Restaurant, LLC sold 3.808 ac. for $1,637,500. This makes the total sale price to date at $6,137,500. The site will be developed with 2 & 3 bed room condominiums from the $400,000 range. The site is currently improved with a marina, boat storage unit, restaurant, and various SFR. Surrounded by small square foot subdivisions and pasture land. The site has a great point location on the lake. The site plans for the development are located at www.southbaylakeoconnee.com.

Land Sale No. 7

Property Identification	
Record ID	2313
Property Type	Residential, Condo
Property Name	Sojourn at Cuscowilla
Address	Indian Summer Path, unincorporated, Putnam County, Georgia
Location	N/s Indian Summer Path, SW of GA 44
Sale Data	
Grantor	Seed Orchard, LLC
Grantee	Capstone Cuscowilla, LLC
Sale Date	January 19, 2006
Deed Book/Page	534/699
Conditions of Sale	Arm's Length
Verification	Deed/Broker (Chris Howington); 706-347-1386
Sale Price	$1,450,000
Land Data	
Topography	Level
Utilities	All available
Shape	Irregular
Land Size Information	
Gross Land Size	2.240 Acres or 97,574 SF
Actual Units	37
Indicators	
Sale Price/Gross Acre	$647,321
Sale Price/Gross SF	$14.86
Sale Price/Actual Units	$39,189

Remarks

2.24 lakefront site located within the Cuscowilla development on Lake Oconee in Putnam County, GA. This site was purchased for development of a 37 unit condominium project. The project features three 3-story buildings (with elevators) of granite and stucco construction and an amenity package including swimming pool, gazebo, and a membership to the Cuscowilla Golf Club. The units range in size from 1,600 to 2,500 SF and are selling pre-construction in the $450,000 to $750,000 per unit range.

Land Sale No. 8

Property Identification	
Record ID	1724
Property Type	Condo
Property Name	The Grove at Cuscowilla
Address	Putnam County, Georgia
Location	Lake Oconee
Sale Data	
Grantor	Seed Orchard, LLC
Grantee	Grove Partners, LLC
Sale Date	December 02, 2003
Deed Book/Page	8213/493
Recorded Plat	28D/58
Verification	Other sources: DA, Public Records
Sale Price	$1,300,000
Land Data	
Land Size Information	
Gross Land Size	16.150 Acres or 703,494 SF
Indicators	
Sale Price/Gross Acre	$80,495
Sale Price/Gross SF	$1.85

Remarks

The property is located with in the Cuscowilla golf community on Lake Oconee. Thirty Four total lots with 8 lake lots and remaining lots are located on the golf course. The craftsman style golf cottages are selling for $500,000. The smallest lot is .21 acres and the largest lot is .40 acres. The lots only cover 9.09 acres.

Land Sale No. 9

Property Identification	
Record ID	1726
Property Type	Condo
Property Name	Pinnacle Point
Address	Putnam County, Georgia
Location	Lake Oconee
Sale Data	
Grantor	John Singleton & Company
Grantee	John H Barrett
Sale Date	January 19, 2001
Deed Book/Page	460/263
Recorded Plat	12/18
Verification	Other sources: DA, Public Records
Sale Price	$900,000
Land Data	
Land Size Information	
Gross Land Size	5.000 Acres or 217,800 SF
Indicators	
Sale Price/Gross Acre	$180,000
Sale Price/Gross SF	$4.13

Remarks

All 30 units were sold out in one year in the $300,000 to $350,000 range. Lake Oconee is on two sides of the property allowing every unit a view of the lake.

Land Sale No. 10

Property Identification

Record ID	1725
Property Type	Town Homes
Property Name	Blue Heron Cove
Address	Putnam County, Georgia
Location	Hwy 44 & Scott Road
Tax ID	027C-051

Sale Data

Grantor	Morris L. Lupton
Grantee	Thompson Builders Inc
Sale Date	April 12, 2005
Deed Book/Page	498/766
Recorded Plat	16/138
Verification	McMichael Appraisals; 706-485-9575, Other sources: DA, Public Records
Sale Price	$3,000,000

Land Data

Land Size Information

Gross Land Size	15.000 Acres or 653,400 SF

Indicators

Sale Price/Gross Acre	$200,000
Sale Price/Gross SF	$4.59

Remarks

Property has a total of 102 units of 3 & 4 bedroom town homes ranging from $450,000 to $550,000. The location is not a primo high end location on Lake Oconee. Lake access and day docks along with several other amenities are available. 12.83 acres are for residential use and the remaining 2.17 acres are for commercial use.

