

**APPRAISAL OF REAL PROPERTY
FOR
HIGHLAND BROOK APARTMENTS**

4555 Washington Road
EAST POINT, FULTON COUNTY, GEORGIA 30344

AS OF:
JUNE 4, 2010

PREPARED FOR:

A large black rectangular redaction box covers the client information, obscuring the name and address of the entity for which the appraisal was prepared.

PREPARED BY
FLETCHER & COMPANY
REAL ESTATE VALUATION SERVICES, INC.
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June 6, 2010



RE: Self-Contained Appraisal Report
Highland Brook Apartments
4555 Washington Road
East Point, Fulton County, Georgia 30344

Dear Ms. Davis:

In accordance with your request Daniel Searcy 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 June 4, 2010.

The appraisal was prepared to assist the client in asset management. The appraisal report was prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) and meets the requirements of 12 CFR (Code of Federal Regulations) Part 323, concerning appraisal standards for federally related transactions per the Federal Deposit Insurance Company (FDIC).

Submitted herewith is our report containing pertinent facts and data gathered in our investigation. The method of appraising is detailed in the attached narrative report. As of June 4, 2010 it is my opinion that the Market Value of the fee simple interest in the subject property is:

Three Million Four Hundred Thousand Dollars

(\$3,400,000)

The undersigned appraisers state 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,

A handwritten signature in blue ink, reading "Daniel B. Searcy III".

FLETCHER & COMPANY
Daniel Searcy
State of Georgia
Registered Appraiser #286625

A handwritten signature in blue ink, reading "Ken A. Fletcher".

FLETCHER & COMPANY
Ken A. Fletcher
State of Georgia
Certified General Appraiser #596

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Summary of Salient Facts and Conclusions

Property Identification

Property Address: [REDACTED]
East Point, Fulton County, Georgia

Parcel ID: 13-0034-LL-114-3

Owner: [REDACTED]

Property Description

Property Type: Apartment Complex

Site Size: 29.30± acres or 1,260,310± square feet

Improvements Two story Apartment buildings with 407 Units
totaling approximately 470,523± gross square feet

Year Built: 1970

Number of Units: 407

Zoning: R-3, Multi Family Residential

Appraisal Information

Intended User of Appraisal: [REDACTED]

Intended Use of Appraisal: Asset Management

Interest Appraised: Fee Simple

Report Format: Self-Contained

Effective Date of Appraisal: June 4, 2010

Date of Report: June 6, 2010

Final Estimate of Value:
(Fee Simple) \$3,400,000

Introduction

Assumptions and Limiting Conditions

All analysis and conclusions in this appraisal are based on the following Assumptions and Limiting Conditions, Definitions and Concepts, and Identifications of the Subject Property. Recognizing the premises is vital to this appraisal assignment and to the analysis and conclusions that grow out of these premises.

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. No geological reports have been furnished to the appraiser.
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. Furthermore, the acreage was based on public records of the subject site. 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. Should a subsequent event arise which reveals information which would affect the estimated value as of the date of the appraisal, the Professional reserves the right to revise the report at no additional fee. This does not apply to conditions and circumstances that were beyond the control of the appraiser as of the effective date of the appraisal.
14. The American Disabilities Act of 1990 (ADA) went into effect in January 1992. The appraiser is not an expert with regard to the ADA requirements and has not made a specific compliance survey of the property under review. Neither the client nor the property owner has provided information indicating any impending improvements designed to meet the ADA requirement. In addition, the appraiser has not determined whether or not the subject property is in compliance and conformity with the various detailed requirements of the ADA. Therefore, this analysis does not consider possible non-compliance (if any) with the requirements of ADA in estimating the value of the property.
15. Net Rentable Area has been based on our on-site inspection and reviews of public tax records pertaining to the subject site. We reserve the right to modify our opinion of value if it is found from a more exact survey that these estimates were in error.

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

Name/Phone	Relation	Information Supplied
Teresa Davis / (404) 556-7222	Housing Auth. Of Fulton County	Property Data
Tyler Averitt / (404) 751-2673	Broker	Property Data/Property Access
Yolanda Fayson / (404) 684-6588	East Point City Planning & Zoning Department	Property 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

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- Daniel Searcy visited and personally inspected the subject property and the comparables used in the report under review.
- The reported analyses, opinions, and conclusions in this review report are limited only by the assumptions and limiting conditions stated in this review report, and are our personal, unbiased professional analyses, opinions, and conclusions.
- We 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.
- Our engagement in this assignment or in any future assignment is not contingent upon developing or reporting predetermined results.
- Our 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.
- Our analyses, opinions, and conclusions were developed, and this review 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.
- Our analyses, opinions, and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- No one provided significant real or personal property appraisal assistance to the persons signing this certification.
- The appraisers have not provided prior services regarding the subject property within the previous three year period prior to the date of the appraisal.



Fletcher & Company
Daniel B. Searcy III
State of Georgia
Registered Appraiser #286625



Fletcher & Company
Ken A. Fletcher
State of Georgia
Certified General Appraiser #596

Appraiser Competency

Ken A. Fletcher 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 multifamily residential properties 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.

Daniel B. Searcy III 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 multifamily residential properties 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

According to The Dictionary of Real Estate Appraisal, 4th ed. (Chicago: Chicago Appraisal Institute, 2002), Market value can be defined in the following ways:

The major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. Continual refinement is essential to the growth of the appraisal profession.

1. The most widely accepted components of market value are incorporated in the following definition:

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

2. Market value is defined in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows:

A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal. (USPAP, 2008-2009 ed.)

USPAP also requires that certain items be included in every appraisal report. Among these items, the following are directly related to the definition of market value:

- Identification of the specific property rights to be appraised.
- Statement of the effective date of the value opinion.
- Specification as to whether cash, terms equivalent to cash, or other precisely described financing terms are assumed as the basis of the appraisal.
- If the appraisal is conditioned upon financing or other terms, specification as to whether the financing or terms are at, below or above market interest rates and/or contain unusual conditions or incentives. The terms of above- or below-market interest rates and/or other special incentives must be clearly set forth; their contribution to, or negative influence on, value must be described and estimated; and the market data supporting the opinion of value must be described and explained.

