

**APPRAISAL OF REAL PROPERTY
FOR
PLY MARTS INDUSTRIAL SITE**

2323 Sylvan Road
ATLANTA, FULTON COUNTY, GEORGIA

AS OF:
OCTOBER 23, 2007

PREPARED FOR


1349 WEST PEACHTREE STREET
ATLANTA, GA 30309

PREPARED BY
FLETCHER & COMPANY
REAL ESTATE APPRAISALS AND CONSULTATION
P.O. Box 884
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KEN A. FLETCHER

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Griffin, Georgia 30224

October 31, 2007



1349 West Peachtree Street
Atlanta, GA 30309

RE: Summary Appraisal Report
Ply Mart Industrial Site
2323 Sylvan Road
Atlanta, Fulton County, Georgia

Dear Ms.

In accordance with your request I have personally inspected the above captioned property for the purpose of estimating the Market Value in the Fee Simple Interest. The effective date of this appraisal is October 23, 2007.

Submitted herewith is my report containing pertinent facts and data gathered in my investigation.

The method of appraising is detailed in the attached narrative report. As of October 23, 2007 it is my opinion that the Market Value with Fee Simple Interest in the subject property is:

Two Million Four Hundred Thousand Dollars
(\$2,400,000)

The undersigned appraiser states that his employment was not conditioned upon his producing a specific value or a value within a given range. Further employment or the payment of the fee is not dependent upon producing specified values.

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

Respectfully submitted,

FLETCHER & COMPANY
Christopher Tea
State of Georgia
Certified General Appraiser #324214

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Summary of Salient Facts and Conclusions

Intended User of Appraisal:	████████████████████
Property Type:	Industrial Warehouse
Property Address:	2323 Sylvan Road Atlanta, Fulton County, Georgia
Parcel ID:	14 0123 LL0061
Owner:	████████████████████
Purchaser:	None
Site Size:	450,846 square feet, or 10.35 acres
Improvements:	75,026 Gross Square Feet used as an industrial warehouse/distribution center
Year Built:	Reported as 1974
Zoning:	I1, Light Industrial District
Interest Appraised:	Fee Simple
Effective Date of Appraisal:	October 23, 2007
Date of Report	October 31, 2007
Final Estimate of Value:	\$2,400,000

Introduction

Assumptions and Limiting Conditions

The appraisal is made subject to the following conditions and assumptions:

1. Any legal description or plats reported herein are assumed to be accurate. Any sketches, plats or drawings included in this report are included to assist the reader in visualizing the property. I have made no survey of the property and assume no responsibility in connection with such matters.
2. No responsibility is assumed for matters legal in nature. Title is assumed to be good and marketable and in fee simple unless discussed otherwise in this report. The property is appraised as free and clear of existing liens, assessments and encumbrances, except as noted in the attached report.
3. The appraiser does not assume responsibility for sub-surface soil conditions. An environmental survey was furnished to the appraiser. The summary has been included in the addendum of this report.
4. Unless otherwise noted, it is assumed that there are no encroachments, zoning or restriction violations affecting the subject property.
5. The property is assumed to be under competent and aggressive management.
6. Information, estimates, and opinions used in this appraisal are obtained from sources considered reliable; however, no liability for them can be assumed by the appraiser.
7. The value estimates reported herein apply to the entire property and any proration or division of the total into fractional interests will invalidate the value estimate, unless such proration or division of interests is set forth in the report.
8. This report may not be used for any purpose other than as stated in the report, by any other than the client without previous consent of the appraiser and his client and then only with proper qualifications.
9. The appraiser assumes the reader or user of this report has been provided with copies of all leases and amendments, if any, encumbering this property.
10. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news sales or other media, without the prior written consent and approval of the author.

This pertains particularly to valuation conclusions, the identity of the appraiser or firm with which he is associated.

11. The final value estimate has been concluded on the basis that the property is environmentally compliant. Further the acreage was based on information provided by the owner and/or public records. If the actual acreage or developable unit is different than the amounts used in this report, the appraiser reserves the right to modify this report.
12. The final value estimate has been concluded on the basis that the subject is not subject to flooding. For an official determination a certified survey is recommended.
13. The financial probability of the industrial warehouse/distribution center has not been performed. This appraisal report assumed that the business operation of the industrial warehouse/distribution center is profitable and is able to support the subject improvements.

Information regarding the subject property was furnished by the following individual(s):

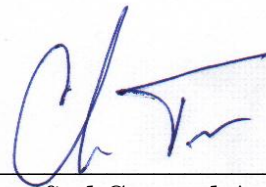
Name/Phone	Relation	Information Supplied
Keith Jenkins / (404) 391-2512	Site Manager	Property Access
Bruce McCabe / (404) 762-8513	Ply Mart Employee	Electrical Supply Data
Chris Williams / (770) 432-3972	CFO	Survey, Plans, Environmental Study
Regina Carter / (404) 270-7027	City of East Point Land Development	Zoning / Future Land Use

Data furnished by the above source(s) is deemed reliable. Any inaccuracies in this information will void our market value opinion.

Certification

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

- The statements of fact contained in this report are true and correct.
- Christopher Tea visited and inspected the subject property and the comparables used in the report under review.
- The reported analyses, opinions, and conclusions in this report are limited only by the assumptions and limiting conditions stated in this report, and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved. I have no bias with respect to the property that is the subject of this report.
- My engagement in this assignment or in any future assignment is not contingent upon developing or reporting predetermined results.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report was prepared in conformity with the Georgia Real Estate Appraiser Classification and Regulation Act and the rules and regulations of the Georgia Real Estate Appraisers Board.



Christopher Tea – Certified General Appraiser
#324214

Appraiser Competency

Christopher Tea is experienced in the valuation of commercial, retail, office, industrial, land acquisition and development, multi-family, condemnation, recreational and special purpose properties. For additional information on the competency of the appraiser, please review the Qualifications of Appraiser in this report.

The appraiser has extensive experience in appraising various types of commercial developments similar to the subject property and is considered to be competent in performing an appraisal on the subject property. The appraiser is also considered to be competent in the area of which the subject property is located.

Definitions

Market Value

Market Value is defined as:

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

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

Fee Simple Interest or Estate

“Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”³

Real Property

“All interests, benefits, and rights inherent in the ownership of physical real estate; the bundle of rights with which the ownership of the real estate is endowed.” In some states, real property is defined by statute and is synonymous with real estate. See also personal property; real estate.⁴

Improvements

“Buildings or other relatively permanent structures or developments located on, or attached to, land.”⁵

² *Uniform Standards of Professional Appraisal Practice*, 2006 Edition (The Appraisal Foundation), p. 194 (as published in Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989).

³ *The Dictionary of Real Estate Appraisal*, 4th Ed., (Chicago Appraisal Institute, 2002), p. 113

⁴ *Ibid*, 234.

⁵ *Ibid*, 142

Personal Property

“Identifiable tangible objects that are considered by the general public as being ‘personal’ -for example, furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and equipment; all tangible property that is not classified as real estate.”⁶

Intangible Personal Property

“Property that has no physical existence beyond merely representational, nor any extrinsic value; includes rights over tangible real and personal property, but not rights of use and possession. Its value lies chiefly in what it represents. Examples include corporate stock, bonds, money on deposit, goodwill, restrictions on activities (for example, patents and trademarks), and franchises. Note: Thus, in taxation, the rights evidenced by outstanding corporation stocks and bonds constitute intangible property of the security holders because they are claims against the assets owned and income received by the corporation rather than by the stockholders and bondholders; interests in partnerships, deeds, and the like are not ordinarily considered intangible property for tax purposes because they are owned by the same persons who own the assets and receive the income to which they attach.”⁷

Goodwill

“The intangible asset that arises as a result of a name, reputation, customer patronage, location, products, and similar factors that have not been separately identified and/or valued but that generate economic benefits.”⁸

Exposure Time

“The estimated length of time the property interest being appraised would have been offered on the market prior to a hypothetical consummation of a sale at market value on the effective date of the appraisal.”⁹

It is our opinion that the estimated exposure time for the subject property prior to the effective date of this report would have been less than twelve months.

⁶ *Uniform Standards of Professional Appraisal Practice*, 2006 Edition (The Appraisal Foundation), p.4.

⁷ *The Dictionary of Real Estate Appraisal*, 4th Ed., (Chicago Appraisal Institute, 2002), p. 148.

⁸ *The Dictionary of Real Estate Appraisal*, 4th Ed., (Chicago Appraisal Institute, 2002), p. 128.

⁹ *Uniform Standards of Professional Appraisal Practice*, 2006 Edition (The Appraisal Foundation), p. 90.

Marketing Time

“an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal.”¹⁰

With regard to marketability, primary consideration has been given to the subject's overall location, features, the socioeconomic characteristics of the area, and probable near-term and long-term market demand for the property. The marketing time for the appraised is based on a review of real estate sales, some of which are provided later in this report, together with conversations with brokers and other real estate professionals in the subject market.

The estimated marketing time is estimated less than twelve months based on current market conditions.

Market conditions are considered favorable with reasonable interest rates and no financing concessions necessary.

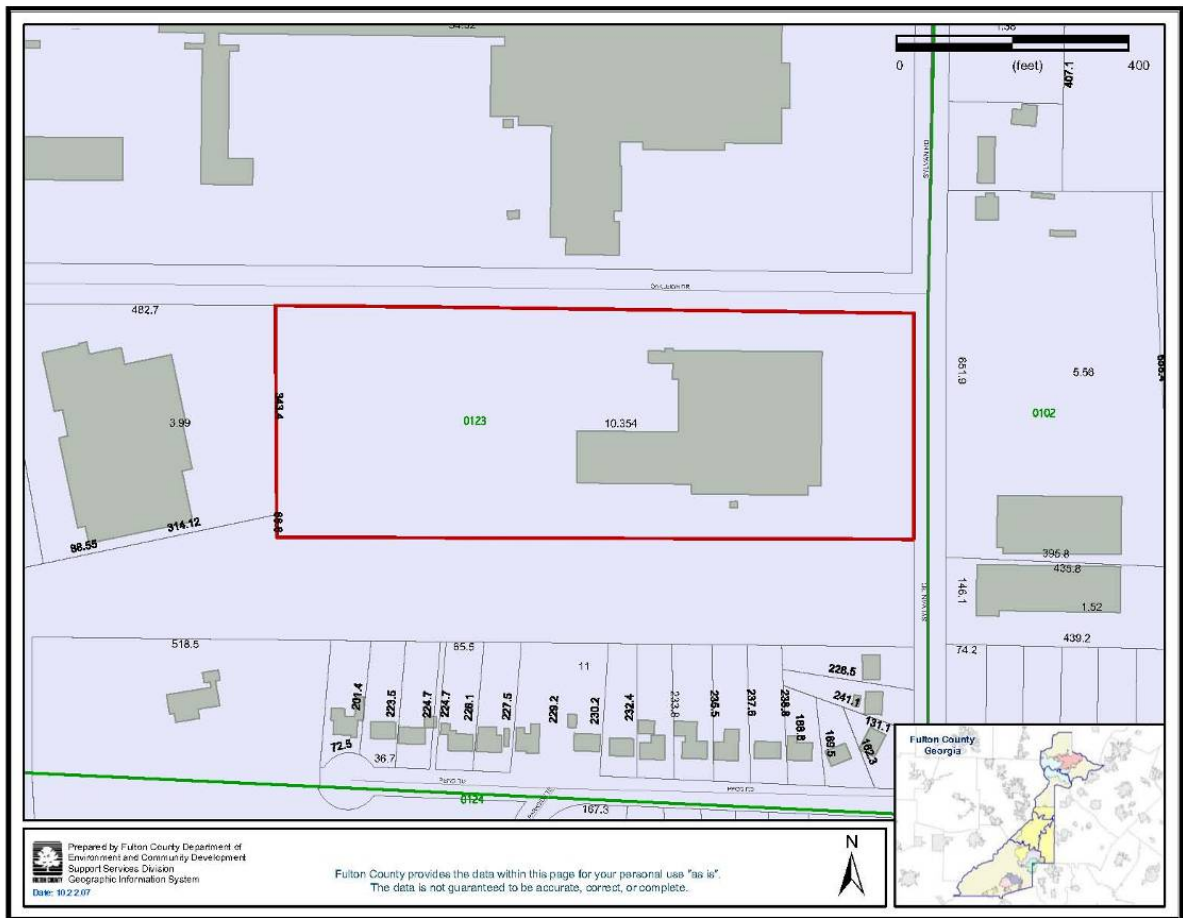
¹⁰ *Uniform Standards of Professional Appraisal Practice*, 2006 Edition (The Appraisal Foundation), p. 128.

Assignment Description

Property Identification

The subject property was constructed for its current use as an industrial warehouse/distribution center, located at 2323 Sylvan Road, Atlanta, Georgia. The building is a single-story structure that is reported to have been originally constructed in 1976. The facility was in average condition for its age at the time of inspection.

The total site contains approximately 10.35 acres, or 450,846 square feet. It is identified by Fulton County Assessor's Office as Parcel Number 14 0123 LL0061. Below is a copy of the tax map.



Appraisal Objective and Property Rights

The objective of this appraisal is to estimate the current fee simple market value of the real estate.

Intended Use and Intended Users

Per Standard Rule 1-2 of USPAP, the intended use and users of the appraisal must be stated. The [REDACTED] needs the market value of the Fee Simple Interest in the subject property for collateral evaluation purposes. The intended user of the report would be the [REDACTED]. All information contained within this report is confidential between the client and the undersigned appraiser(s). Any information contained in this report cannot be released to a third party without written permission from the client only.

Effective Date of the Appraisal / Report Date

The final estimate of market value represents our opinion estimates as of October 23, 2007, the most recent date of the real estate inspection. The report date is October 31, 2007.