PROFESSIONAL QUALIFICATIONS

David C. Ball, MAI, CCIM, GAA

937 Enota Avenue • Gainesville, Georgia 30501 • 770.287.8200 • dballpk@hotmail.com

EXPERIENCE

2002 - Present	President, The David Ball Company, Inc. Commercial Real Estate Appraisal & Valuation Consulting *Gainesville, GA & Brunswick, GA*
2001 – 2002	Vice President, Commercial Real Estate Appraisal Manager Parker-Kaufman Realtors & Insurors 513 Gloucester St., Brunswick, GA 31520 W. Wright Parker, MAI - John A. Kaufman, SRA, CCIM, REALTOR
1991 – 2002	Commercial Fee Appraiser Crisler & Associates, Savannah, GA – Joel Crisler, MAI Metro Appraisals, Inc., Gainesville, GA – R. Jaeger, MAI Weibel & Associates, Inc., Atlanta – Clay M. Weibel, MAI & Tom Stokes, MAI Everson & Associates, Inc., Marietta, GA – Larry Everson, MAI Bass & Associates, Inc., Carrollton, GA – Hugh B. Bass, MAI
1990 – 1991	Commercial Real Estate Research Analyst CB Commercial Real Estate Services, Atlanta, GA Bruce Kellogg, MAI - Jimmy Cook, MAI - Ron Neyhart, MAI
1988 – 1989	Residential Real Estate Research Analyst Carter Appraisal Services, Athens, GA E. Curtis Carter, SRA
1985 – 1988	Residential Carpenter HW Richards Lumber Co. & Richards Homes, Carrollton, GA

Experience includes appraisals, consultations, marketability/feasibility studies, and market analysis of the following property types located primarily in the Southeastern United States:

Commercial: single & multi-tenant retail and shopping centers, stores, auto dealerships & service, convenience stores
Industrial: manufacturing and warehousing, rail yards, port facilities, office/warehouses, business parks, industrial buildings
Office & Medical Office: single & multi-tenant office buildings, office parks, office/business parks, surgical centers
Hospitality: hotels and motels (full and limited service), conference centers and condos, fast food and site down restaurants
Residential & Multi-Family Housing: apartments, condominiums, subdivisions
Special Use Properties: Churches, Greenhouses, Golf Courses & Driving Ranges, Farms, Mobile Home Parks, Nursing Homes, Timberland, Coastal Properties, Powerline & Railroad Easements, and Conservation Easements

EDUCATION

University of Georgia	**BBA,** Bachelor of Business Administration with major in **Real Estate**
Georgia State University	MSRE program - 60 quarter hours (of 120) Post Graduate Course Work
Appraisal Institute	**MAI** Member of the Appraisal Institute No. 11704
CCIM Institute	**CCIM** - Certified Commercial Investment Member Designee No. 11085

PROFESSIONAL AFFILIATIONS

MAI Member of the Appraisal Institute (No. 11704)
CCIM – Certified Commercial Investment Member designee (No. 11085)
GAA – National Association of REALTORS® General Appraiser (#4688)
Georgia Licensed Real Estate Salesperson (No. 154505-Inactive)
Designated REALTOR® (NRDS#288528519)

GA Certified General Appraiser (No. C1225)
NC Certified Appraiser No. A5594
SC Certified Appraiser No. 4073
TN Certified Appraiser No. 3318
Temporary Practice Permits granted in other states

Professional Qualifications of David C. Ball, MAI, CCIM, GAA (continued)

Certified General Real Property Appraiser status under Temporary Practice Permits have been granted in Alabama, Florida, Iowa, Maryland, Massachusetts, North Carolina, Pennsylvania, South Carolina, Tennessee, & Virginia. Most states also grant reciprocity with Georgia upon request.