3. The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States:

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 is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 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.

(12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994)

Prospective Value

According to The Dictionary of Real Estate Appraisal, 4th ed. (Chicago: Chicago Appraisal Institute, 2002), Prospective Value can be defined as:

A forecast of the value expected at a specified future date.

A prospective value opinion is most frequently sought in connection with real estate projects that are proposed, under construction or renovation, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long term occupancy at the time the appraisal report is written. This appraisal **does not** provide an opinion of a prospective value for the subject property as defined above.

Fee Simple Interest or Estate

According to The Dictionary of Real Estate Appraisal, 4th Edition, Fee Simple Interest or Estate can be defined as:

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

The subject property is being valued as a fee simple interest.

Leased Fee Interest or Estate

The Dictionary of Real Estate Appraisal, 4th Edition defines Leased Fee Interest as:
An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the lessee are specified by contract terms contained within the lease

The subject property is currently in operation and partially occupied. Residential leases, however, are typically annual lease and therefore the subject does not have a leased fee interest.

Real Property

The Dictionary of Real Estate Appraisal, 4th Edition defines Real Property as:
All interests, benefits, and rights inherent in the ownership of physical real estate; the bundle of rights with which the ownership of 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.

Real Estate

The following definition of Real Estate was obtained from The Dictionary of Real Estate Appraisal, 4th Edition:

Physical land and appurtenances attached to the land, e.g., structures.
An identified parcel or tract of land, including improvements, if any.
See also real property

Improvements

According to The Dictionary of Real Estate Appraisal, 4th Edition, Improvements can be defined as:

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

Personal Property

According to The Dictionary of Real Estate Appraisal, 4th Edition, Personal Property can be defined as:

1. 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. (USPAP, 2008-2009 ed.)
2. Consists of every kind of property that is not real property; movable without damage to itself or the real estate; subdivided into tangible and intangible. (IAAO)

This appraisal specifically excludes the personal property on site.

Intangible Personal Property

The Dictionary of Real Estate Appraisal, 4th Edition defines Intangible Personal Property as:

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. (IAAO)

Goodwill

Goodwill is defined in The Dictionary of Real Estate Appraisal, 4th Edition as:

1. An intangible asset category usually composed of elements such as name or franchise reputation, customer patronage, location, products, and similar factors. (USPAP, 2008-2009 ed.)
2. 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.

Exposure Time

Exposure Time is defined in The Dictionary of Real Estate Appraisal, 4th Edition as:

1. The time a property remains on the market.
2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of the appraisal. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. Exposure time is different for various types of real estate and value ranges and under various market conditions. (Appraisal Standards Board of The Appraisal Foundation, Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions")
Market value estimates imply that an adequate marketing effort and reasonable time for exposure occurred prior to the effective date of the

appraisal. In the case of disposition value, the time frame allowed for marketing the property rights is somewhat limited, but the marketing effort is orderly and adequate. With liquidation value, the time frame for marketing the property rights is so severely limited that an adequate marketing program cannot be implemented. (The Report of the Appraisal Institute Special Task Force on Value Definitions qualifies exposure time in terms of the three above-mentioned values.) See also marketing time.

Given that most properties of this type and in this market have sold within one year of being exposed to the market, it is the Appraisers' opinion that the estimated exposure time for the subject property would have been twelve months.

Marketing Time

According to The Dictionary of Real Estate Appraisal, 4th Edition Marketing Time is:

1. The time it takes an interest in real property to sell on the market sub-sequent to the date of an appraisal.
2. Reasonable marketing time is an estimate of the amount of time it might take to sell an interest in real property at its estimated market value during the period immediately after the effective date of the appraisal; the anticipated time required to expose the property to a pool of prospective purchasers and to allow appropriate time for negotiation, the exercise of due diligence, and the consummation of a sale at a price supportable by concurrent market conditions. Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.) See also exposure time.

Based on current market conditions, the subject should achieve a sale at the concluded market value in twelve months.

Extraordinary Assumption

The Dictionary of Real Estate Appraisal, 4th Edition provides the following definition for Extraordinary Assumption:

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.

(USPAP, 2008-2009 ed.)

The conclusions and opinions presented in this appraisal assignment are subject to the following Extraordinary Assumptions:

1. all mechanical and electrical systems are in working order and sufficient for the typical multifamily user.
2. the removal of all trade fixtures will not create any uncured maintenance issues.
3. all units are in similar condition. The appraiser was not able to inspect each unit and therefore, it is assumed that all units are in similar condition as the ones which were inspected.

Should any one or more of these Extraordinary Assumptions as set forth be found to be disproved or incorrect in any manner, we reserve the right to amend our opinion of value.

Hypothetical Condition

The following definition of Hypothetical Condition was obtained from The Dictionary of Real Estate Appraisal, 4th Edition.

That which is contrary to what exists but is supposed for the purpose of analysis.

Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. A hypothetical condition may be used in an assignment only if:

- Use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison;
- Use of the hypothetical condition results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions. (*USPAP, 2008-2009 ed.*)

The conclusions and opinions presented in this appraisal assignment are subject to the following Hypothetical Condition:

1. None

Assignment Description

Property Identification

The subject property appears to have been originally constructed for use as residential apartments and is currently being utilized as residential apartments. It is located at 4555 Washington Road, East Point, Georgia. The subject complex contains 407 units, totaling approximately 470,523± square feet. The unit mix includes one, two, and three bedroom units. Of the two bedroom units 231 of them are townhouse units. All other apartments are “flats” with all units on a single level. The facility was in average condition for a property of this age at the time of inspection.

The total site contains approximately 29.30± acres, or 1,260,310± square feet. It is identified by Fulton County Assessor’s Office as Parcel Number 13-0034-LL-114-3. Below is an aerial map of the subject property.



Appraisal Objective and Property Rights

The objective of this appraisal, as indicated in the engagement letter, 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. [REDACTED] needs the market value of the Fee Simple Interest in the subject property for collateral evaluation purposes. The intended users of the report would be [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.