Statement of Ownership and Sales History

Standards Rule 1-5 of USPAP requires an analysis of all agreements of sale, options, or listings, and at least a three-year sales history of the subject property. According to Fulton County Deed Book [REDACTED] Page 595, the property was transferred to [REDACTED] on October 31, 2005 for \$3,687,200. According to Fulton County Deed Book [REDACTED] Page 2, [REDACTED] purchased the property from [REDACTED] on February 25, 2005 for \$1,700,000. [REDACTED] and [REDACTED] appear to be related companies and as such, the most recent sale is not considered to be an arm's length transaction. There have been no other transfers of any interests, in whole or part, in the past three years. There are no executed agreements of sale, options, or listings known to the appraiser. A title search is recommended for official determination.

The Scope of Work

According to Advisory Opinion 28 of USPAP, an appraisal must “1) identify the problem to be solved; 2) determine and perform the scope of work necessary to develop credible assignment results; and 3) disclose the scope of work in the report.”¹

The primary purpose of the appraisal is to meet the requirements of Title XI of the Federal Financial Institutions Reform, Recovery, and Enforcement Act (“FIRREA”) of 1989 with respect to real estate-related financial transactions as we understand these requirements. [REDACTED] needs an appraisal to assist it with collateral valuation of the subject property. This Summary appraisal report covers the necessary collection and analysis of data, property inspections and the application of accepted approaches to value. This report sets forth the rationale, assumptions, conditions and significant facts upon which the final value is based. All of the generally accepted approaches to value have been considered within this report.

Typically, the Cost, Sales Comparison and Income Approaches are applicable and reliable valuation methods. Our analysis has determined the highest and best use of the property is for the continued use as an industrial warehouse/distribution center. Therefore, the Improved Sales Comparison and Income Approaches to value have been performed in this report. Due to the age of the subject improvements, the Cost Approach has not been performed and is considered not to be applicable.

The following is a brief discussion of the various inspections and analysis and data collection and analysis considered and utilized in arriving at a conclusion of value.

1. An inspection and analysis of area and neighborhood factors which would have an impact on the subject property.
2. An inspection and analysis of the physical features of the subject property and any factors which would have a positive or negative influence on value.
3. Property consideration of the present zoning and a discussion of highest and best use of the subject.
4. The collection, analysis, and verification of market data considered pertinent to arriving at the value estimates made by the Sales Comparison, Cost and Income Approach (when applicable).

¹ Ibid. P. 213.

5. The value indications for the applicable approaches are then reconciled into a final estimate of value.
6. An inspection and analysis of the physical features of the subject property and any factors which would have a positive or negative influence on value.
7. Proper consideration of the present zoning and a discussion of highest and best use of the subject.
8. The collection, analysis, and verification of market data considered pertinent to arriving at the value estimates made by the Sales Comparison, Cost and Income Approach (when applicable).
9. The value indications for the applicable approaches are then reconciled into a final estimate of value.

The appraisal has been prepared in accordance with Uniform Standards of Professional Appraisal Practice requirements (USPAP).

Identification of Property

Property Data

Description of Site

Location:	2323 Sylvan Road Atlanta, Fulton County, Georgia
Land Area:	Approximately 10.35 acres, or 450,846 square feet. The appraiser reserves the right to modify the concluded value if the actual size from a new survey is found to vary significantly from the size derived from Fulton County records.
Shape:	The subject property is considered rectangular in shape.
Frontage:	The site has 410.13'± of frontage along the east side of Sylvan Road and 1,099.95'± of frontage along Oakleigh Drive.
Topography:	The site is best described as generally level.
Environmental:	There were no visible signs of hazards from the visit to the site. This report assumes that there are no environmental hazards present that would impact the value of the property. The summary page of an environmental survey conducted by Global Environmental Solutions, Inc. in February 2005 has been included in the addendum of this report.
Flood Plain:	According to the FLOODSCAPE Flood Map. 13121C0358E, dated June 22, 1998, the subject is located in Zone X. Zone X is defined as areas determined to be outside the 500- year floodplain. This report assumes that the property is not in a flood hazard area and will not be subject to flooding. For official determination, a certified survey is recommended.
Easements:	Easement in favor of the City of East Point as recorded in book 9859 page 360. Easement in favor of Fulton County as

recorded in book 41 page 17. The appraiser is not aware of any other detrimental easements or encroachments encumbering the site other than typical utility and access easements.

Real Estate
Taxes:

The subject is identified by Fulton County Tax Assessor's Office with a Parcel Number. The following table details the subject's current assessment and taxes payable to the city and county. The subject property is taxed by both Fulton County and the City of East Point. Fulton County assesses the subject property at a millage rate of 28.622 while the City of East Point assesses the subject property at a millage rate of 14.7500. Copies of the Fulton County 2007 tax bill and the City of East Point 2007 tax bill are included in the addendum of this report.

2007 Proposed Property Assessment Data									
Parcel No.	Land Size		Tax Appraisal Data			Tax Assessed	Millage Rate	Property	
	SF	Acres	Land	Improvements	Total	Value	City & County	Taxes 2007	
14-0123-LL-006-1	75026	10.35	\$608,600	\$1,289,800	\$1,898,400	\$645,500	28.6220	\$18,475.50	
14-0123-LL-006-1	75,026	10.35	\$608,600	\$1,289,800	\$1,898,400	\$759,360	14.7500	\$11,200.56	
Total								\$29,676.06	

Based on the value conclusion in this report, the subject is under assessed for tax valorem purposes.

Zoning:

The subject site is zoned I-1, Light Industrial District, by the City of East Point. The use as an industrial warehouse/distribution center represents a compatible use with the surrounding neighborhood, which consists of various free standing industrial warehouse improvements along the major thoroughfare,

with single family residential developments along the secondary streets. For official zoning and allowances, a letter of permissible uses must be obtained from the City of East Point's Planning and Zoning Department. The excerpt for I1 zoning from the City of East Point's Zoning Ordinance is located in the Addenda section of this report.

Description of Improvements

The building is a single story concrete block and brick structure that was reportedly built in 1974. The total area of the industrial warehouse/distribution center is approximately 75,026 square feet.

The major construction components of the subject property are as follows:

Foundation:	Reinforced concrete slab foundation
Structural:	Concrete/masonry block construction
Exterior Walls:	A combination of concrete block, brick and corrugated metal siding
Roof Covering:	A combination of corrugated metal roofing panels and rolled composite material.
Interior Finish:	Concrete block walls in work and staging areas and a combination of drywall and paneling in office spaces; a combination of painted and unpainted concrete flooring in all office and work areas except the conference room. Commercial grade carpet in the conference room. A combination of exposed metal roofing and suspended acoustical tile ceilings.
HVAC:	Central heat and air conditioning is provided via various roof mounted HVAC units and several window mounted air conditioners placed in the office areas. This appraisal assumes that the HVAC system is adequate.
Electrical & Plumbing:	The property has a 440 Volt service. Total amperage supply data was unavailable.

There are suspended fluorescent light fixtures throughout the property. The electrical components of the subject property are assumed to be adequate.

Other: There is one 19x13, one 19x14, three 14x10 and six 8x10 metal rollup doors.

Site Improvements: Site improvements consist of asphalt paved parking/storage, exterior lighting and signage.

Physical Condition: The subject building is reported to have been built in 1976 and is currently in average physical condition for a building of this age. The parking lot appears to be in good condition.

Functional Utility: The subject building appears to have been designed as a distribution and retail center. There appears to be a former showroom located in the east portion of the building. The former showroom is currently in below average condition (see attached photos) and is currently utilized as a storage area. There is rail system located in the southwest quadrant of the property used to receive materials and merchandise. The subject improvements are considered to be of average type construction and parking is typical of similar facilities in the market. There are 35 total parking spaces including one disabled parking spot. The building layout appears to be designed for use as a distribution center allowing for the storage and staging of large amounts of inventory and is considered functional when compared to competing buildings in the market.

Actual Age, Effective Age,
Remaining Economic Life:

The subject building was constructed in 1974 and has an actual age of 33 years. Based on our interior and exterior on-site inspection, we have estimated the effective age at 25

years. The total economic life is estimated at 55 years, of which 30 is remaining.

Photographs of Subject Property



Front Views of Subject Property





Rear Views of Subject Property





View of Office Area



View of Office Area



View of Break Room



View of Rest Room & Showers



View of Rest Room



View of Showroom



View of Electrical Room



View of Conference Room



View of Staging Area



View of Staging Area



View of Loading Area



View of Roof



Frontage View of Sylvan Road South



Frontage View of Sylvan Road North

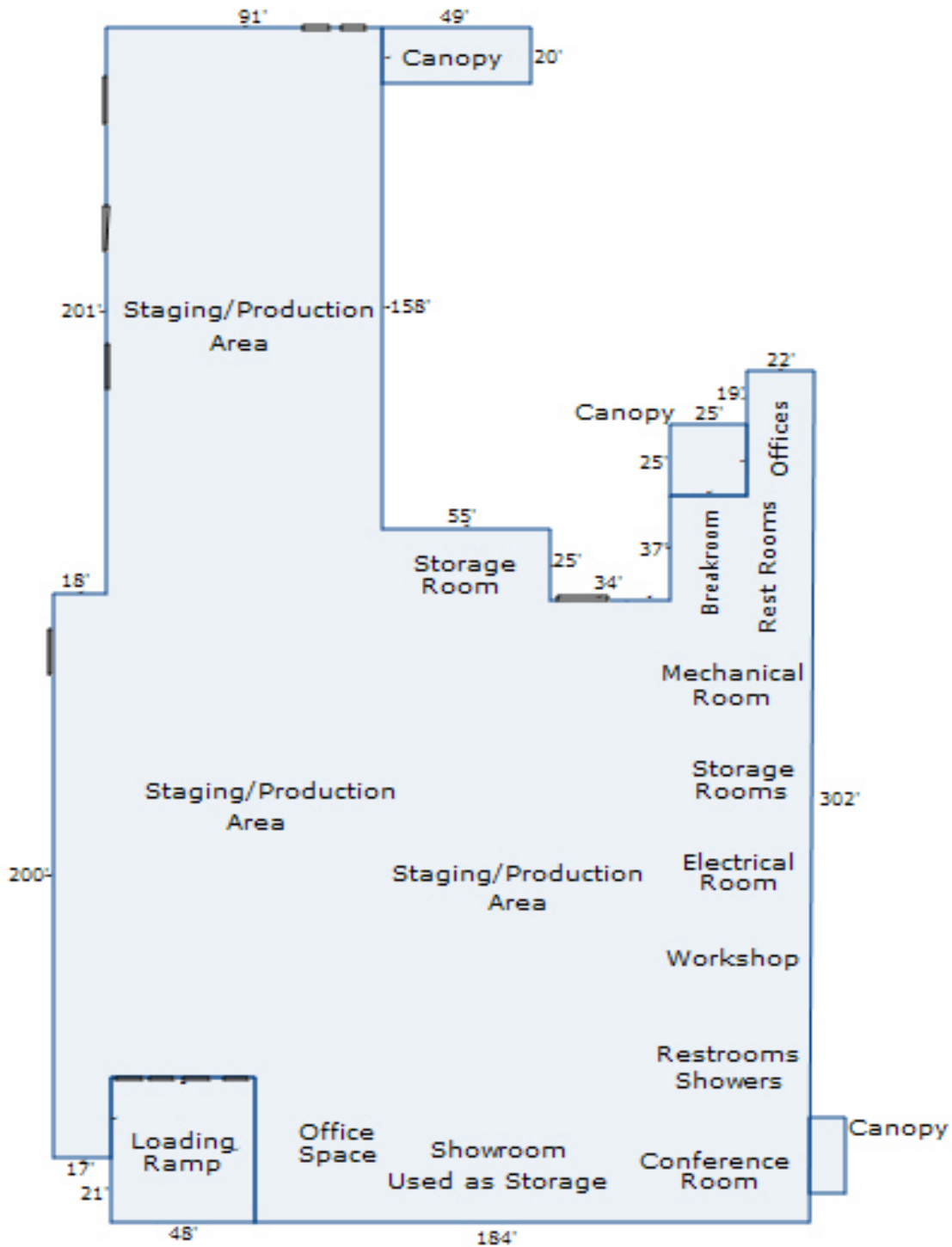


Frontage View of Oakleigh Drive West



Frontage View of Oakleigh Drive East

Building Sketch



All measurements are approximate and are included for illustrative purposes.

AREA & NEIGHBORHOOD OVERVIEW

Introduction

The purpose of this analysis is to review historic and projected economic and demographic data to determine whether Fulton County and the subject neighborhood will experience future economic stability, or decline.

The subject tract is located within the city limits of East Point on Sylvan Road. The subject tract is approximately 0.50 miles south of the Lakewood Freeway (Hwy 166) and approximately 1.00 miles west of the Interstate 75 and Interstate 85 junction. The Atlanta International Airport is located approximately 2.50 miles to the south of the subject property. The immediate neighborhood consists of several established subdivisions to the south of the subject property. The neighborhood immediately north of the subject generally consists of commercial and industrial development. Lakewood Freeway is the major east-west corridor through this section of East Point and is comprised of mostly commercial activity, airport support activities and retail shopping. The majority of retail activity, restaurants, national retail chains, and other commercial activity in East Point are located on GA Hwy 139/29 south of the Lakewood Freeway. Further, Fulton County is included in the 28 County Atlanta Metropolitan Statistical Area (MSA).

Population:

In 1990, Fulton County's population was 648,951; in 2000 the population had grown to 816,006, indicating a compound annual growth rate of 2.05% between 1990 and 2000. The year-end 2005 population estimate was 915,623, indicating a compound annual increase of 2.18% between 2000 and 2005.

The following table illustrates historical population trends for Fulton County and the State of Georgia.

	2005	2000	1990	Annual % Change from1990 to 2005
Fulton County	915,623	816,006	648,951	1.94%
State of Georgia	9,072,576	8,186,453	6,478,216	1.91%

Between 2000 and 2005, the population in Fulton County grew at an estimated compound rate of 2.18%, while the State of Georgia grew at a rate of 1.95% for the same period. Given the recent compound increase in the population base for Fulton County, the population growth trends foreshadow a healthy economic climate through the near future.