The Appraisal Institute

- Course 110-Appraisal Principals
- Course 120-Appraisal Procedures
- Course 310-Basic Capitalization
- Course 400-USPAP Update
- Course 410- USPAP Part A
- Course 420- USPAP Part B
- Course 430- USPAP Part C
- Course 510-Advanced Capitalization
- Course 540-Report Writing
- Course 550-Advanced Applications
- Demonstration Report requirement met
- 16-hour Comprehensive Exam

CONTINUING EDUCATION SEMINARS COMPLETED

- Appraisal Institute's Annual Investor Survey
- The Comprehensive Appraisal Workshop
- Design & Functional Utility
- Hotel/Motel Valuation (materials review)
- Analyzing Commercial Lease Clauses
- Experience Review Screener training
- Self Storage Economics & Appraisal
- Business Practice & Ethics Course 420
- The High Tech Appraiser
- Fair Lending and the Appraiser
- Appraising from Blueprints
- Mark to Market (CPA Seminar)
- Appraisal Consulting Solutions
- Appraising Convenience Stores
- Standards of Prof. Practice 2004
- USPAP Update 2006
- Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book Certificate)
- Valuation of Conservations Easements (Conservation Easement Certificate Awarded)

CCIM Institute Courses for Commercial Real Estate Investment Study

- CI 101: Financial Analysis
- CI 102: Market Analysis
- CI 103: User Analysis
- CI 104: Investor Analysis
- CCR: Core Concepts Review
- 5-hr Comprehensive Exam

Representative Client List

Lending Institutions

Albany Bank & Trust
Athens First Bank & Trust
Atlantic National Bank
Bank of North Georgia
BB&T
Century Bank of Texarkanna
Chestatee State Bank
Coastal Bank of Georgia
Community Bank & Trust
Gainesville Bank & Trust (GB&T)
GE Capital
Georgia Central Bank
Farmers & Merchants Bank
First American Bank & Trust
Habersham Bank
Hamilton State Bank
Heritage Bank
Main Street Bank
National Bank of Gainesville
North Georgia Bank
Northeast Georgia Bank
Oconee State Bank
Park Avenue Bank
Rabun County Bank
Regions Bank
Sapelo National Bank
Security Bank
Seneca National Bank
Southeastern Bank
SunTrust Bank
The Patterson Bank
United Community Bank
Wachovia Bank

Developers/Owners

Burger King, Gainesville Franchisee
Christ Church, Frederica
Dollar General/Green St. Capital
Don Carter Realty (Office/Retail)
Episcopal Diocese of Georgia
Grace Episcopal Church
Georgia Nature Conservancy
Locos, Inc.
McKibbon Hotel Group (Marriott)
Mercer Company (Hampton/AmeriSuites)
New South Properties - Wendy's
Roman Catholic Archdiocese of Atlanta
Sawyer's Enterprises – Hotel Developer
Sea Island Company
St. Joseph's Roman Catholic Church, Athens
The Simpson Company
WIT Group – Wendy's
Zaxby's Holdings/Franchising

Estate & Tax Planning Attorneys/CPAs

Alexander Almand & Tillman, CPAs
Donaldson, Lufkin & Jenrette, PC
Gilbert, Harrell, Summerford, Martin & Gregg
Hulsey Oliver & Mahar
Jones Spitz Moorhead Baird Albergotti, PC
Powell Goldstein, LLP
Stewart Melvin & Frost, PC
Taylor, Odachowski, Sperry & Crossland
The Bishop Law Firm
Whelchel & Dunlap

Industrial & Timber Companies

CSX Railroad Real Property, Inc.,
Georgia-Pacific, Plum Creek Development,
Gold Kist, Southern States Co-Op,
International Paper, Branigar, Blue Sky Timber
Norfolk Southern Railroad Corp.
Lewis Crab, OSG Mfg, Springs Industries,
The Warren Featherbone Co.

Government Agencies/Authorities

Athens Land Trust
Brunswick/Glynn County Hospital Authority
City of Atlanta Housing Authority
City of Brunswick
City of Gainesville
Federal Aviation Administration (FAA)
Georgia Dept. of Natural Resources (DNR)
Georgia Dept. of Transportation (DOT)
Georgia Ports Authority (GPA)
State of Georgia, Properties Commission
Glynn County Development Authority
Glynn County Airport Commission
Hall County Government
HUD (Section 8 & Tax Credits)
Northeast Georgia Hospital Authority
Northeast GA Regional Development Commission
North Georgia Community Foundation
Oconee County Development Authority
US Small Business Association (SBA)
US Army Corps of Engineers
US Dept. of Transportation (Federal Highway Dept.)
US Dept. of Interior (US Park Service)

Professional Qualifications of David C. Ball, MAI (continued)