Type of Appraisal Assignment

Each written real property appraisal report, required by USPAP, must be prepared under one of the following three report options and prominently state which report option is used: Self-Contained Appraisal Report, Summary Appraisal Report, or Restricted Use Appraisal Report. According to USPAP, when the intended users include parties other than the client, either a Self-Contained Appraisal Report or a Summary Appraisal Report must be provided; and when the intended users do not include parties other than the client, a Restricted Use Appraisal Report may be provided. The essential difference between these three report types is in the level and content of information, and analysis provided in the reports with a Self-Contained Appraisal Report being the most detailed of the three appraisal report options. An Appraisal is defined by USPAP as (noun) “the act or process of developing an opinion of value; an opinion of value. (adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services”. A report is defined by USPAP as “any communication written or oral, of an appraisal, review, or consulting service that is transmitted to the client upon completion of an assignment”. This appraisal report has been prepared in a Self-Contained format.

Effective Date of the Appraisal / Report Date

The final estimate of market value represents our opinion estimates as of June 4, 2010, the most recent date of the real estate inspection. The report date is June 6, 2010.

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. All known transfers within the prior three year period have been included.

According to Fulton County Book 38703 Page 216, the subject property was transferred to MPI Azalea, LLC from Azalea Apartments, Inc. on October 21, 2004 for the consideration of \$7,350,000. There have been no other known transfers of any interests, in whole or part, in the past three years.

The subject complex is currently listed and is being marketed by Southeast Apartment Partners. The current asking price is \$4,070,000 or an average of \$10,000 per unit. There are no other agreements of sale, options, or listings known to the appraiser.

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.”

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] has requested an appraisal to assist it with asset management of the subject property. This Self-Contained 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. The Improved Sales Comparison and Income Approaches to value have been performed in this report. Due to the age of the subject improvements, depreciation would be too speculative to warrant any accuracy. The Cost Approach is more reliable in new construction and special use properties and as such 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. Proper 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).
5. The value indications for the three 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).

We have met the requirements of 12 CFR (Code of Federal Regulations) Part 323, concerning appraisal standards for federally related transactions per the Federal Deposit Insurance Company (FDIC).

Identification of Property

Property Data

Summary of Site

Location:	4555 Washington Road East Point, Fulton County, Georgia
Land Area:	Approximately 29.30± acres or 1,260,310± 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 public records.
Shape:	The subject property is considered regular in shape (see included tax map).
Frontage:	The site has approximately 239± LF of road frontage along Washington Road.
Topography:	The subject slopes downward from east to west.
Utilities:	Water, Sewer, Gas and Electricity are all available to the subject property.
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.
Flood Plain:	According to the FLOODSCAPE Flood Map. 13121C 0363E, 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. For official determination, a certified survey is recommended.
Easements:	The appraiser is not aware of any 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 county. The effective millage rate has been estimated based on the 2009 Tax Statements included in the addenda of this report. According to the Fulton County Tax Commissioner's Office, 2009 taxes have been paid.

2009 Property Assessment Data

Parcel No.	Land Size		County/City Fair Market	Tax Assessed	Millage Rate	Property Taxes
	SF	Acres		Value @ 40%		
14-0190-0005-095-6						
County	1,276,308	29.30	\$11,000,000.00	\$4,400,000.00	30.763	\$ 135,358.08
Total					30.763	\$ 135,358.08

Zoning:

According to the county planning & zoning department, the subject site is zoned R-3, Multi Family Residential by the City of East Point. The use as residential apartments represents an economically compatible and legal, conforming use with the surrounding neighborhood, which consists of various residential, commercial retail/office buildings and service businesses along the major thoroughfare, with single family residential developments along the secondary streets. We assume the subject property conforms to all setback requirements as outlined in the local zoning ordinances. A survey is recommended for official determination. For official zoning and allowances, a letter of permissible uses must be obtained from the City of East Point Planning and Zoning Department. The excerpt from the City of East Point Zoning Ordinance is located in the Addenda section of this report.

Summary of Improvements

The subject property appears to have been originally constructed for use as residential apartments and is currently being utilized as residential apartments. It is located at 4555 Washington Road, East Point, Georgia. The subject complex is comprised of thirty two, two story buildings containing approximately 407 units, totaling approximately 470,523± square feet. The unit mix includes one, two, and three bedroom units.

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

Foundation:	Concrete Foundation
Structural:	Wood Frame & Brick veneer.
Exterior Finish:	Brick veneer.
Roof Covering:	Asphalt Shingle. Roof was inaccessible at the time of inspection.
Interior Finish:	Interior walls consist primarily of painted drywall. Ceilings consist of hung drywall material. Flooring consists of vinyl in the kitchen and bathroom areas with carpeting in the bedroom areas.
HVAC:	Each room is heated with a central heat unit and cooled by an individual electric window air-conditioning unit. Some units have additional window units, which are considered the Tenant's personal property. This appraisal assumes that the HVAC systems are adequate.
Electrical & Plumbing:	There are surface mounted light fixtures on the ceiling and walls depending on the specific room. The exterior of the buildings are also adequately lighted with numerous exterior lights mounted to the buildings. The electrical components of the subject property are assumed to be adequate. There are four 80 gallon water heaters located in the basement of two of the buildings, which service the entire complex.
Site Improvements:	Site improvements consist of asphalt paved parking, concrete curbing, exterior lighting and signage. There appears to be an adequate number of parking spaces per unit.

Physical Condition:	Based on our inspection of the subject property, the subject improvements appear to be in average physical condition for a property of this age. The parking lot appears to be in average condition.
Functional Utility:	The subject facility was originally designed for and utilized as a residential apartment complex. The subject improvements are considered to be of average type construction and parking is typical of similar facilities in the market. The building layouts are designed for residential apartment use and are considered to be functional when compared to competing facilities in the market.
Actual Age, Effective Age, Remaining Economic Life:	The subject buildings were constructed in 1970 and have an actual age of approximately 40 years. The subject buildings appear to have been kept in average condition. We have estimated the effective age based on our observations at 30 years. According to Marshall and Swift life expectancy guidelines, average to mid grade class "D" residential apartment buildings have a typical life expectancy of approximately 45 - 50 years. We have estimated there to be approximately 15 - 20 years remaining.