The highest concentrated age group of the county's inhabitants is between the ages of 35 and 54, or 31.9%. In terms of household size, at the end of 2005 the number of households stood at 348,063 in Fulton County with an average household size of 2.54 persons.

A demographic profile for Fulton County appears in the chart below.

Demographic Profile		<u>Fulton County</u>	<u>State of Georgia</u>
Category			
Age Distribution	0-19	27.8%	29.5%
	20-34	22.7%	23.1%
	35-54	31.9%	29.7%
	55+	17.6%	17.7%
Estimated Average Household Size:	2.54 persons	2.65 persons	
Median Household Income:			
	\$0 – \$14,999	14.8%	15.4%
	\$15,000 - \$24,999	9.5%	11.6%
	\$25,000-\$34,999	10.2%	11.6%
	\$35,000 - \$49,999	13.7%	15.5%
	\$50,000 & \$74,999	16.5%	19.1%
	\$75,000 & Over	35.3%	26.8%
Median Household Income:		\$52,465	\$49,280

Source: US Census Bureau – 2000 & 2005 Data
May not add due to rounding.

As the year end 2005 statistics indicates that 51.8% of the households in Fulton County earned over \$50,000 per annum. As indicated in the table above, Fulton County was above the state of Georgia in median household income.

Area Business and Related Economic Trends

According to the US Census Bureau, the number of employed people in Fulton County in 2005 was 450,442, resulting in an unemployment rate of 6.2%, or 26,339 persons. A comparison of the major components of the economic base for 2005 is presented in the table below.

Employment Sector	Fulton County		State of Georgia	
	Count	Rate	Count	Rate
Agriculture	2,108	.5%	53,201	1.4%
Construction	26,799	5.9%	304,710	7.9%
Manufacturing	32,422	7.2%	568,830	14.8%
Wholesale Trade	15,849	3.5%	148,026	3.9%
Retail Trade	46,253	10.3%	459,548	12.0%
Transportation	28,017	6.2%	231,304	6.0%
Information	19,966	4.4%	135,496	3.41%
Finance, Insurance & Real Estate	50,224	11.2%	251,240	6.5%
Professional Services	76,135	16.9%	362,414	9.4%
Educational	72,068	16.0%	675,593	17.6%
Arts & Entertainment	42,969	9.5%	274,437	7.1%
Other Services	20,038	4.4%	181,829	4.7%
Public Administration	17,594	3.9%	193,128	5.0%
Total	450,442	100%	3,821,756	99.8%
<i>Source: US Census Bureau, 2002 Economic Census; May not add due to rounding</i>				

In summary, the Atlanta metropolitan region has been a nucleus in the growth of Georgia and the southeastern United States; steady increases in the population and job growth have been a byproduct of the strong economic base. Currently, Atlanta continues to gain new jobs faster and maintain unemployment levels lower than most areas of the US. However, the Metropolitan Atlanta economy continues to send mixed messages, which is reflective as the national economy as a whole. Unemployment rates for both Atlanta and the state of Georgia have recently remained stable; however, as two automotive plants close, the Bellsouth/AT&T merger, and the fate of Delta Airlines and its attempt to restructure under bankruptcy protection, long-term economic predictions are not possible. Yet, despite slowing indicated by certain economic indicators, Atlanta's fundamentals remain strong and a pattern of stable growth should continue well into the foreseeable future.

Neighborhood/Market Analysis

The county seat of Fulton County is Atlanta, which also serves as the state capitol. The city of Atlanta has approximately 470,000 residents alone. The thirteen county metropolitan area is comprised of a little over 4 million residents. The subject property is located southwest of the central business district of Atlanta, which has been a major factor for the substantial growth in the area. Majority of residential and commercial development has been centered around the city of Atlanta in central Fulton County for several years. Now that Atlanta has become approximately 85-90% built up, growth has spread in all directions of the county and outlying counties.

Many portions of Atlanta and other cities in Fulton County are in a revitalization stage, where older structures are being demolished and replaced with more modern facilities and homes due to a lack of vacant land. Substantial growth outside Atlanta started to the northern side of the county closer to the Cobb County line in the 1980's to the present. The southwestern portion of Fulton County has always been considered to be desolate compared with the majority of the county. Due to the population of the metro Atlanta area, growth in the southwestern portion of Fulton County was always inevitable since majority of vacant land that remained in the county is in the southwest portion. In the past five years, the residential growth in this area has started and looks to continue into the foreseeable future. There have been several tracts throughout the southern portion of Fulton County purchased for future residential development. Outlying counties such as Douglas, Coweta, Henry, Forsyth, Fayette, and Clayton have experienced tremendous residential growth as well, due to the convenient access to Atlanta.

At the present time, the supply of residential lots and homes is currently exceeding the demand. However, there is still significant demand for residential lots and homes but the development rate over the past three years has been tremendous.

Supporting facilities are located in nearby Palmetto, Fairburn, College Park, Union City, East Point, and Atlanta of Fulton County to include; Area employment, schools, shopping, churches, and recreation. Fulton County is served by MARTA, a transportation system to include buses and trains.

In conclusion, the subject's immediate neighborhood is currently experiencing exponential growth. Given the close proximity to I-85 and I-285 and good access to Atlanta and its surrounding metropolitan area as well as given the quality of developments, positive growth trends are anticipated in the future.

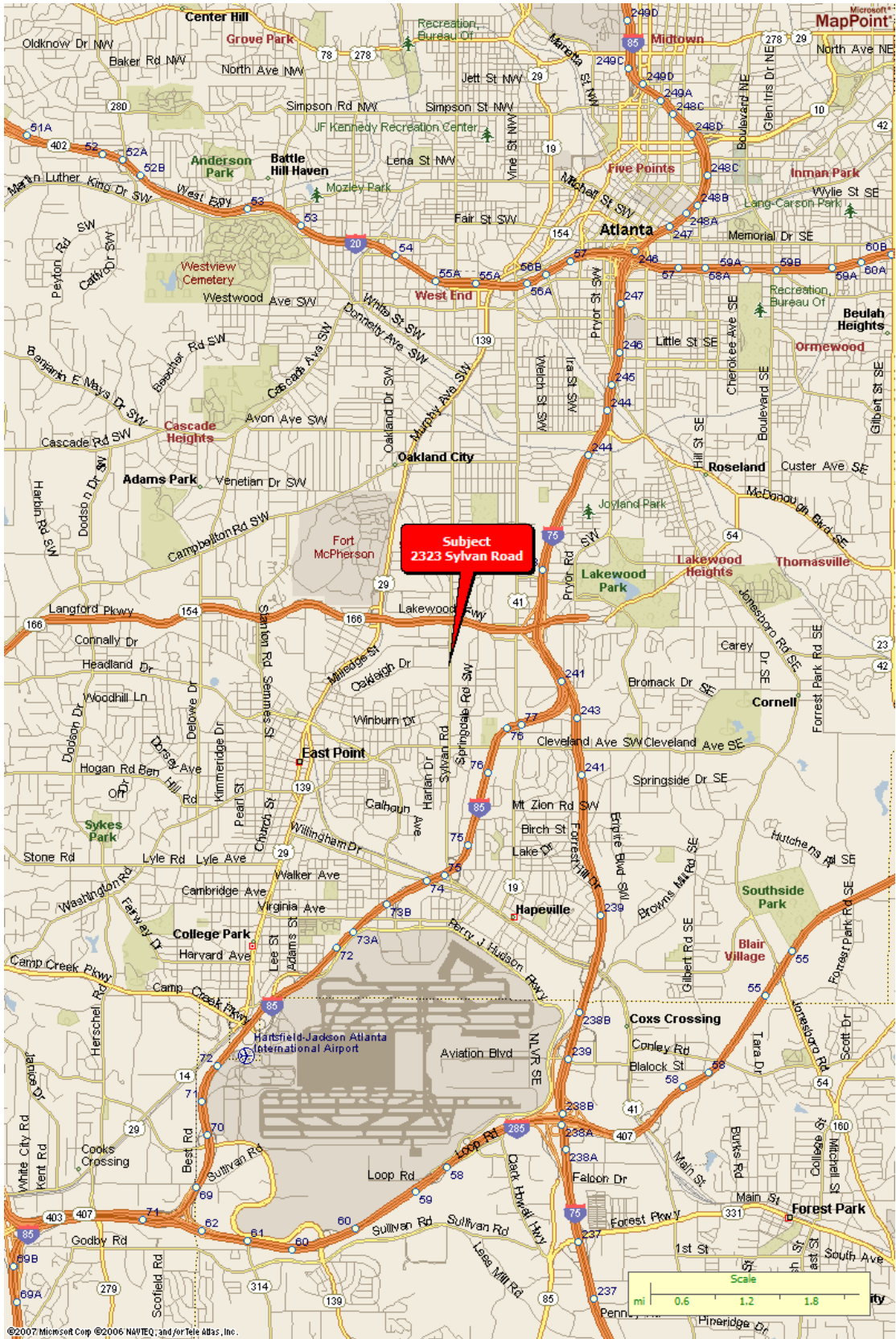
Demographics

Demographic information for the subject neighborhood was provided by Site to do Business., a Pop-Facts Full Demographic Data Survey. Pertinent details from this survey are summarized as follows.

DEMOGRAPHIC SUMMARY					
	Georgia	Fulton County, FL	1 Mile Radius (from subject)	3 Mile Radius (from subject)	5 Mile Radius (from subject)
<u>Population</u>					
2012 Projection	10,783,656	1,062,254	11,879	109,442	250,164
2007 Estimate	9,654,958	957,637	11,093	102,440	234,720
2000 Census	8,186,453	816,006	10,230	94,702	217,374
1990 Census	6,478,216	648,951	9,566	92,248	211,839
% Growth 2007-2012	11.69	10.92	7.09	6.84	6.58
% Growth 2000-2007	17.94	17.36	8.44	8.17	7.98
% Growth 1990-2000	26.37	25.74	6.94	2.66	2.61
<u>Households</u>					
2012 Projection	4,443,832	470,196	5,053	44,435	100,686
2007 Estimate	3,940,351	418,376	4,666	41,152	92,953
2000 Census	3,281,737	348,632	4,241	37,578	84,315
% Growth 2007-2012	12.78	12.39	8.29	7.98	8.32
% Growth 2000-2007	20.07	20.01	10.02	9.51	10.24
<u>Income</u>					
2007 Est. Median HH Income	\$55,102	\$63,123	\$31,101	\$32,919	\$32,717
2007 Est. Per Capita Income	\$28,047	\$41,376	\$17,274	\$15,764	\$17,134
<u>Age</u>					
2007 Est. Median Age	35.0	34.2	36.1	33.0	32.0
2007 Est. Median Housing Value	\$148,827	\$235,108	\$97,873	\$95,946	\$108,098
<i>Source: STBOnline, 2007</i>					

The foregoing table indicates an increasing population within Fulton County between 2007 and 2012 with a growth of 6.84% at a three mile radius and 7.09% for the one mile radius from the subject. The projected population growth for the one, three and five mile radius of the subject is less than the expected population growth of both Fulton County and the state of Georgia. The 2007 estimated median household income for the one mile radius is \$31,101, which is well below both Fulton County and the state of Georgia.

AREA & NEIGHBORHOOD MAP



Aerial Map for Subject Property



HIGHEST AND BEST USE

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

The estimation of highest and best use results from the appraiser's judgment and analytical skill. The ultimate determination of highest and best use is shaped by market forces and may change over time.

The first step is to analyze the vacant site and determine the highest and best use. Sometimes that use will differ from the existing use, if the property is improved. Next, the property is analyzed, as improved, to see if the improvements measure up to the ultimate or most probable concept of highest and best use. If land value, as vacant, exceeds the property value, as improved, the improvements are no longer the highest and best use and may be an interim use until it is prudent to redevelop the property.

In the analysis of the subject, consideration has been given to the physical characteristics of the site including size, shape, location, access to transportation arteries, and the availability of utilities. Furthermore, consideration was given to existing zoning, possible zoning changes, surrounding land uses, and demand for various types of uses.

The following sections discuss the elements of highest and best use as vacant and improved. Included in these aspects are the legally permissible, physically possible, financially feasible, and maximally productive considerations of developing real estate.

"As Vacant" Analysis

Legally Permissible

The subject property is zoned I1, "Light Industrial District", by the City of East Point County. Light Industrial District zoning allows various light industrial activities including, fabrication, assembly, distribution, wholesaling activities and some retail uses to support the businesses and activities within the Light Industrial District.

Physically Possible

The subject property comprises 10.35± acres located on the southwest corner of the Sylvan Road and Oakleigh Drive intersection. There are no physical constraints that would inhibit typical industrial development allowed under the I1 zoning. Given the shape, frontage, and location of the subject, it appears that the current use under the subject's zoning is physically possible.

Financially Feasible

The financial feasibility of any given project is inherently related to supply/demand characteristics, costs, financing, and overall market conditions.

Single-tenant industrial development has become more commonplace as tenant needs become more specific. These needs can be location oriented or product oriented; i.e., specific building specifications. These deals are either structured as long-term leases or are owner-occupied buildings and can be developed regardless of economic conditions.

Maximally Productive

Based upon the three previous criteria inherent in the Highest and Best Use, we are of the opinion that the maximally productive development of the subject property is for industrial development.

"As Improved" Analysis

The subject is an industrial property comprised of the one 75,026 square foot concrete block and brick structure currently used as a distribution warehousing center for lumber and various home improvement products. The interior amenities of the industrial structure consist of concrete block walls, drywall and paneling in the office areas, concrete flooring, a work shop, a break room, several employee rest rooms and a conference room. The subject's FAR of 0.17 is within market parameters (and Fulton County Guidelines). The improvements contribute substantially to the value of the subject property. Based on the foregoing, we believe the subject property's "as improved" highest and best use is the continued use as an industrial warehousing and distribution facility.