MAJOR APPRAISALS & VALUATION CONSULTING PROJECTS OF NOTE

C&S Bank Tower, 9-story office building, Downtown Athens, GA	CBD OFFICE TOWER
Bank of America Plaza, a 4-story, Class A Office Building, Downtown Brunswick, GA	OFFICE BUILDING
BB&T Bank and Mortgage Office, Gainesville, GA & Dahlonega, GA	BANK OFFICE FACILITIES
Brunswick Outlet Mall Conversion, I-95 in Brunswick, Glynn County, GA	REGIONAL OUTLET MALL
US Coast Guard Station Brunswick, South Brunswick River at the Port of Brunswick	PORT SITE
Lewis Crab Factory, Bay Street and South Brunswick River, Port of Brunswick	PORT CONDEMNATION
Stambaugh Aviation former Delta Terminal Facility, Glynco Jetport, Brunswick GA	AIRPORT TERMINAL
Southeast Georgia Regional Hospital Site, Brunswick, Glynn County, Georgia	HOSPITAL CONDEMNATION
Summitt Sports Medicine Tower and Campus, I-95 Brunswick, Glynn County, GA	MEDICAL OFFICE CAMPUS
±10,000 acres for Yankee Landing, Dover Bluff, Jelks Tract for International Paper	DEVELOPMENT SITES
±15,000 acres Timberland in Lincoln, Oconee, Oglethorpe, Taliaferro, Warren, Wilkes	TIMBER TRACTS
±20,000 ac. Timberland in Brantley, Camden, Coffee, Jeff Davis, Liberty, Wayne Co.	TIMBER TRACTS
Altamaha State Park Expansion, Glynn County, GA	STATE PARK LAND
Hall County Parks & Recreation Department, GA	COUNTY PARK LAND
Grain & Fertilizer Facilities in Lake City, FL & Campbelton, FL for Southern States	GRAIN ELEVATOR
Gym of '36 Office Building, downtown Gainesville, Hall County, GA	HISTORIC RENOVATION
Lanier Center Best Western Hotel & Conference Center, Gainesville, Hall County, GA	HOTEL & CONFERENCE CTR
TAMPA Marriott Courtyard & Residence Inn Towers, Downtown	CBD HOTEL
CHARLOTTE Marriott Residence Inn Tower & Parking Deck	MIXED USE HOTEL
SAVANNAH Marriott Courtyard Hotel & Underground Parking Garage	CBD HOTEL & PARKING
LITTLE ROCK Marriott Courtyard Hotel & Office Tower with Condos	HOTEL/OFFICE/CONDOS
Downtown Gainesville Square Re-Development Office/Retail Use	CBD OFFICE/RETAIL
Lodging Industry Marketability & Feasibility Analysis: Athens, Savannah, & Macon	HOTEL MARKET STUDY
Golden Isles Marina Marketability & Purchase Negotiation Consultation	MARINA CONSULTATION
Georgia Power Overhead Transmission Line Easement & FAA Tower, Thalman, GA	FAA TOWER LEASE
Norfolk Southern/CSX Railroad right-of-way acquisition – Glynn County, GA	RAILROAD CONDEMNATION
Rogers Outdoor Advertising, Glynn County, GA	BILLBOARD VALUATION
Springs Industries, Warren Featherbone, OSG Tool, World Wide Manufacturing	+100,000 SF INDUSTRIALS
Peckerwood Farms, Hall County, GA	CATTLE/POULTRY FARM
Elder Mill Covered Bridge Tract, Mitchell Farm Tract, Oconee County, GA	CONSERVATION EASEMENT
Honey Creek Episcopal Church Camp	CHURCH CAMP/PARK
Osprey Cove and St. Mary's River Islands, Camden County, GA	MARSH HAMMOCKS
Ernie Elliot Racing Facility, Dawsonville, GA	SPECIAL PURPOSE

Hotel/Motel Specialization with over 300 appraisals of national and regional brand properties that have included: AmeriSuties, Marriott, Hampton Inn, Holiday Inn, Holiday Inn Express, Hilton Garden Inns, Days Inn, Comfort Inn, Econo Lodge, Ramada, Sleep Inn, Best Inns, Motel 6, Travelodge, Best Inns, etc throughout the Southeastern US

Fast-food Restaurant Specialization with over 150 appraisals for brand properties in the SE US that have included: Burger King, Dairy Queen, Krystal, KFC, Taco Bell, Popeye's, Wendy's, Martins, Hardee's, Back Yard Burger & Zaxby's