Photographs of Subject Property



Front View of Typical Building



Rear View of Typical Building



Typical Kitchen



Typical Bath



Typical Bedroom



Typical Living Room



Pool Area and Leasing Office



Playground Area



Frontage View of Washington Road, facing east



Frontage View of Washington Road, facing west

Property Layout



This layout is included for illustrative purposes only. We have estimated the square footage of the subject residential improvements at approximately 470,523± SF.

Area & Neighborhood Summary

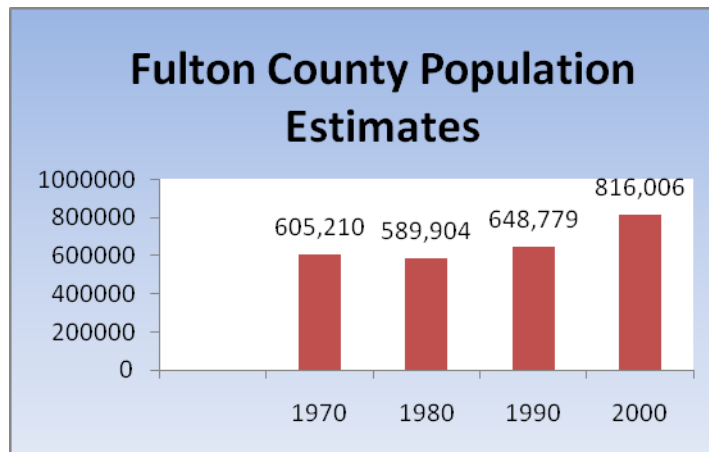
Introduction:

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 property is located in Fulton County, Georgia, along Washington Road just west of the intersection of Washington Road and I-285. The immediate neighborhood is comprised primarily of residential and commercial retail and service related business along the major thoroughfare with single family residential dwellings located along secondary streets.

Population:

In 1990, Fulton County's population was estimated to be 648,779; in 2000 the population had grown to 816,006, indicating a compound annual growth rate of 2.58% between 1990 and 2000. The year-end 2008 population estimate was 1,014,932, indicating a compound annual increase of 3.05% between 2000 and 2008. The following table illustrates historical population trends for Fulton Area and the State of Georgia.



Population						
	2000 Census	2008 Rank	2008 Estimate	% Change 2000-2008	2014 Projected	% Change 2000-2014
Fulton County	816,006	1st	1,014,932	24.38%	1,148,915	40.80%
City of Atlanta	416,474					
Georgia	8,186,453		9,685,744	18.31%	10,813,573	32.09%
United States	281,421,906		304,059,724	8.04%	322,365,787	14.55%

Source: U.S. Census Bureau / STDBonline 2010

According to the table above the US Census Bureau & Governors of Planning and Budget projects for Fulton County to continue to grow at rates similar to historical rates over the past 20 years. Fulton County is ranked 1 of 159 in population among Georgia counties.

Radius Demographics

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

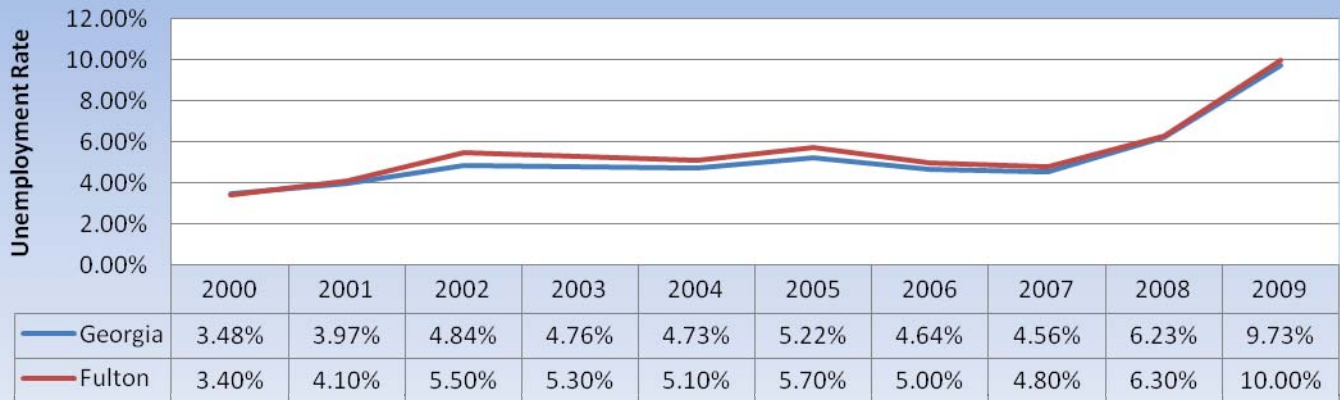
RADIUS DEMOGRAPHIC SUMMARY					
	Georgia	Fulton County, GA	1 Mile Radius (From Subject)	3 Mile Radius (From Subject)	5 Mile Radius (from subject)
Population					
2014 Projection	10,860,806	1,148,915	9,555	68,587	188,286
2009 Estimate	9,932,949	1,025,558	8,895	63,286	170,564
2000 Census	8,186,453	816,006	8,192	54,637	140,877
1990 Census	6,478,216	648,951	5,926	51,611	125,395
% Avg Annual Growth 2009-2014	1.87%	2.41%	1.48%	1.68%	2.08%
% Avg Annual Growth 2000-2009	2.67%	3.21%	1.07%	1.98%	2.63%
% Avg Annual Growth 1990-2000	2.64%	2.57%	3.82%	0.59%	1.23%
Households					
2014 Projection	3,993,863	451,172	3,412	25,128	69,120
2009 Estimate	3,648,492	401,954	3,196	23,312	62,897
2000 Census	3,006,369	321,242	3,032	20,563	53,022
1990 Census	2,366,615	257,140	2,304	19,739	48,572
% Avg Annual Growth 2009-2014	1.89%	2.45%	1.35%	1.56%	1.98%
% Avg Annual Growth 2000-2009	2.67%	3.14%	0.68%	1.67%	2.33%
% Avg Annual Growth 1990-2000	2.70%	2.49%	3.16%	0.42%	0.92%
Income					
2009 Est. Median HH Income	\$56,761	\$65,779	\$40,983	\$45,946	\$47,210
2009 Est. Per Capita Income	\$26,980	\$38,006	\$18,917	\$20,476	\$21,051
Age					
2009 Est. Median Age	35.0	34.3	28.3	29.3	31.3
2009 Est. Median Housing Value	\$121,444	\$148,585	\$96,511	\$99,093	\$97,584
Source: STDBonline 2010					

The foregoing table indicates an increasing population within Fulton County between 2009 and 2014 with an expected annual growth rate of 1.68% at a three mile radius and 1.48% for the one mile radius from the subject. The projected population growth for the one mile radius of the subject is less than the expected population growth of the state of Georgia and Fulton County. The 2009 estimated median household income for the one mile radius is \$40,986 which is significantly less than the state of Georgia and Fulton County.