Valuation

The Valuation Process

The valuation process is the orderly program in which data used to estimate the value of the subject property are acquired, classified, analyzed, and presented. The first step in the process is to define the appraisal problem, i.e., identify the real estate, the effective date of value estimate, the property rights being appraised, and the type of value sought. Once this has been accomplished, the Appraiser collects and analyzes the factors that affect the market value of the subject property. These factors are addressed in the area and neighborhood analysis, the site and improvement analysis, and the highest and best use analysis, and in the application of the three approaches to value: The sales comparison approach, the cost approach, and the income capitalization approach.

The sales comparison approach is used to estimate the value of the land as though vacant and/or the property as improved. The Appraiser gathers data on sales of comparable properties and analyzes the nature and conditions of each sale, making logical adjustments for dissimilar characteristics. Typically, a common denominator is found. For land value, the unit of comparison is usually price per square foot or per acre.

The second approach applied is the cost approach to value. Accrued depreciation is deducted from the new cost of the improvements and this figure is added to the land value to indicate the value of the whole property. The third approach applied is the income capitalization approach and is predicated on the assumption that a definite relationship exists between the amount of income a property can earn and its value. In other words, value is created by the expectation of benefits to be derived in the future. In this approach, the anticipated annual net income of the subject property is processed to produce an indication of value. Net income is the income generated before payment of any debt service. Income is converted into value through capitalization, in which net income is divided by a capitalization rate. Factors such as risk, time, interest on capital invested, and recapture of the depreciating assets are considered in selecting the capitalization rate.

The final step in the valuation process is the reconciliation or correlation of the value indications. In the reconciliation, the Appraiser considers the relative applicability of each approach used, examines the range of the value indications, and gives most weight to the approach that appears to produce the most reliable solution to the appraisal problem. The purpose of the appraisal, the type property, and the adequacy and reliability of each approach to value are all taken into consideration. To apply the three approaches to value, information pertaining to the fair market value of the subject property must be

derived from the market because the Appraiser seeks to anticipate the actions of buyers and sellers in the market.

Approach To Value

The Sales Comparison and Income Approaches are applicable for the subject property and will be utilized to value the property. The Cost Approach is considered not to be applicable for the subject property due to the age and condition of the building. Depreciation would be too speculative to warrant any accuracy.

Sales Comparison Approach

This indication of value for the subject property is based on an analysis of the sales of similar properties located in similar market areas. A search was conducted for the most comparable or similar type facilities in the subject property's market area. The following sales are considered to be the most comparable, current sales data from which to compare the subject and have been adjusted for accordingly. A comparable analysis is set forth as follows:

IMPROVED SALES	SUBJECT	<i>Improved Sale I-1</i>	<i>Improved Sale I-2</i>	<i>Improved Sale I-3</i>	<i>Improved Sale I-4</i>	<i>Improved Sale I-5</i>
Facility Type	Industrial	Industrial	Industrial	Industrial	Industrial	Industrial
Facility Location	Warehouse 2323 Sylvan Road East Point, GA	Warehouse 1401 Marietta Blvd Atlanta, GA	Warehouse 3428 Browns Mill Rd East Point, GA	Warehouse 1460 Moreland Ave Atlanta, GA	Warehouse 6820 Kelly Avenue Morrow, GA	Warehouse 150 Forest Parkway Forest Park, GA
<i>Facility Data</i>						
Year Built	1974	1956	1975	1957	1970	1965
Land Area (Acres)	10.350	3.480	2.600	13.150	3.460	3.150
Building Area	75,026	79,566	32,500	61,140	49,500	55,000
<i>Transaction Data</i>						
Date of Sale		Aug-07	Jun-07	Feb-07	Nov-06	Jun-06
Sales Price		\$4,500,000	\$1,018,500	\$2,149,000	\$1,376,508	\$1,892,246
Sale Price Per SF		\$56.56	\$31.34	\$35.15	\$27.81	\$34.40
<u>ORDERED</u>						
<u>ADJUSTMENTS:</u>						
Financing Adjustments		0%	0%	0%	0%	0%
Adjusted Value		\$56.56	\$31.34	\$35.15	\$27.81	\$34.40
Conditions of Sale Adjustments		0%	0%	0%	0%	0%
Adjusted Value		\$56.56	\$31.34	\$35.15	\$27.81	\$34.40
Market Conditions/Time Adjustments		0%	0%	0%	5%	5%
Adjusted Value		\$56.56	\$31.34	\$35.15	\$29.20	\$36.12
<u>OTHER ADJUSTMENTS:</u>						
Location/Exposure		-5%	0%	-5%	0%	-5%
Building Size		0%	-5%	0%	0%	0%
Age/Condition		-10%	0%	0%	0%	0%
Quality of Improvements		-10%	5%	0%	0%	0%
Access/Parking		-15%	0%	-5%	0%	-5%
Land Size (FAR)		5%	5%	-5%	5%	5%
Percent Office Space		-5%	0%	0%	0%	0%
Net Adjustments		-40%	5%	-15%	5%	-5%
Gross Adjustments		45%	15%	15%	5%	15%
Net Adjusted Value		\$33.93	\$32.91	\$29.88	\$30.59	\$34.40
<u>Value Indications</u>						
	<i>Price Per SF</i>			75,026	Square Feet @	\$32.00
Range Minimum:	\$29.88					\$2,400,832
Range Maximum:	\$34.40					\$2,400,000
Range Average:	\$32.34					
Standard Deviation	\$2.02					
Reconciled Value/SF:	\$32.00			Estimated Value Via Sales Comparison Approach		\$2,400,000

Explanation of Adjustments

Cash Equivalency - All of the sales were cash or cash equivalency sales that did not require cash equivalent adjustments.

Conditions of Sale – No condition of sale adjustments were made to the comparable sales.

Market/Time - The time adjustment represents a dollar/percentage change (plus or minus) applied to the sale for appreciation and/or depreciation in land values within the area. The sales range in date from June 2006 to August 2007. Sale No. 4 occurred almost one year ago and therefore required an adjustment for the time of sale. Sale No. 5 occurred over one year ago and required an adjustment for the time of sale.

Location/Exposure - Location adjustments are made to comparable sales to recognize perceived value differences in relation to neighborhood influences, access to commercial services, location aesthetics, commercial density, overall exposure and visibility, and overall market demand. Sale No. 1, No. 3 & No. 5 are all located in locations that offer a superior exposure to the subject and have been adjusted downward accordingly. All other sales are located in areas considered to be similar to the subject, requiring no location adjustment.

Building Size - Smaller buildings tend to sell for higher prices per square foot than larger buildings due to a higher demand for smaller buildings. Sale No. 2 required an adjustment due to its overall smaller size. Sale No. 2 is approximately one half the size of the subject property, therefore a downward adjustments was made.

Condition/Age – Condition and age adjustments are usually required when a property is older and more deferred maintenance is noted. A building can also be older but have a similar effective age as a newer building if it has been well maintained. An older property will usually sell for less since a potential buyer may have to spend more money on curable physical deficiencies in the near future. The incurable physical depreciation must be considered as well. Sale No. 1 is an older structure, however, an interior inspection of this comparable and conversations with the current owner revealed superior improvements to the subject. As such, a downward adjustment has been deemed necessary. Sale No. 4 is an older structure which required an upward adjustment. All other sales appear to be of similar age and condition to the subject property requiring no age or condition adjustment.

Quality of Improvements – When comparing sales in the market, the quality of construction must be noted. Quality is typically related to the class of the building. The appraiser must be aware of the materials and types of construction that may be considered above standard to appropriately adjust for this factor. All Sales are concrete block and brick buildings or combination of metal and masonry and are considered similar. No adjustments were warranted.

Access/Parking – The subject is located on Sylvan Road just south of The Lakewood Freeway (Highway 166) in a low density industrial area. Sale No. 1, No. 3 & No. 5 are all located on four lane divided roads with superior access points. Of the three sales with superior access, sale No. 1 is superior to the subject property and all other sales and as such, has been downward adjusted at a higher percentage than sale No. 3 & No. 5. All other sales have similar access from thoroughfares that encompass its location. Downward adjustments were made for superior access points for sale No. 1, No. 3 and No. 5.

Land Size – When estimating an overall value for the subject property the land size must be considered. If an improvement is situated on a larger or smaller size parcel than the subject property, an appropriate adjustment must be made to offset these factors. When considering the land of a comparable sale, the appraiser must recognize the size, estimated value, and any excess land that could be later divided for more development. There are scenarios where the comparable in question may be situated on a larger or smaller tract than the subject property but the value may be similar requiring no adjustment. However, in most cases the land difference must be adjusted properly to accurately conclude the appropriate value for the subject. Sale No. 3 is located on a slightly larger lot size and has been downward adjusted. All other sales are located on smaller lot sizes and have been upward adjusted.

Percent Office/Showroom Space – The subject contains approximately 11,250 square feet of office/showroom space, or 15%. Office/showroom space is more expensive to construct than warehouse space, and the ratio between the two can affect the sales price. The subject property currently utilizes and maintains approximately 15% of the designated office/showroom space. The remaining space, such as the showroom and office areas located at the front of the building is mostly unfinished and used as storage space. Comparable No. 1 required a downward adjustment for its larger percent of office finish relative to the subject. The remaining comparables were considered similar to the subject in terms of the percentage of office finish and no adjustments were required.

Sales Comparison Conclusion - The value opinion for the subject property is estimated at \$32.00 per SF based on the sales above and giving consideration for location, size, zoning, available utility, overall topography and site conditions, rail access and frontage. The differing types of zoning have been taken into consideration for this value. The total value estimated via Sales Comparison Approach is \$2,400,000.

Income Approach (Direct Capitalization)

Investment properties are valued on their ability to generate an income stream, which is characterized by its quantity, quality, and desirability. Therefore, analysis of a property in terms of its ability to provide a sufficient net annual return on investment capital is an important means of developing a value indication. This estimate is developed in the income capitalization approach by capitalizing the projected net income at a rate commensurate with investment risks inherent to the ownership of the property. Such a conversion of income considers competitive returns offered by alternative investment opportunities. When properly applied, this approach is generally considered to provide the most reliable indication of value for income-producing properties.

Income Analysis

The initial step in estimating the value of the subject via the Income Approach is to determine the property's market or economic rent. Rental income is based on analysis of the leases of the current tenants and using the data to project future market rents, lease terms, renewals, and other forms of income to the property. The subject property is owner occupied and has no past rental history. A rental survey of similar type properties was conducted with the following rents and asking rents observed. These rents are considered to be in similar type market areas.

	Address	Area	Use	Terms	Rating
1.	4849 Massachusettes Blvd Clayton County , GA	148,500 ±	Warehouse	\$3.15 Per SF; Single Tenant Building NNN	Similar
2.	2251 Sylvan Road Fulton County , GA	409,000 ±	Warehouse	\$2.40 Per SF; Min Space 90,000 SF Max Space 409,000 SF; NNN	Inferior
3.	4350 International Pkwy Clayton County, GA	148,000 ±	Warehouse	\$3.25 Per SF; Min Space 45,200 SF Max Space 53,600 SF; NNN	Superior
4.	1014 Sampler Way Fulton County, GA	102,639 ±	Warehouse	\$2.25 Per SF; Min Space 16,151 SF Max Space 47,717 SF; NNN	Inferior
5.	2181 Sylvan Road Fulton County, GA	113,000 ±	Warehouse	\$2.50 Per SF; Min Space 5,000 SF Max Space 35,000 SF; NNN	Inferior

Revenue

The above rent comparables range from \$2.25 to \$3.25 per SF per year on a triple-net (NNN) basis for similar type properties. Considering the above comparables, the appraiser has modeled a potential speculative rental rate per square foot for the subject property to be \$3.00 per year which equates to approximately \$225,078 per year.

Expense Analysis

Vacancy and Collection Loss

Typically, improvements, such as the subject, are leased on long term basis. For the purpose of this analysis, the appraiser has modeled a vacancy and collection loss of 10% based on an analysis of industrial market data and publications reviewed during the course of this assignment.

Operating Expenses

Tenant-Paid Expenses

Typically, under the terms of a Triple Net (NNN) lease, most expenses are paid by the Tenant. Insurance expenses have been estimated at approximately \$20,000 per year based on the most recent operating budget of the subject property provided by the current owner. Real Estate Tax expenses have been estimated at approximately \$29,676 based on the City of East Pont and Fulton County 2007 tax notices. Ready reserves have not been included in tenant paid expenses.

Owner-Paid Expenses

Owner paid expenses have been estimated at approximately \$11,720. This includes 10% of the insurance, real estate taxes and management fees, as well as 100% of ready reserves. During any vacancy period during the lease, the Owner would be responsible for all expenses incurred. Operating expenses for items such as utilities, maintenance, landscaping, pest control and trash removal are typically reduced or eliminated during a vacancy period as the structure would most likely be vacant during this period. We have estimated insurance expenses at approximately \$2,000 or 10% of the yearly \$20,000 insurance expense. Real Estate Tax Expenses have been estimated at approximately \$2,967 or 10% of the yearly \$29,676 Real Estate Tax Expense.

Management Fee

Typically management of a property is performed by an outside management firm that would report directly to the lessor. These services would include monthly reports, tax preparation and overseeing the property and serving between the lessee and the lessor. Management expenses are typically negotiated as a percentage of collected revenues. Professional management fees typically range from 2% to 5% of the PGI. For the purpose of this analysis, the appraiser has utilized a 3% management fee which equates to

approximately \$6,750.00. We have estimated that the Owner would be responsible for approximately \$675.00 of this expense due to vacancy and collection losses.

Reserves

Capital improvements, or reserves for replacements, typically include an allowance for replacement for roof covers, paving, HVAC, and other short-lived items. Given the age and condition of the subject property, a reserve allowance of 3% of collected revenues or \$6,752.34 has been used in this analysis.

Total operating expenses for in the analysis total \$11,720.

Capitalization Rate Analysis

The Net Operating Income must be capitalized at an appropriate rate to arrive at a value estimate for the subject property. The capitalization rate is associated with location, risk, past rental history, and current market conditions. An investor may purchase a property at a lower cap rate if that property is at least 90% occupied, is in a good location, and has satisfactory rental history. The appraiser has chosen to utilize three methods in order to arrive at an appropriate capitalization rate for the subject property.