Self-Storage Specialization with over 100 appraisals for properties in the Southeastern US that have included both conventional and climate control storage units, with and without on-site management, and located in areas such as rural North and East Georgia to urbanized metropolitan Atlanta and Savannah locations to coastal properties in St. Simons, Brunswick and Jacksonville, FL

Timberland Specialization includes appraisals of over 80,000 acres of timberland in the Southeastern US for International Paper/Blue Sky, Georgia-Pacific/Plum Creek, The Nature Conservancy, State of Georgia DNR, the US Coast Guard, the FAA, and numerous private investors on tracts ranging from 10 to over 9,600 acres which include mountainous North Georgia Southern Appalachian and Cumberland Plateau tracts, Middle Georgia Timberland tracts, swamp and marshlands in coastal Georgia, and waterfront tracts throughout the State.

General Certified licenses for Georgia, Tennessee, North & South Carolina are available upon request.

PROFESSIONAL QUALIFICATIONS

JASON K. BARR

Georgia Registered Real Property Appraiser (No. 326248)

EXPERIENCE

August 2006 – Present	Staff Appraiser The David Ball Company, Inc., Gainesville, GA
September 2004 – April 2006	Production Manager Tyco Healthcare, Norfolk, NE
October 2002 – September 2004	Production Superintendent Tyco Healthcare, Watertown, NY
September 2000 – October 2002	Process Engineer Tyco Healthcare, Deland, FL
May 1998 – September 2000	Manufacturing Engineer/Supervisor Belden Wire & Cable, Richmond, IN

Experience includes appraisals, consultations, marketability/feasibility studies, & market analysis of the following property types located primarily in GA.

- Multi-Family housing
- Vacant Land
- Retail and Commercial Properties such as shopping centers
- Industrial and Manufacturing Properties including warehouse and storage buildings
- Office Buildings including medical/office and office condominium units
- Commercial and Residential Subdivisions
- Lodging Facilities

EDUCATION

Tennessee Technological University BS in Mechanical Engineering, May 1998 – Magna Cum Laude
College of Engineering, Tennessee Technological University, Cookeville, TN

Ball State University MBA, Master of Business Administration, completed 3 semesters (relocated)
College of Business, Ball State University, Muncie, IN

The Appraisal Institute Courses & Seminars Successfully Completed

Basic Appraisal Principals
Basic Appraisal Procedures
15 Hour National USPAP Course
Report Writing and Case Study
Real Estate Finance Statistics and Valuation Modeling
Course 420 – Business Practices and Ethics

PROFESSIONAL AFFILIATIONS

General Associate Member of the Appraisal Institute
Georgia Registered Real Property Appraiser (#326248)

USEABLE AREA LETTER

Patton – Boyer, Inc.

LAND SURVEYORS • CIVIL ENGINEERS

809 Atlanta Highway
Gainesville, GA 30501

Phone: 770-532-6492
Fax: 770-532-1995
Email: info@pattonboyerinc.com

Chris M. Patton, RLS
Paul S. Boyer, Sr. PE

August 18, 2008

Mr. David A. Derusha
Riverpointe Development, LLC
2857 Bridgeview Drive
Gainesville, GA 30507

Re: The Cove at River Pointe
Thompson Bridge Road
Gainesville, GA 30501

Dear Mr. Derusha:

In January 2003, we permitted The Cove at River Pointe for Riverpointe Development, LLC. That design was based upon a property area of 4.60 acres.

When developing a site, there are two factors that come into play. One is *buildable area,* which is the gross property area minus all setbacks, easements, and other building restricted areas. This is the area that *buildings* may be built upon. This should not be confused with the other factor, which is *useable area.* Useable area is the gross property area minus any areas that may not be used for any development (*i.e.* flood plains, lakes/ponds, etc.).

It is our professional opinion that there are 4.60 acres of *useable* area on this property. The areas not occupied by buildings (*i.e.* building setbacks, easements, buffers, etc.), can be used for other elements of development. These elements include required parking areas, driveways, green space, and graded slopes/retaining walls.

If you have any questions, please call me (770) 532-6492, ext. 223.

Sincerely,

PATTON-BOYER, INC.

Paul S. Boyer, Sr.

Paul S. Boyer, Sr.
GA PE #18702
Vice President

GEORGIA
REGISTERED
No. 18702
PROFESSIONAL
ENGINEER
PAUL S. BOYER

8/18/08

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