Employment:

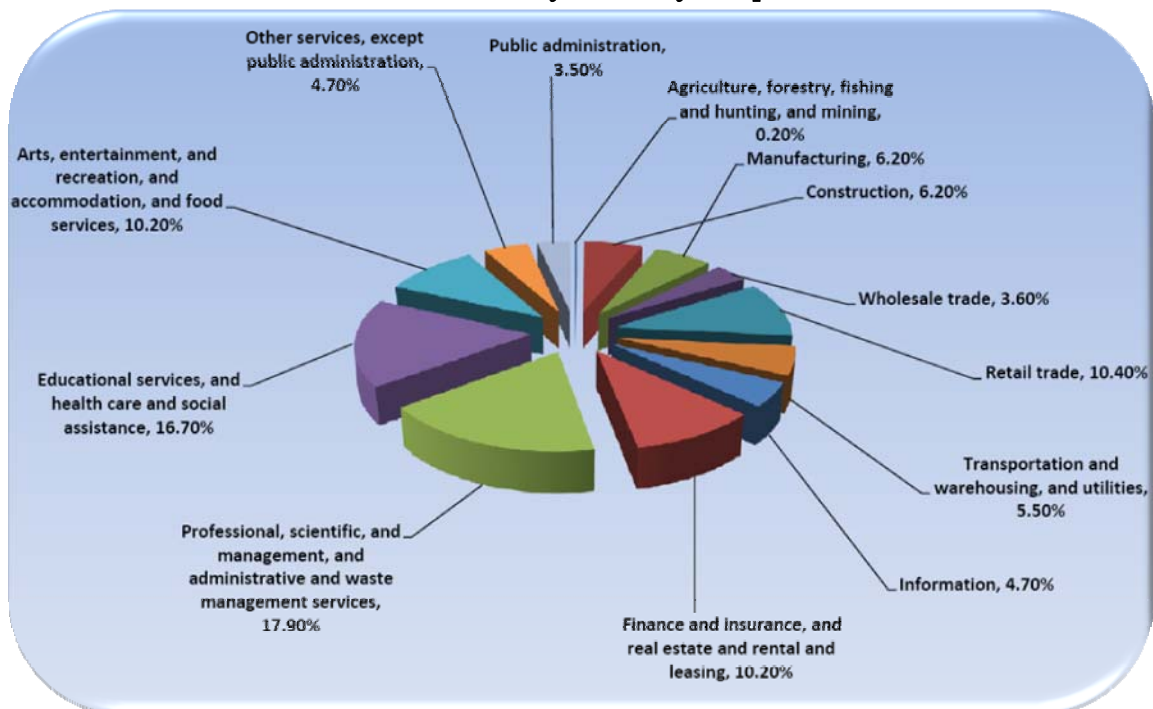
Unemployment has become one of the most closely watched measures of performance of the national and local economies. Recessionary periods tend to bring unemployment rates to the forefront, exciting intense national scrutiny. Georgia's unemployment rate has reached the highest levels ever recorded. The national unemployment rate was 10.0% as of December 2009 compared to Georgia's unemployment rate of 10.3%. Fulton County unemployment rates as of January 2010 were 11.1%, which was an increase from the December 2009 rate of 10.3%.

Fulton County Unemployment Rates



The table below breaks down the employment of Fulton County and the Fulton County area into several sectors. According to the information utilized to create the graph below, the majority of those employed in Fulton County work within the professional, scientific, management, administrative & waste management sectors.

Fulton County Industry Graph



Top Employers:

Listed below are the top employers within Fulton County and the top ten employers in the Fulton County area. As noted below, these are the top private employers and do not include government agencies, hospitals or colleges.

Top Employers		
Five Largest Employers		Ten Largest Employers
Fulton County		Fulton Area
		County
Delta Air Lines, Inc.		Clayton
Georgia Institute of Technology		Fulton
Georgia State University		Cobb
IBM		Cobb
Turner Services, Inc.		DeKalb
Note:	Represents employment covered by unemployment insurance excluding all government agencies except correctional institutions, state & local hospitals, state colleges and universities. Data shown for the Third Quarter of 2008. Employers are listed alphabetically by area, not by the number of employees.	Emory University
		Emory Healthcare
		Turner Services, Inc.
		Georgia Institute of Technology
		Georgia State University
		IBM
		Fulton
Source: Georgia Department of Labor		

Transportation:

Five major road arteries traverse Fulton County: interstates 85, 20, 285, 675, and US 78 on the east. Fulton County along with the surrounding metropolitan Atlanta area does have a network of rail and bus connections which is known as MARTA. Nine MARTA rail station and more than 50 bus routes are in Fulton, connecting county residents to their work, shopping and homes. According to the US Census of 2000 Fulton County had 355,305 workers commuting to work but only 29,299 or 8.2% utilized public transportation. This percentage did increase in 2008 due to the increased cost of fuel for private passenger vehicles but it is not certain if the trend will continue.