Real Estate Investor Surveys (method 1)

One technique used to determine the proper capitalization rate involves analyzing surveys of real estate investors. These surveys include data on investors operating regionally, nationally, such as representative of insurance companies, commercial banks, pension funds, investment banking firms, syndication firms and investment advisory firms. Such companies invest in all types of real estate properties, including office buildings, retail shopping centers, restaurants, hotels, apartment complexes, and industrial and healthcare facilities. Anticipated yields varied according to perceived risks associated with different types of investment real estate. In addition, OARs are dependent on these types of investors, their cost of capital, expectations about future inflation, and anticipated holding period.

According to Realty Rates Investor Survey, Second Quarter 2007, indicated OAR's for Industrial Warehouse & Distribution Centers range from 6.67% to 12.16%, with an average of 8.57%

RealtyRates.com INVESTOR SURVEY - 2nd Quarter 2007*						
INDUSTRIAL - WAREHOUSES & DISTRIBUTION CENTERS						
Item	Input					OAR
Minimum						
Spread Over 10-Year Treasury	0.90%	DCR Technique	1.15	0.069041	0.85	6.75
Debt Coverage Ratio	1.15	Band of Investment Technique				
Interest Rate	5.62%	Mortgage	85%	0.069041	0.058685	
Amortization	30	Equity	15%	0.077100	0.011565	
Mortgage Constant	0.069041	OAR				7.02
Loan-to-Value Ratio	85%	Surveyed Rates				6.67
Equity Dividend Rate	7.71%					
Maximum						
Spread Over 10-Year Treasury	2.81%	DCR Technique	1.65	0.111446	0.60	11.03
Debt Coverage Ratio	1.65	Band of Investment Technique				
Interest Rate	7.53%	Mortgage	60%	0.111446	0.066868	
Amortization	15	Equity	40%	0.152800	0.061120	
Mortgage Constant	0.111446	OAR				12.80
Loan-to-Value Ratio	60%	Surveyed Rates				12.16
Equity Dividend Rate	15.28%					
Average						
Spread Over 10-Year Treasury	1.86%	DCR Technique	1.40	0.085246	0.73	8.65
Debt Coverage Ratio	1.40	Band of Investment Technique				
Interest Rate	6.58%	Mortgage	73%	0.085246	0.061803	
Amortization	23	Equity	28%	0.11185	0.030570	
Mortgage Constant	0.085246	OAR				9.24
Loan-to-Value Ratio	73%	Surveyed Rates				8.57
Equity Dividend Rate	11.12%					

*1st Quarter 2007 Data

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Additional support is provided from the Korpacz Investor Survey summarized below:

NATIONAL WAREHOUSE MARKET Third Quarter 2007			
	CURRENT QUARTER	LAST QUARTER	YEAR AGO
DISCOUNT RATE (IRR)^a			
Range	5.50% – 11.50%	5.50% – 11.50%	5.50% – 11.50%
Average	7.88%	7.87%	8.11%
Change (Basis Points)	–	+ 1	– 23
OVERALL CAP RATE (OAR)^a			
Range	5.00% – 8.50%	5.00% – 8.50%	5.50% – 9.00%
Average	6.53%	6.58%	7.03%
Change (Basis Points)	–	– 5	– 50
RESIDUAL CAP RATE			
Range	6.00% – 10.00%	6.00% – 10.00%	6.00% – 10.00%
Average	7.33%	7.37%	7.74%
Change (Basis Points)	–	– 4	– 41
MARKET RENT CHANGE RATE^b			
Range	0.00% – 10.00%	0.00% – 5.00%	– 2.00% – 5.50%
Average	2.98%	2.84%	2.40%
Change (Basis Points)	–	+ 14	+ 58
EXPENSE CHANGE RATE^b			
Range	2.00% – 3.50%	2.00% – 3.50%	2.00% – 3.50%
Average	3.00%	3.00%	3.00%
Change (Basis Points)	–	0	0
AVERAGE MARKETING TIME^c			
Range	1.00 – 12.00	1.00 – 12.00	3.00 – 12.00
Average	5.77	5.77	6.54
% Change	–	0	– 11.77
<small>a. Rate on unleveraged, all-cash transactions b. Initial rate of change c. In months</small>			

Korpacz is a national survey and not location or property specific; however it does show a trend in capitalization rates for office buildings, which indicate a decrease over the last year of approximately 50 basis points. Korpacz indicates a range of 5.00% to 8.50% with an average OAR of 6.53%.

Capitalization Rates Extracted From The Market (method 2)

This method is considered to be the most reliable when estimating a capitalization rate since it is derived from the local market and proves what investors are willing to receive as a rate of return within the local market on similar properties.

Comparable #	1	2	3	4
Location	5250 Frontage Rd	129 Armour Dr	3401 Atlanta Industrial	Multi-Parcel Sale
County	Clayton	Fulton	Fulton	Fulton
City	Forest Park	Atlanta	Atlanta	Atlanta
State	Georgia	Georgia	Georgia	Georgia
Sale Price	\$5,500,000	\$2,475,000	\$1,350,000	\$14,850,000
Property Type	Warehouse	Warehouse	Warehouse	Warehouse
Size	115,700 SF	37,500 SF	48,000 SF	443,818 SF
NOI	\$478,500	\$173,250	\$120,150	\$1,125,630
Cap Rate	8.70%	7.00%	8.90%	7.58%

The comparables' Capitalization Rates ranged from 7.00% to 8.90% with an average of 8.05%. These comparables all represented buildings that are warehouse related uses

Band of Investment (method 3)

Mortgage at 8.00%; 20 year – Monthly Amortization; 75% LTV

Equity at 12%

Holding Period 10 years

No appreciation or depreciation

Method 3: Band of Investment					
Weighted Debt Component:	75%	x	8.00%	=	6.00%
Weighted Equity Component:	25%	x	12.00%	=	3.00%
					9.00%
				Rounded To:	9.00%

Capitalization Rate Conclusion

Due to the age, quality of construction, location investor expectations, and associated risks, the appraiser concludes that an overall rate of 8.00% is appropriate for this type of property under current market conditions. Consideration was given to the previously mentioned rates from the capitalization rate formula above and investor surveys; however, primary weight has been given to rates that were extracted from market, which prove to be the most reliable.

Capitalization

$$\frac{\text{NOI}}{\text{CR}} = \text{Value}$$

Direct Capitalization Technique

<u>REVENUES:</u>			
Potential Gross Revenues			
Rentable Area:	75,026	\$3.00	\$225,078
Recoveries/CAM			\$0
Potential Gross Revenue:			\$225,078
Vacancy and Credit Loss:	10%		\$22,508
Effective Gross Income			\$202,570
<u>OPERATING EXPENSES:</u>			
Pest Control			paid by tenant
Trash Removal			paid by tenant
Landscaping			paid by tenant
Utilities			paid by tenant
Insurance			\$2,000
Maintenance/Repairs			paid by tenant
Real Estate Taxes			\$2,967
Management	5.0%		\$675
Total Operating Expenses			\$5,642
Reserves	3.0%		\$6,077
Total Expenses & Reserves			\$11,720
NET OPERATING INCOME			\$190,851
Capitalization Rate			8.00%
Estimated Direct Capitalization Value			\$2,385,633
		Rounded	\$2,390,000
INDICATED VALUE VIA INCOME APPROACH			\$2,390,000

RECONCILIATION AND FINAL ESTIMATE

Summary of Value Conclusions		
Building Size (Square Feet)	75,026	
Sales Comparison Approach		\$2,400,000
Cost Approach (Tangible Assets Only)		N/A
Income Approach		\$2,390,000
Reconciled Market Value of Real Estate		\$2,400,000
Per Building Square Foot		\$31.99
Per Square Foot of Land Only		\$90.17

The Sales Comparison Approach is generally the most reliable indicator of value since it typically reflects actions of buyers and sellers in the market place, especially in an active market.

The Cost Approach is more reliable when appraising new construction or special purpose properties as to the highest and best use and for feasibility.

The Income Approach is the most basic of the three approaches and is normally the starting point for the developer or lender. The Income Approach is considered a reliable indication of value since the typical investor in this type property is concerned with the income producing aspect.

Conclusion:

Consideration is given to both the Sales Comparison and the Income Approaches to value. In determining our final estimate, primary reliance was placed on the Sales Comparison Approach since it is common for this type of improvement to be purchased for owner occupancy. The final estimate of value is as follows:

As of October 23, 2007 it is my opinion that the Market Value with Fee Simple Interest in the subject property is as follows:

Two Million Four Hundred Thousand Dollars
(\$2,400,000)

Addenda

Supporting Documents
For
Subject Property

BLANK

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Exhibit “B”
Subject Deed with Legal Description

Deed Book 41865 Pg 595
Filed and Recorded Feb-01-2006 11:18am
2006-0033482
Real Estate Transfer Tax \$3,687.26
Juanita Hicks
Clerk of Superior Court
Fulton County, Georgia

Return recorded document to:
Richard H. Andre, Esq.
Andre & Blaustein, LLP
127 Peachtree Street, NE, Suite 700
Atlanta, GA 30303-T800

Return to:
REGINALD A. HUDSPETH, LLC
6340 Sugarloaf Parkway, Suite 150
Duluth, Georgia 30097
(770) 925-1400

STATE OF GEORGIA
COUNTY OF FULTON

WARRANTY DEED

THIS INDENTURE, made as of the 31st day of October, 2005, between PLY-MARTS, INC., a Georgia corporation (hereinafter referred to as "Grantor"), and FOUR CORNERS REALTY, LLC, a Georgia limited liability company (hereinafter referred to as "Grantee"); the words "Grantor" and "Grantee" include their respective successors, and assigns where the context requires or permits.

WITNESSETH:

THAT, Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable considerations, in hand paid at and before the sealing and delivery of these presents, the receipt and sufficiency whereof are hereby acknowledged, has granted, bargained, sold, aliened, conveyed and confirmed, and by these presents does hereby

Page 1

70

grant, bargain, sell, alien, convey and confirm unto Grantee all those certain tracts or parcels of real property lying and being in Land Lot 123 of the 14th District, Fulton County, Georgia, being more particularly described on Exhibit "A" attached hereto and made a part hereof, together with all improvements thereon and appurtenances thereto.

This conveyance is made subject to those certain matters described on Exhibit "B" attached hereto and made a part hereof (the "Permitted Exceptions").

TO HAVE AND TO HOLD said tract or parcel of real property, with all and singular the rights, members and appurtenances thereof, to the same being, belonging, or in any manner appertaining, to the only proper use, benefit and behoof of Grantee, forever in **FEE SIMPLE**.

AND GRANTOR will warrant and forever defend the right and title to the above described property, subject to the Permitted Exceptions, unto Grantee against the claims of all persons whomsoever.

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

GRANTOR:

PLY-MARTS, INC.

Signed, sealed and delivered
in the presence of:

[Signature]
Unofficial Witness

[Signature]
Notary Public

My Commission Expires:
[NOTARY SEAL]



By [Signature]
H. RANDOLPH MAHAFFEY
President

ATTEST:
[Signature]
G. THOMAS MAHAFFEY
{Corporate Seal}

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EXHIBIT "A"
TO
WARRANTY DEED

LEGAL DESCRIPTION OF LAND

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot 123 of the 14th District, Fulton County, Georgia and being more particularly described as follows:

BEGINNING at the intersection of the southern right of way line of Oakleigh Drive (having a 70 foot right of way) with the western right of way line of Sylvan Road (having a 90 foot right of way); thence running south 00 degrees 06 minutes 21 seconds east, along the western right of way line of Sylvan Road, a distance of 410.00 feet to a point; thence leaving said right of way line and running south 89 degrees 55 minutes 28 seconds west, a distance of 1,100.00 feet to a point (which point is located 1,800.50 feet northeasterly from the corner common to Land Lots 123, 124, 133 and 134, said District and County); thence running north 00 degrees 06 minutes 21 seconds west, a distance of 410.00 feet to a point located on the southern right of way line of Oakleigh Drive; thence running north 89 degrees 55 minutes 28 seconds east, along said right of way line, a distance of 1,100.00 feet to a point located at the intersection of the southern right of way line of Oakleigh Drive and the western right of way line of Sylvan Road and the Point of Beginning; containing 10.35 acres as shown on survey for Sylvan 2323. LLC and Lawyers Title Insurance Corporation, made by Robert M. Kirkley, Ga. R.L.S. No. 1844, dated April 19, 1999, revised May 17, 1999.

EXHIBIT "B"
to
Warranty Deed
List of Permitted Exceptions

1. All current and subsequent years taxes, assessments, special assessments, water charges and sewer rents and any other impositions, accrued or unaccrued, fixed or not fixed, upon or charged against all or any part of the Property which are liens not yet due and payable;
2. Such state of facts, encumbrances and title objections that would be disclosed or shown by a competent civil engineer's true and accurate ALTA/ACSM Urban Survey and inspection of the Property;
3. Present and future building restrictions, zoning laws, ordinances, resolutions, orders, and regulations, and all ordinances, laws, regulations and orders of all federal, state, county, and municipal governments, agencies, boards, bureaus, commissions, authorities and bodies of any other governmental or quasi-governmental authority having or acquiring jurisdiction with respect to the Property;
4. Riparian rights incident to the Property;
5. Rights, if any, relating to the construction and maintenance in connection with any public utility of wires, poles, pipes, conduits and appurtenances thereto, on, under or across the Property;
6. Any liens for unpaid franchise taxes of any corporation in the chain of title to the Property and lines for estate, inheritance or similar taxes of any person in the chain of title;
7. All claims of governmental authorities in and to any portion of the Property lying in the bed of any streams, creeks or waterways or other submerged lands or land now or formerly subject to the ebb and flow of tidal waters or any claims of riparian rights;
8. Any and all restrictions on use of the Property due to environmental protection laws, including, without limitation, wetlands protection laws, rules, regulations and orders;
9. Recorded plat filed September 14, 1950, Plat Book 41, page 17, Fulton County Records reveals: a) 12 inch outfall sewer and manhole located in western portion of subject property;
10. All valid and outstanding easements, servitudes, rights-of-way, flowage rights and restrictions;
11. Easement as contain within Right of Way Deed in favor of Fulton County, dated February 16, 1921, recorded in Deed Book 638, page 9, aforesaid records;
12. Sewer Easement in favor of Fulton County, August 7, 1950, recorded in Deed Book 2554, page 591, aforesaid records; and
13. Easement Agreement by and between International Paper Company and The City of East Point, Georgia, dated April 22, 1985, recorded in Deed Book 9859, page 360, aforesaid records.

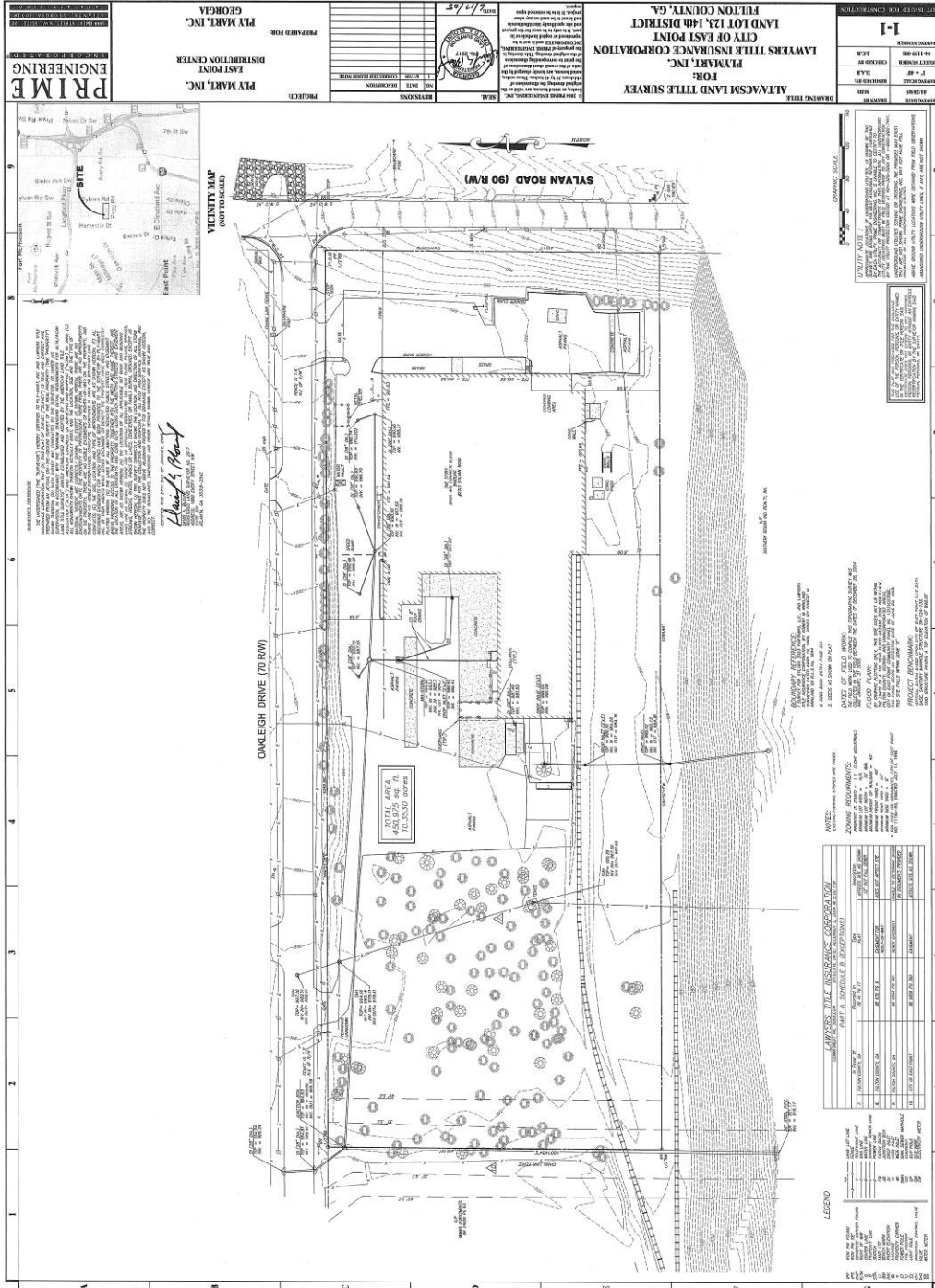
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EXHIBIT "B"
to
Warranty Deed
List of Permitted Exceptions

1. All current and subsequent years taxes, assessments, special assessments, water charges and sewer rents and any other impositions, accrued or unaccrued, fixed or not fixed, upon or charged against all or any part of the property which are liens not yet due and payable;
2. Such state of facts, encumbrances and title objections that would be disclosed or shown by a competent civil engineer's true and accurate ALTA/ACSM Urban Survey and inspection of the property;
3. Present and future building restrictions, zoning laws, ordinances, resolutions, orders, and regulations, and all ordinances, laws, regulations and orders of all federal, state, county, and municipal governments, agencies, boards, bureaus, commissions, authorities and bodies of any other governmental or quasi-governmental authority having or acquiring jurisdiction with respect to the property;
4. Riparian rights incident to the property;
5. Rights, if any, relating to the construction and maintenance in connection with any public utility of wires, poles, pipes, conduits and appurtenances thereto, on, under or across the property;
6. Any liens for unpaid franchise taxes of any corporation in the chain of title to the property and lines for estate, inheritance or similar taxes of any person in the chain of title;
7. All claims of governmental authorities in and to any portion of the property lying in the bed of any streams, creeks or waterways or other submerged lands or land now or formerly subject to the ebb and flow of tidal waters or any claims of riparian rights;
8. Any and all restrictions on use of the property due to environmental protection laws, including, without limitation, wetlands protection laws, rules, regulations and orders;
9. Recorded plat filed September 14, 1950, Plat Book 41, page 17, Fulton County Records reveals: a) 12 inch outfall sewer and manhole located in western portion of subject property;
10. All valid and outstanding easements, servitudes, rights-of-way, flowage rights and restrictions;
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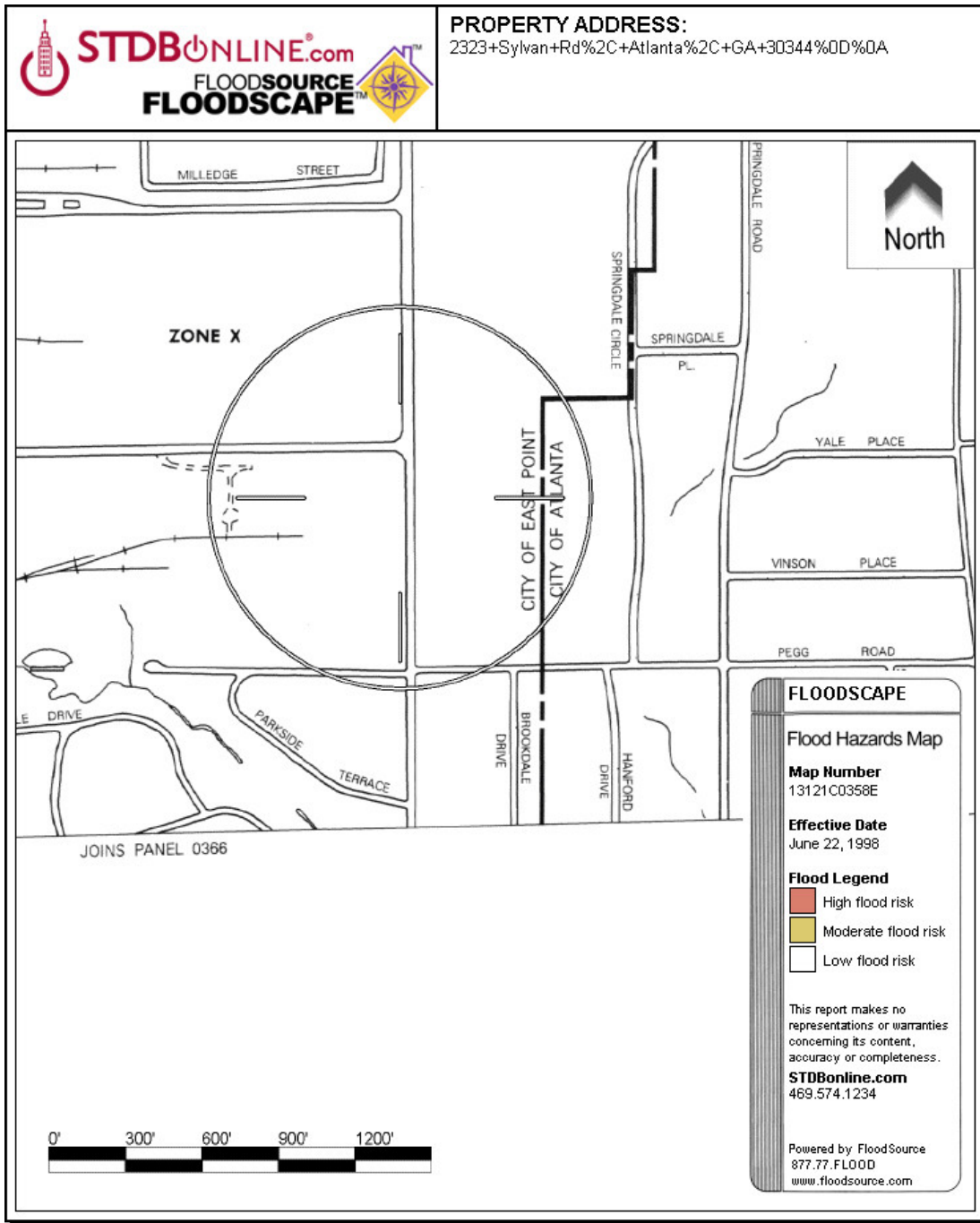
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Exhibit "C"



Site Survey

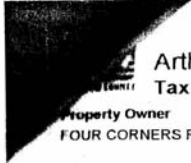
Exhibit "D"



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Flood Map

Exhibit "E"

	<h2 style="margin: 0;">2007 TEMPORARY TAX BILL</h2> <p style="margin: 0;">Arthur E. Ferdinand Tax Commissioner, Fulton County</p>	<p style="margin: 0;">141 Pryor St SW Atlanta, GA 30303 (404) 730-6100</p>
<p>Property Owner FOUR CORNERS REALTY LLC</p>	<p>Parcel Identification 14-0123- LL-006-1 IMPROVED PROPERTY</p>	<p>Description REAL PROPERTY TAX DISTRICT: 20 EAST POINT</p>
	<p>User ID ORIGINAL</p>	

Property Address	Account Number	Fair Market Value	Temporary Value
2323 SYLVAN RD	1283850	1,898,400	645,450

County Tax Credit: \$893.95 Control # 53,903

Levies	Temporary Assessment	Exemptions	Net Assessment	Net Rate	Net Tax
Fulton					
FULTON OPER	645,450 -	0 =	645,450 x	0.010281	= 6,635.87
FULTON SCHOOL GEN	645,450 -	0 =	645,450 x	0.016903	= 10,910.04
FULTON SCHOOL BOND	645,450 -	0 =	645,450 x	0.001188	= 766.79
STATE	645,450 -	0 =	645,450 x	0.000250	= 161.36
			Total Billed for 2007		18,474.06
			Less Amount Paid		0.00
			Fulton Total Due		\$18,474.06

PAY THIS AMOUNT FOR TAX YEAR 2007. **\$18,474.06**

Please read the reverse side of the bill and enclosed brochure for additional information and instructions or call our 24-hour automated customer service line at (404) 730-6100.

Fulton County Tax Assessment

Exhibit "F"

City of East Point Zoning Ordinance for the Subject Property

Sec. 10-2059.1. I-1 Light industrial district.

(a) *Application and intent.* The provisions of this section apply to the I-1 Light Industrial District.

The purpose of this district is to provide for light manufacturing, assembly, packaging and warehousing operations, free from incompatible residential, commercial and heavy industrial activities not directly serving or compatible with the light industrial uses, which would preempt land intended to be preserved for light industrial uses in order to achieve a favorable balance of land uses within the city.

(b) *Permitted uses.* Provided that all uses comply with applicable "Required Standards of Development" as set forth in section 10-2034 and with "Required Performance Standards" as set forth in section 10-2035; and provided further that all outdoor storage of materials and all equipment utilized outdoors in conjunction with a permitted use is completely screened from public view by an opaque fence or other screening device approved by the zoning administrator, permitted uses are as follows:

(1) Any commercial or light manufacturing use, provided that all manufacturing, processing, assembly and/or disassembly operations and all storage operations associated with such uses not specifically identified below shall be housed entirely within an enclosed building or buildings.

(2) Accessory uses and structures:

a. Accessory uses and structures incidental to any permitted use.

b. Outdoor advertising and business signs and structures in accordance with the sign regulations of this ordinance.

c. Professional and announcement signs in accordance with the sign regulations of this ordinance.

(3) Agriculture and forestry:

a. Nurseries, greenhouses and truck gardens.

(4) Animal care facilities:

a. Animal hospitals and veterinary clinics.

b. Boarding and breeding kennels.

c. Dog grooming shops.

(5) Automotive, boat and trailer sales and service:

a. Automobile and truck sales.

b. Automobile repair and paint shops.

c. Automobile service station.

d. Automobile upholstery shop.

e. Automobile wash service.

f. Boat sales.

g. Minor and major automobile repair and maintenance shops.

h. Retail automobile parts and/or tire store.