Commuting Patterns					
Employed Residents of			Employed Persons Working In		
Fulton County			Fulton County		
County Where Employed	Number	Percent of Total	County of Residence	Number	Percent of Total
Fulton	265,870	69.09%	Fulton	265,870	37.05%
DeKalb	41,232	10.71%	DeKalb	121,921	16.99%
Cobb	24,991	6.49%	Cobb	92,014	12.82%
Gwinnett	21,211	5.51%	Gwinnett	57,737	8.05%
Clayton	9,722	2.53%	Clayton	40,271	5.61%
Forsyth	5,626	1.46%	Cherokee	17,494	2.44%
Fayette	1,633	0.42%	Forsyth	15,251	2.13%
Douglas	1,192	0.31%	Fayette	14,745	2.05%
Other	13,335	3.47%	Other	92,274	12.86%
Total Residents:	384,812	100.00%	Total Residents:	717,577	100.00%
Note: Other category represents employment from U.S. counties only and may not equal total county population					
Source: U.S. Census Bureau - 2000 County-to-County Worker Flow Files					

According to the table on the preceding page, 69% of the Fulton County residents in the work force work within Fulton County. The Fulton County Industry provides jobs for 451,707 persons from counties other than Fulton County.

Education:

Fulton County has 22 public high schools. Also located in or near Fulton County are 17 colleges, universities and technical schools.

Below is a graph that illustrates the educational background of the Fulton County workforce. 82.7% of the Fulton County workforce has achieved a high school diploma or GED. Approximately 31.4% of the Fulton County workforce has achieved a college degree.

Education of the Labor Force						
Fulton County Area	Percent of Total	Percent Distribution by Age				
		18-24	25-34	35-44	45-64	65+
Some High School	16.8%	29.7%	13.5%	10.6%	13.2%	32.9%
High School Grad/GED	23.1%	25.7%	20.0%	22.1%	23.7%	27.8%
Some College	28.5%	33.7%	28.1%	30.2%	28.1%	20.1%
College Grad 4 Yr.	21.7%	10.3%	28.7%	25.8%	20.9%	11.7%
Post Grad Studies	10.0%	0.7%	9.8%	11.3%	14.1%	7.6%
Totals	100%	100%	100%	100%	100%	100%
Note: Totals are based on the portion of the labor force between 18 & 65+. Some college category represents the percentage total of workers with either some college with no degree or an Associates degree.						
Source: U.S. Census Bureau - 2000 Decennial Census						

Fulton County had 5,531 students earn a high school diploma in 2008.

High School Graduates - 2008			
	Public Schools	Private Schools	Total
Gwinnett	8,109	340	8,449
Cobb	7,078	228	7,306
Fulton	6,773	1,561	8,334
DeKalb	4,929	602	5,531
Clayton	2,161	0	2,161
Cherokee	1,889	27	1,916
Fulton Area	30,939	2,758	33,697
Note: Public schools include city as well as county school systems. Some private schools data not reported			
Source: Office of student achievement; Georgia independent school association			

Colleges and universities within commuter distance of Fulton County are listed below.

Colleges & Universities

Fulton Area

Gwinnett

Asher School of Business	asbaec.com
Aviation Institute of Maintenance-Atlanta	www.aviationmaintenance.edu
Georgia Gwinnett College	www.ggc.usg.edu
Georgia Gwinnett College	www.ggc.usg.edu/
Gwinnett Technical College	www.gwinnettech.edu
ITT Technical Institute-Duluth	www.itt-tech.edu
Devry University Keller Graduate School	www.keller.edu
Lincoln College of Technology	www.lincolncollegeoftechnology.com
Saint Leo University	www.saintleo.edu

Fulton

Troy University	atlanta.troy.edu
Brown Mackie College-Atlanta	brownmackie.edu
Embry-Riddle - Atlanta Metro Campus	http://fusion.erau.edu/ea/www/centerinfo.cfm?code=b8
Psychological Studies Institute-Atlanta	http://www.psy.edu/
Strayer University-Roswell	http://www.strayer.edu/
Atlanta College of Art	www.aca.edu

Fulton Area

Atlanta Christian College	www.aoc.edu
American Intercontinental University-Dunwoody	www.aiudunwoody.com
American InterContinental University	www.aiuniv.edu
Argosy University-Atlanta	www.argosy.edu/atlanta
The Art Institute of Atlanta	www.artinstitutes.edu/atlanta
Devry University	www.atl.devry.edu/alpharetta
Atlanta Technical College	www.atlantatech.edu/
Atlanta Technical College (Technical college servicing area)	www.atlantatech.edu/
Atlanta Metropolitan College	www.atim.edu
Bauder College	www.bauder.edu
Beulah Heights University	www.beulah.org
Brown College of Court Reporting and Medical	www.browncollege.com
Clark Atlanta University	www.cau.edu
Central Michigan University	www.cel.cmich.edu/atlanta/default.html?site=atmtr
The Creative Circus	www.creativecircus.edu
Everest Institute-DeKalb	www.everest.edu/campus/atlanta_dekalb
Georgia Institute of Technology-Main Campus	www.gatech.edu
Georgia Military College-Atlanta Campus	www.gmc.cc.ga.us/milledgeville/
Grady Health System Professional Schools	www.gradyhealthsystem.org
Georgia State University	www.gsu.edu
Herzing College	www.herzing.com
Institute Of Paper Science And Technology	www.ipst.edu
Interdenominational Theological Center	www.itsc.edu
ITT Technical Institute-Atlanta	www.itt-tech.edu
John Marshall Law School-Atlanta	www.johnmarshall.edu
Devry University Keller Graduate School	www.keller.edu
Mercer University In Atlanta	www.mercer.edu
Morehouse College	www.morehouse.edu
Morris Brown College	www.morrisbrown.edu
Morehouse School of Medicine	www.msm.edu
NCPT	www.ncpt.aai.edu
Oglethorpe University	www.oglethorpe.edu
Portfolio Center	www.portfoliocenter.com
Saint Leo University	www.saintleo.edu
Sanford-Brown Institute	www.sb-atlanta.com
Shorter College-Professional Studies	www.shorter.edu/pro_studies/professional_home.htm
Spelman College	www.spelman.edu
Westwood College-Atlanta Midtown	www.westwood.edu

Cobb

Embry-Riddle - Atlanta Metro Campus	http://fusion.erau.edu/eo/www/centerinfo.cfm?code=b8
ITT Technical Institute	http://itt-tech.edu/
Wellstar Kennestone Radiography Program	http://wellstar.edu/info.com/&kid=gog0033518821
Strayer University-Cobb	http://www.strayer.edu/
Chattahoochee Technical College	www.chatcollege.com
Mountain View Campus (Satellite campus of Chattahoochee Technical College)	www.chatcollege.com
South Cobb Campus (Satellite campus of Chattahoochee Technical College)	www.chatcollege.com
Kennesaw State University	www.kennesaw.edu
Life University	www.life.edu
North Metro Technical College	www.northmetrotech.edu/
Saint Leo University	www.saintleo.edu
Southern Polytechnic State University	www.spsu.edu