- i. Tire retreading and recapping.
- j. Trailer salesroom and sales lot.
- k. Customizing vans, campers and other automotive vehicles.
- (6) Building materials and farm equipment:
 - a. Electric supply store.
 - b. Farm equipment sales.
 - c. Lumber, hardware and other building material establishments.
 - d. Paint, glass and wallpaper stores.
 - e. Plumbing and heating equipment dealers.
- (7) Commercial recreation and entertainment:
 - a. Amusement arcades.
 - b. Carnival, video, horseshow, shooting or athletic event.
 - c. Fairgrounds and amusement parks.
 - d. Parks and places of amusement, recreation and assembly, including but not limited to golf courses, golf driving ranges, miniature golf courses and tennis courts.
- (8) Communication:
 - a. Radio and television broadcasting stations.
 - b. Radio, television and other communication transmission towers.
 - c. Point-to-point communication agencies.
 - d. Telephone business office.
- (9) Community facilities:
 - a. Assembly halls.
 - b. Electric transformer station, gas regulator station and telephone exchange.
 - c. Neighborhood recreation centers and swimming pools.
 - d. Noncommercial club or lodge.
 - e. Public buildings and public recreation facilities.
- (10) Construction contractors:
 - a. General building contractors.
 - b. Heavy construction contractors.
 - c. Special trade contractors.
- (11) Dwellings:
 - a. Residence for watchman or caretaker employed on the premises.
- (12) Eating and establishments:
 - a. Restaurants, grills, cafes, cafeterias, drive-ins, fast food facilities and similar eating establishments.
- (13) Education:
 - a. College and university industry-associated research and training facilities.
 - b. Commercial vocational schools.
- (14) Lodging: (none)
- (15) Manufacturing:
 - a. Light manufacturing establishments.
- (16) Mining:
 - a. Removal or extraction of dirt, sand and soil.
- (17) Printing:
 - a. Bookbinding and related work.

- b. Photoengraving, typesetting, electrotyping and stereotyping.
- c. Publishing and printing establishments.
- (18) Religious facilities: (none)
- (19) Retail trade:
 - a. Accessory retail sales and services.
 - b. Fuel and ice dealers, manufacturers and wholesalers.
 - c. Incidental retail sales of goods produced and processed on the premises.
 - d. Retail liquor stores.
- (20) Services, personal:
 - a. Business service establishments.
 - b. Dry-cleaning plants.
 - c. Laundry and dry-cleaning pickup stations.
 - d. Linen and diaper services, garment pressing, alteration and repair.
 - e. Research, testing and laboratories.
- (21) Services, repair:
 - a. Heavy repair services and trade shops.
 - b. Home appliance repair and related service.
 - c. Jewelry repair.
 - d. Light repair services.
 - e. Radio and television repair.
 - f. Upholstery, furniture and major appliance repair.
- (22) Services, medical, health and related:
 - a. Clinics and pharmacies.
 - b. Medical and dental laboratories.
 - c. Offices of health service providers.
 - d. Private ambulance and emergency radical services.
- (23) Services, other:
 - a. Engineering and architectural offices.
 - b. Finance, real estate, insurance offices and financial institutions.
- (24) Transportation and storage:
 - a. Landing areas for rotary wing aircraft.
 - b. Railroad car classification yards and train truck yards.
 - c. Railroad stations for freight.
 - d. Self-storage miniwarehouse facilities.
 - e. Taxi stands and dispatching agencies.
 - f. Truck terminal.
 - g. Warehousing and storage.
- (25) Wholesale trade:
 - a. Wholesale sales offices.
 - b. Wholesale trade and distribution establishments.
- (c) *Conditional uses.* Conditional uses or special exception uses within the I-1 Light Industrial District are approved or disapproved by the city council, after submission to the city of a detailed application for approval prepared by the applicant which must set forth specific information concerning the proposed design and operation of the use, and how such design and operation will result in full compliance with required performance

standards of development and required performance standards set forth in Article B, section 10-2034 and section 10-2035.

The conditional uses identified below are permitted within any I-1 Light Industrial District, upon application to the city and favorable decision thereon by the city council, provided that no outside storage in conjunction with such use is allowed.

Prior to city council action any application for a conditional use, said application shall be referred to the planning and zoning commission for its review and recommendation to the city council. As part of any action of approval of a conditional use, the city council may require specific design and/or operation features which have as their purpose assuring compliance with required "Standards of Development" and "Required Performance Standards," and assuring protection of the public health, safety, morals, and/or general welfare. Specific conditional uses may be so permitted as specified is as follows:

(1) Places of worship.

(d) *Area and health restrictions.* Applicable regulations as set forth in section 10-2060 shall be met.

(e) *Off-street parking and loading requirements.* Applicable regulations as set forth in Article E shall be met.

(Ord. No. 1084-94, 9-6-94; Ord. No. 004-00, § 1, 2-21-00; Ord. No. 007-02, § 1, 5-20-02)

Exhibit "G"

*Ply Mart - Phase I Environmental Site Assessment
GESI Project No. 04511*

February 2005

1.0 EXECUTIVE SUMMARY

Global Environmental Solutions, Inc. (GESI) has completed a Phase I Environmental Site Assessment (Phase I) of the former International Paper Company site (the subject property) currently owned by Sylvan 2323 Partners, LLC. located at 2323 Sylvan Road in East Point, Fulton County, Georgia. This assessment was conducted in general accordance with the scope and limitations of the American Society of Testing and Materials (ASTM) Standard E 1527-00.

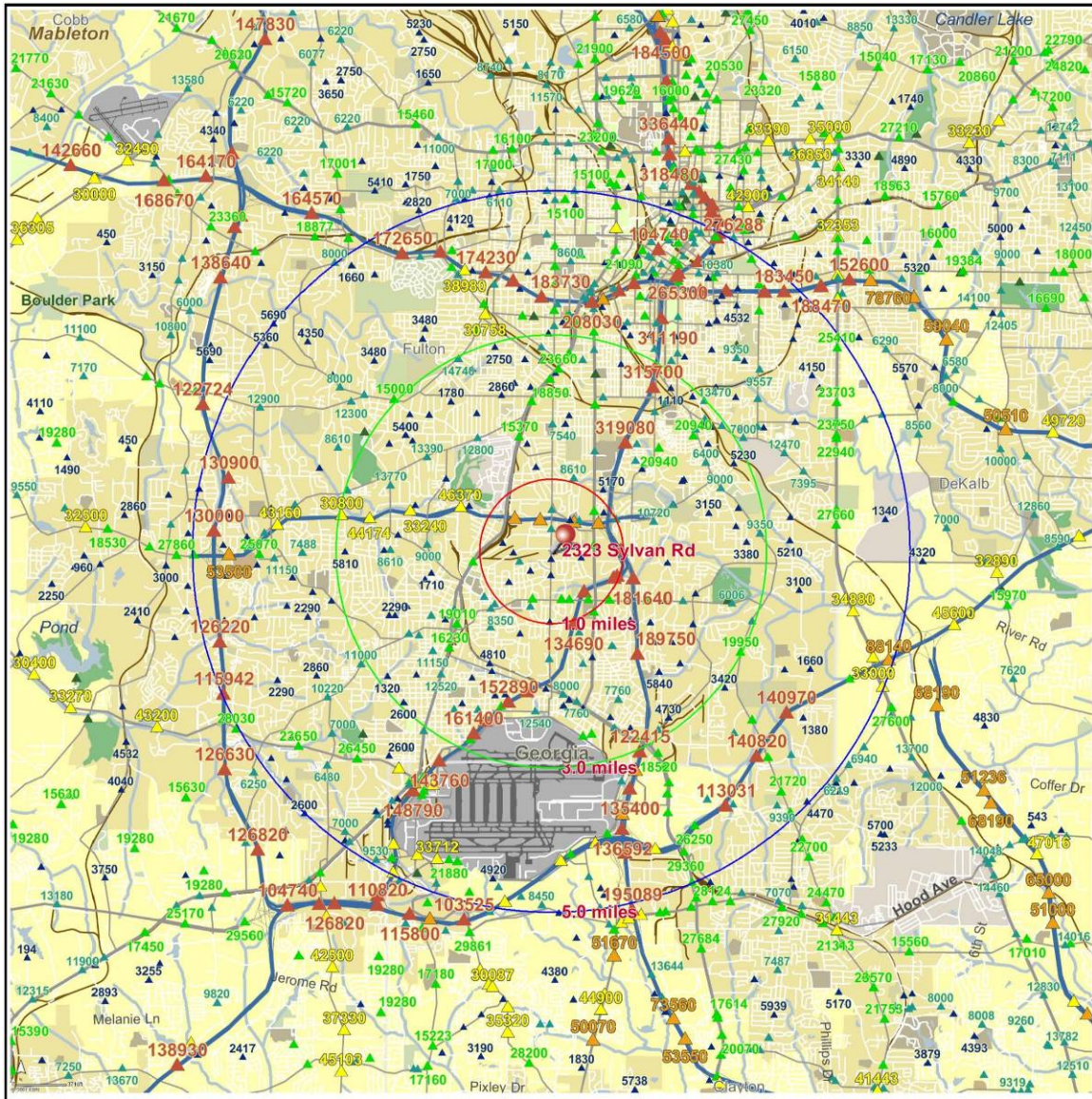
The subject property consists of an approximately 10.35 acre parcel of land, and is developed with one single-story building, approximately 76,700 square feet in size. International Paper (IP) constructed the building in 1950 and it included manufacturing, warehouse, and office space. Asphalt parking areas, concrete sidewalks, and landscaped areas surround the subject property building. IP used the building to manufacture liquid packaging containers until 1998.

The subject property was sold to Sylvan 2323, LLC. in May 1999. This owner leased the property to Leggett & Platt from 2001 to 2003. During that time, the site was used for warehouse and shipping, and no manufacturing activities were conducted on the subject property.

Based on GESI's review of available historical records, aerial photographs and our site reconnaissance, past use of the subject property and the current land uses on adjacent properties, we believe that there is no reasonable concern regarding impact to the environmental condition of the subject property. Therefore, based on our findings and our review of current regulations and standards, no further site investigation is recommended.

However, as noted in Section 6, asbestos containing materials and potential PCB containing material are present within the subject site building. GESI does recommend that an asbestos management plan be established if all ACM are not removed. In addition, fluorescent light ballasts and electrical devices that may contain PCBs should be handled accordingly and properly disposed of.

Exhibit "H"



Traffic Count Map

Supporting Documents
For
Comparable Sales

Exhibit "T"
Profiles for Improved Sales

Improved Sale 1

Property Identification

1. Property Type: Industrial Warehouse
2. Address: 1401 Marietta Blvd
Atlanta, GA
3. Tax ID: 17-0191-0007-045-1

Sale Data

4. Grantor: Buchanan, John E.
- Grantee: Art Laminating and Finishing, LLC
5. Sale Price: \$4,500,000
6. Price Per SF: \$56.56
7. Sale Date: 08/02/2007
8. Deed Book/Page: Fulton County Book 45561/Page 214
9. Verification: Public Records/Martin Anson(President-Current Owner)
10. Condition of Sale: Arm's Length
11. Financing: All Cash to Seller

Property Data

12. Building Size: 79,566 Square Feet
13. Land Area: 3.48 Acres
14. Year Built: 1956
15. Zoning: I2
16. Utilities: All Available
17. Comments:

This is a sale of a concrete block/brick warehouse building located in Atlanta, GA. The property is currently operating as a graphics supply company.



Improved Sale 2

Property Identification

1. Property Type: Industrial Warehouse
2. Address: 3428 Browns Mill Road
Atlanta, GA
3. Tax ID: 14-0063-LL-125-1

Sale Data

4. Grantor: Marchman, William Kenneth Sr.
- Grantree: Konter, Stanley
5. Sale Price: \$1,018,500
6. Price Per SF: \$31.34
7. Sale Date: 06/14/2007
8. Deed Book/Page: Fulton County Book 45191/Page 645
9. Verification: Public Records/Jon Sarnat (Broker)
10. Condition of Sale: Arm's Length
11. Financing: All Cash to Seller

Property Data

12. Building Size: 32,400 Square Feet
13. Land Area: 2.6 Acres
14. Year Built: 1975
15. Zoning: I1
16. Utilities: All Available
17. Comments:

This is a sale of a brick/metal building located in Atlanta, GA with an inferior parking and outdoor storage area.



Improved Sale 3

Property Identification

1. Property Type: Industrial Warehouse
2. Address: 1460 Moreland Avenue SE
Atlanta, GA
3. Tax ID: 15-0113-01-022 & 15-0113-01-010 & 15-0113-01-029

Sale Data

4. Grantor: Continental Trucking Corp.
- Grantee: 1460 Moreland, LLC
5. Sale Price: \$2,149,000
6. Price Per SF: \$35.15
7. Sale Date: 6/27/2007
8. Deed Book/Page: Dekalb County Book 19660/Page 400
9. Verification: Public Records/Co-Star
10. Condition of Sale: Arm's Length
11. Financing: All Cash to Seller

Property Data

12. Building Size: 61,140 Square Feet
13. Land Area: 13.15 Acres
14. Year Built: 1957
15. Zoning: M
16. Utilities: All Available
17. Comments:

This is a sale of a multi-parcel property consisting of brick & metal warehouses in Atlanta, GA.



Improved Sale 4

Property Identification

1. Property Type: Manufacturing/Warehouse Building
2. Address: 6820 Kelly Avenue
Morrow, Clayton Co., GA
3. Tax ID: 13145D A001

Sale Data

4. Grantor: Southlake Fund Partners, LP
- Grantee: Spectrum Property Management, LLC
5. Sale Price: \$1,376,508
6. Price Per SF: \$27.81
7. Sale Date: 11/17/2006
8. Deed Book/Page: 8904/86
9. Verification: Public Records/CoStar
10. Condition of Sale: Arm's Length
11. Financing: All Cash to Seller

Property Data

12. Building Size: 49,500 Square Feet
13. Land Area: 3.46 Acres
14. Year Built: 1970
15. Zoning: HI – Heavy Industrial
16. Utilities: All Available
17. Comments: Block/Brick building.



Improved Sale 5

Property Identification

Property Type: Warehouse/Retail Front
Address: 150 Forest Parkway
Forest Park, Clayton Co., GA
13053C B001

Tax ID:

Sale Data

Grantor: Lazo Real Estate, Inc.
Grantee: Garva Investments, Inc.
Sale Price: \$1,892,246
Price Per SF: \$34.40
Sale Date: 06/26/2006
Deed Book/Page: 8696/557
Verification: Public Records/CoStar
Condition of Sale: Arm's Length
Financing: All Cash to Seller

Property Data

Building Size: 55,000 SF
Land Area: 3.15 Acres
Year Built: 1965
Zoning: LI – Light Industrial
Utilities: All Available
Comments: Block/Brick building in Atlanta, GA.



Exhibit "J"
Location Map for Improved Sales

Improved Sales Location Map

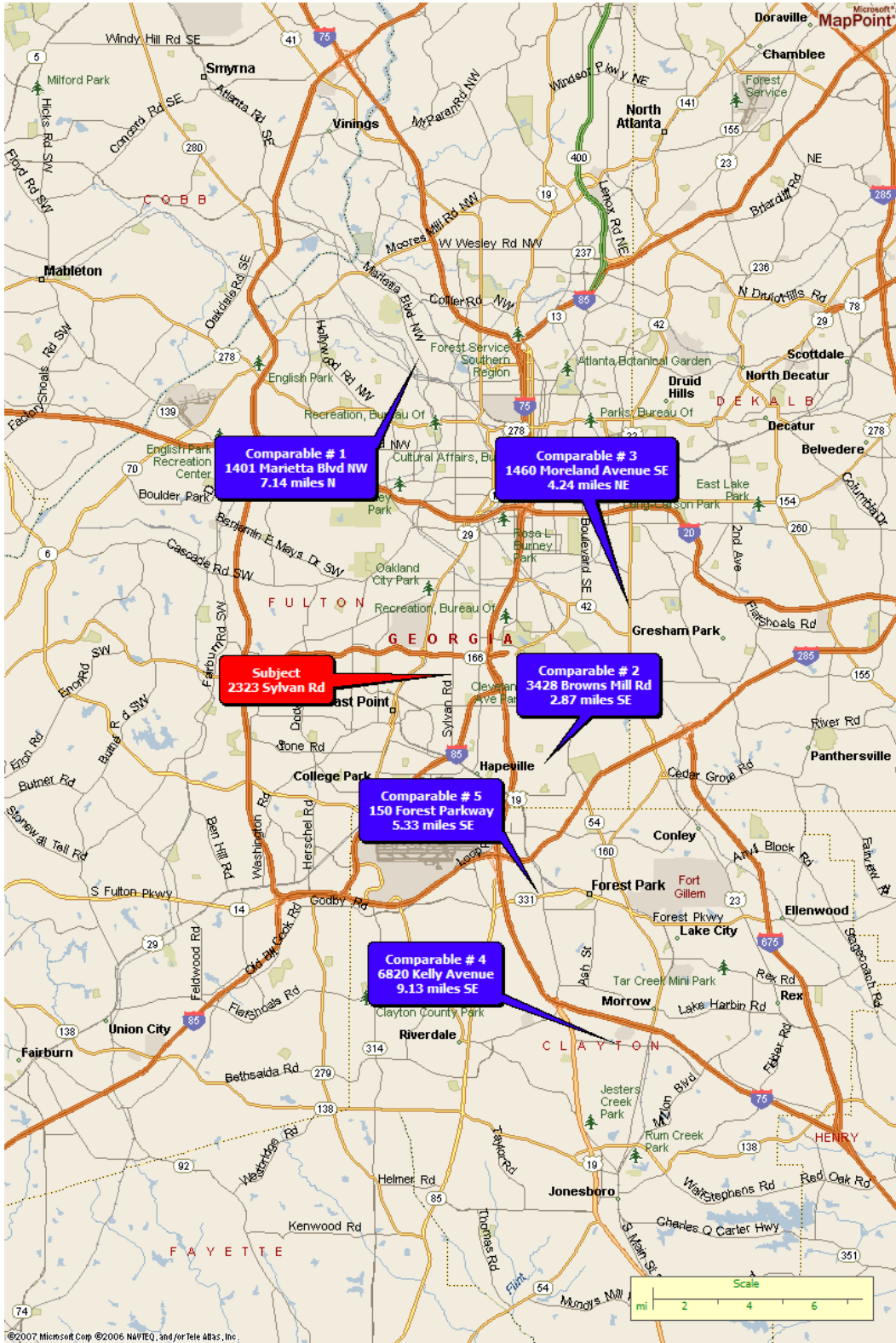


Exhibit “K”
Profiles for Rent Comparables

Rental Comparable 1

Property Identification

- | | |
|-------------------|--|
| 1. Property Type: | Warehouse |
| 2. Address: | 4849 Massachusetts Blvd
Atlanta, GA |
| 3. Tax ID: | 13059A A004 |

Lease Data

- | | |
|-----------------|--------|
| 4. Lease Type: | NNN |
| 5. Rent Per SF: | \$3.15 |

Property Data

- | | |
|------------------------------|---------------------|
| 6. Building Size: | 148,500 Square Feet |
| 7. Land Area: | 9.86 Acres |
| 8. Year Built: | 1964 |
| 9. Land Use: | Industrial |
| 10. Utilities: | All Available |
| 11. Maximum Space Available: | 148,500 Square Feet |
| 12. Minimum Space Available: | 148,500 Square Feet |



Rental Comparable 2

Property Identification

- | | |
|-------------------|------------------------------------|
| 1. Property Type: | Warehouse |
| 2. Address: | 2251 Sylvan Road
East Point, GA |
| 3. Tax ID: | 14-0123-LL-064-0 |

Lease Data

- | | |
|-----------------|--------|
| 4. Lease Type: | NNN |
| 5. Rent Per SF: | \$2.40 |

Property Data

- | | | |
|------------------------------|---------------|-------------|
| 6. Building Size: | 409,000 | Square Feet |
| 7. Land Area: | 34.32 | Acres |
| 8. Year Built: | 1954 | |
| 9. Land Use: | Industrial | |
| 10. Utilities: | All Available | |
| 11. Maximum Space Available: | 409,000 | Square Feet |
| 12. Minimum Space Available: | 90,000 | Square Feet |



Rental Comparable 3

Property Identification

- | | |
|-------------------|---|
| 1. Property Type: | Warehouse |
| 2. Address: | 4350 International Parkway
Atlanta, GA |
| 3. Tax ID: | 13021C A014 |

Lease Data

- | | |
|-----------------|--------|
| 4. Lease Type: | NNN |
| 5. Rent Per SF: | \$3.25 |

Property Data

- | | | |
|------------------------------|---------------|-------------|
| 6. Building Size: | 148,000 | Square Feet |
| 7. Land Area: | 2.00 | Acres |
| 8. Year Built: | 1998 | |
| 9. Land Use: | Industrial | |
| 10. Utilities: | All Available | |
| 11. Maximum Space Available: | 53,600 | Square Feet |
| 12. Minimum Space Available: | 45,200 | Square Feet |



Rental Comparable 4

Property Identification

- | | |
|-------------------|------------------------------------|
| 1. Property Type: | Warehouse |
| 2. Address: | 1014 Sampler Way
East Point, GA |
| 3. Tax ID: | 14-0123-LL-035-0 |

Lease Data

- | | |
|-----------------|--------|
| 4. Lease Type: | NNN |
| 5. Rent Per SF: | \$2.25 |

Property Data

- | | | |
|------------------------------|---------------|-------------|
| 6. Building Size: | 102,639 | Square Feet |
| 7. Land Area: | 3.73 | Acres |
| 8. Year Built: | 1957 | |
| 9. Land Use: | Industrial | |
| 10. Utilities: | All Available | |
| 11. Maximum Space Available: | 47,717 | Square Feet |
| 12. Minimum Space Available: | 16,151 | Square Feet |



Rental Comparable 5

Property Identification

- | | |
|-------------------|------------------------------------|
| 1. Property Type: | Warehouse |
| 2. Address: | 2181 Sylvan Road
East Point, GA |
| 3. Tax ID: | 14-0123-LL0699 |

Lease Data

- | | |
|-----------------|--------|
| 4. Lease Type: | NNN |
| 5. Rent Per SF: | \$2.50 |

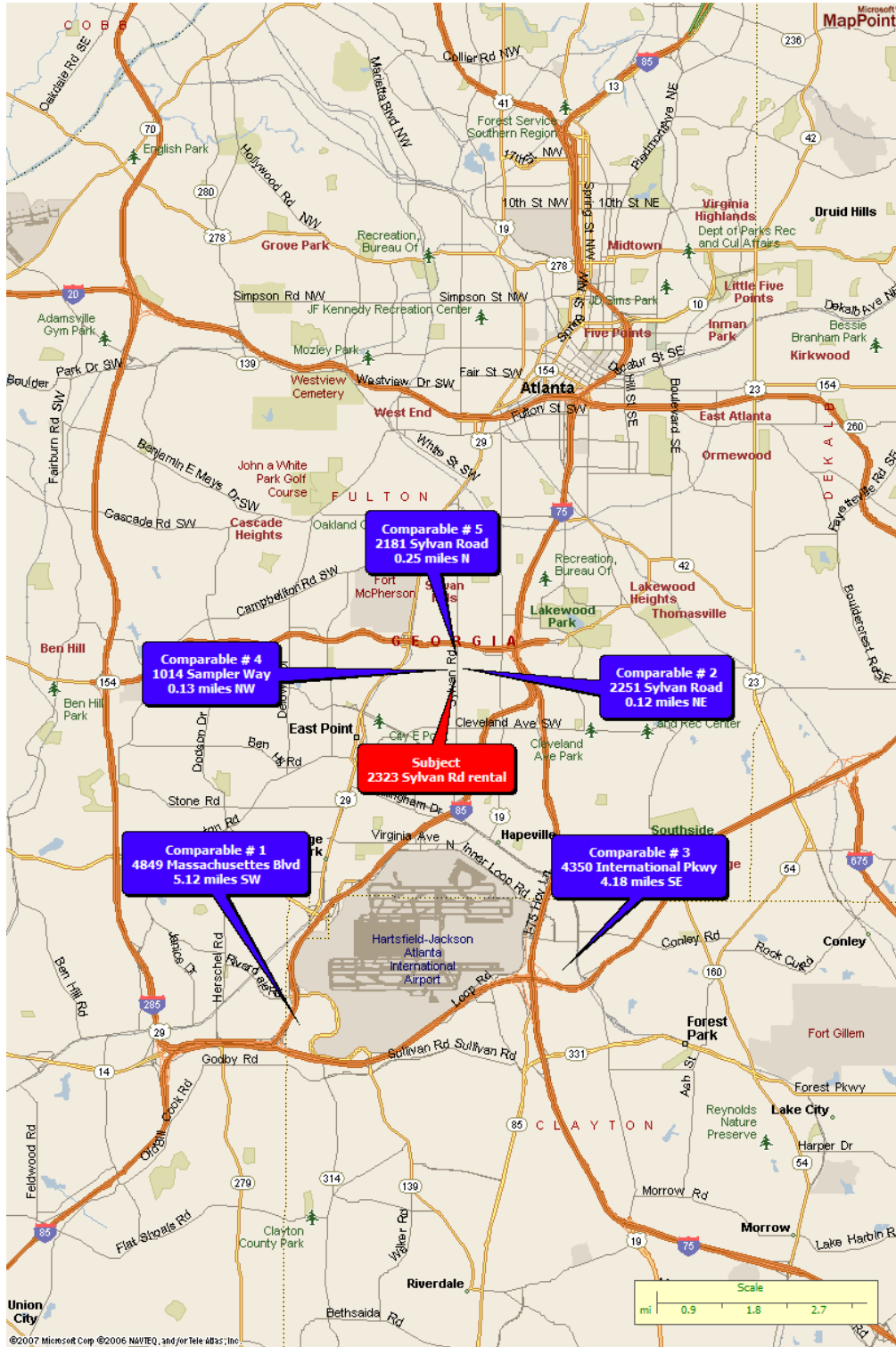
Property Data

- | | | |
|------------------------------|---------------|-------------|
| 6. Building Size: | 113,000 | Square Feet |
| 7. Land Area: | 5.05 | Acres |
| 8. Year Built: | 1956 - 1973 | |
| 9. Land Use: | Industrial | |
| 10. Utilities: | All Available | |
| 11. Maximum Space Available: | 35,000 | Square Feet |
| 12. Minimum Space Available: | 5,000 | Square Feet |



Exhibit “L”
Location Map for Rent Comparables

Rental Location Map



Appraiser Qualifications
License & Resume

FLETCHER & COMPANY
Real Estate Appraisal Service Since 1971
Commercial – Industrial – Land – Residential

122 West Solomon Street
Griffin, Georgia 30224
Office Phone: (770) 227-4008
Fax: (770) 227-7329

107 East Main Street
Buford, Georgia 30518
Office Phone: (678) 714-3782
Fax: (678) 546-7998

QUALIFICATIONS OF CHRISTOPHER TEA

Education:

- B.S. Finance, University of South Florida, Tampa, FL
 - Real Estate Investment
 - Commercial Real Estate Valuation
 - Business Valuation

Courses & Seminars:

- FHA and the Appraisal Process

Professional Organizations & Certifications:

- State Certified General Real Property Appraiser (Georgia), (CG 324214)
- State Certified General Real Property Appraiser (Florida), (RZ 2951)
- Member of the Greater Tampa Association of Realtors (GTAR)
- Member of the Manatee Association of Realtors (MAR)
- Associate Member of the Appraisal Institute

Experience:

- Fee Appraiser, 2003 to 2007
- Electronic Warfare, U.S. Navy, 1993 to 1999
- Analysis and appraisal of residential, commercial and special purpose properties including: office buildings, retail stores, hotels, apartment buildings, aircraft hangars, restaurants, religious facilities, mobile home parks, condominium complexes, warehouses, industrial complexes, medical facilities and vacant land.