DeKalb

DeKalb Medical Center School of Radiology	http://www.dekalbmedicalcenter.org/careers/radiologyschool/tabid/180/default.aspx
Strayer University-Chamblee	http://www.strayer.edu/
Agnes Scott College	www.agnesscott.edu

Henry

Clayton State University (Technical Division)	www.clayton.edu
DeVry University	www.devry.edu
Georgia State University	www.gsu.edu
Mercer University	www.mercer.edu

Fulton Area

Le Cordon Bleu College of Culinary Arts	www.atlantaculinary.com
Columbia Theological Seminary	www.ctsnet.edu
Dekalb Technical College	www.dekalbtech.edu
Devry Institute of Technology	www.devry.edu
DeVry University-Georgia	www.devry.edu
Emory University	www.emory.edu
Georgia Perimeter College	www.gpc.edu
Gupton Jones College of Funeral Service	www.gupton-jones.edu
Interactive College of Technology	www.ict-ils.edu
Devry University Keller Graduate School	www.keller.edu
Luther Rice University	www.lru.edu
National-Louis University (Atlanta)	www.nl.edu
University of Phoenix-Atlanta Campus	www.phoenix.edu
Westwood College-Northlake	www.westwood.edu

Clayton

Strayer University-Morrow	http://www.strayer.edu/
Clayton State University	www.clayton.edu
ITT Technical Institute-Kennesaw	www.itt-tech.edu

Cherokee

Woodstock Campus (Satellite campus of Appalachian Technical College)	www.appalachiantech.edu
Reinhardt College	www.reinhardt.edu

Forsyth

Forsyth Campus (Satellite campus of Lanier Technical College)	www.laniertech.edu
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Carroll

Carrollton Campus (Satellite campus of West Central Technical College)	www.westcentraltech.edu
University of West Georgia	www.westga.edu

Douglas

Douglasville Campus (Satellite campus of West Central Technical College)	www.westcentraltech.edu
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Note: The colleges and universities listed include public and private institutions. This list is updated periodically as information becomes available.

Source: Integrated Postsecondary Education Data System (IPEDS).

Market Summary

The county seat of Fulton County is Atlanta, which also serves as the state capitol. The city of Atlanta population is currently estimated at approximately 470,000 residents. According to the 2000 census estimate, the twenty eight 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 influence in the continuous growth in the area. The majority of residential and commercial development has been centered in the city of Atlanta and central Fulton County for several years.

Many portions of Atlanta and other cities in Fulton County are in a revitalization stage with older structures being demolished and replaced with more modern facilities and homes due to a lack of vacant land. Growth outside Atlanta continued to the northern side of Fulton County toward the Cobb County line in the 1980's and 1990's. Due to the shortage of developable land in the immediate metro Atlanta area, growth toward the southwestern portion of Fulton County has occurred due to the relative availability of developable vacant land. In the past five years, the residential growth in this area substantially increased, but appears to be stabilizing as evidenced by the recent slowing of residential sales. Outlying counties such as Douglas, Coweta,

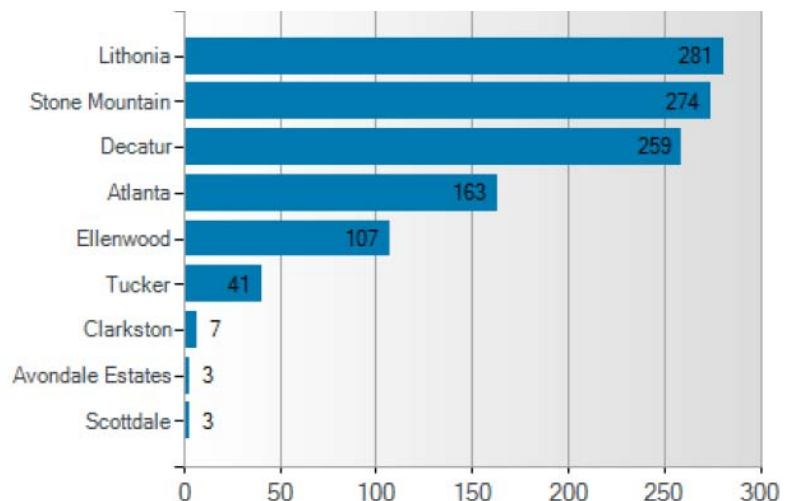
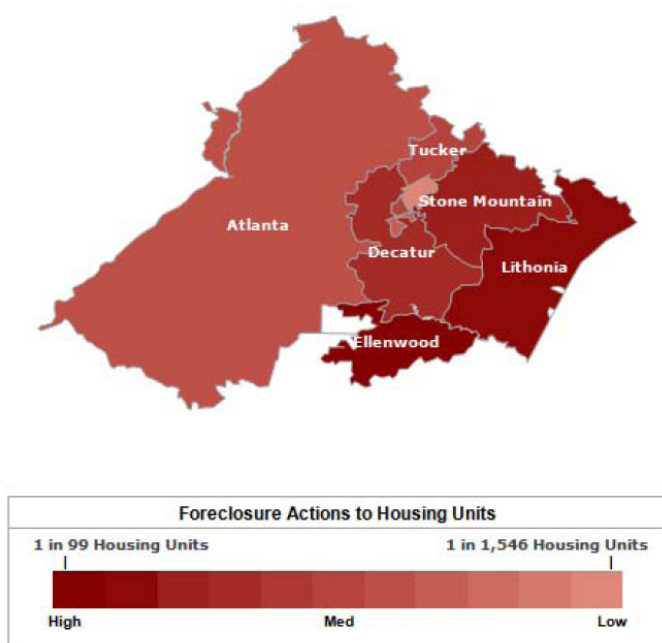
Henry, Forsyth, Fayette, and Clayton had experienced tremendous residential growth prior to 2007 as well, due to the convenient access to Atlanta.

Supply and demand for commercial property and vacant land tracts appear to be in balance or leaning toward over supply at the present time. The absorption of commercial real estate around the interstate and major thoroughfares has been impressive over the past several years in Fulton County but has slowed dramatically over the past two years. As vacant land became scarce around the major thoroughfares and interstate intersections, the price of vacant commercial land significantly increased over the past five years in these areas. The demand for these tracts created a price increase in commercial land throughout the county. These price increases have stabilized or decline over the past two years due to the recent recessionary market.

National foreclosure activity during 2009 was the highest since 2005. National foreclosure filings during the first six months of 2009 were up 9% over the previous six months and almost 15% higher than the first six months of 2008. The residential home market throughout the state is experiencing similar slow market characteristics. According to RealtyTrac, an online foreclosure data compilation service, foreclosure levels are expected to continue to rise due to the recent lifting of industry moratoria and legislative delays. Atlanta had 163 foreclosure filings (default notices, auction sale notices and bank repossessions) in February 2010. Overall, Fulton County had approximately 1 in every 290 housing units receive a foreclosing filing in February 2010.

Below is a map indicating the foreclosure activity in Fulton County by city.

February 2010 Foreclosure Rate Heat Map



Multi Family Residential Market Analysis

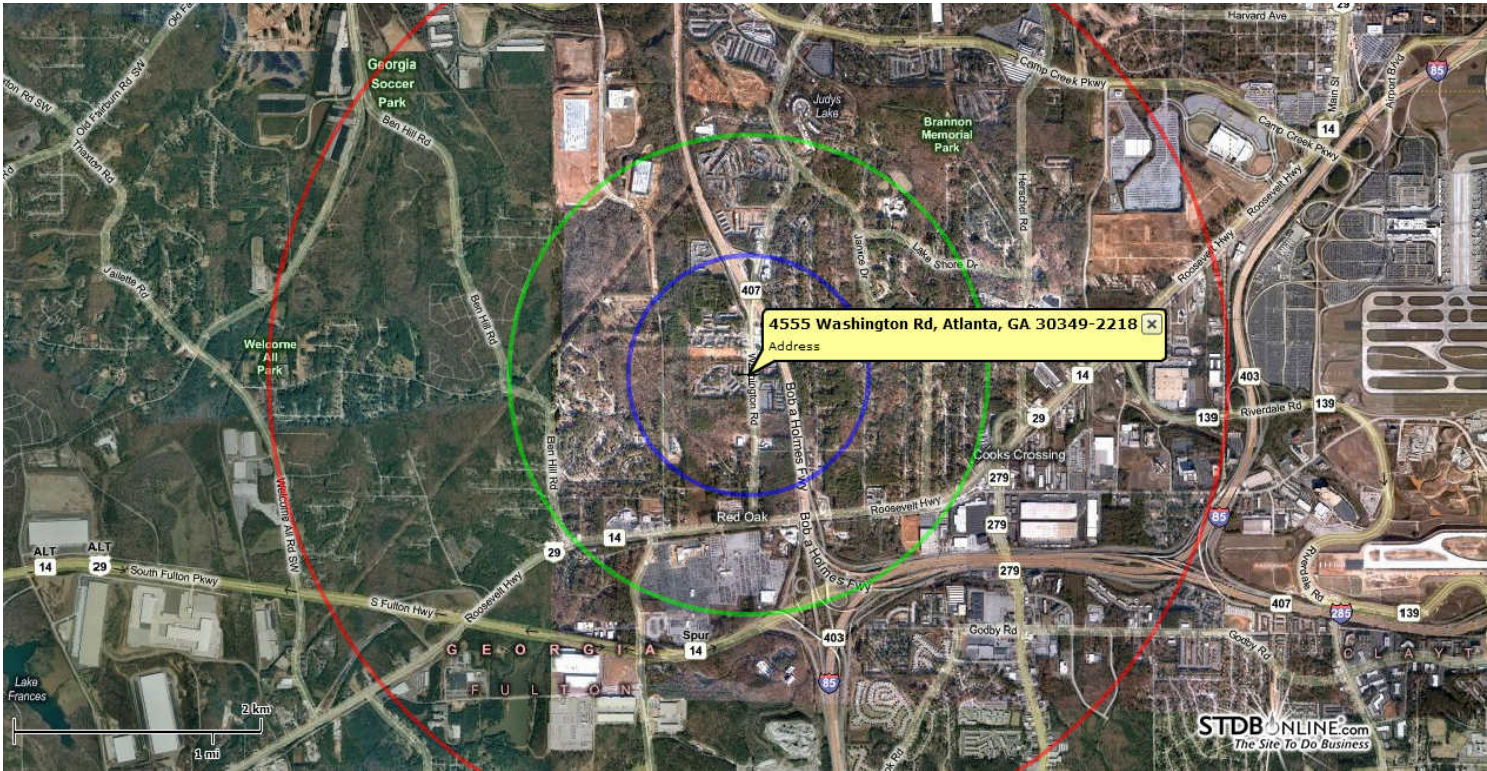
Supply and demand for commercial and residential land appear to be leaning to the supply side at the present time.

The majority of apartment development has been redevelopment of existing units, infill development, and condominium development. Given the scarcity of land in the subject's neighborhood, the recent development trend has been to redevelop apartments to condominiums.

A number of apartment complexes in the subject's immediate neighborhood are government assisted and/or rent controlled apartments. This appears to be a market acceptable use for multi-family complexes. Given the relatively low income for the subject's market area when compared to the greater Atlanta Area, this type complex is in demand.

Location Maps of Subject Property

Aerial Map for Neighborhood

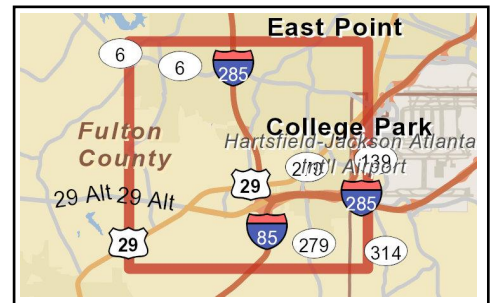
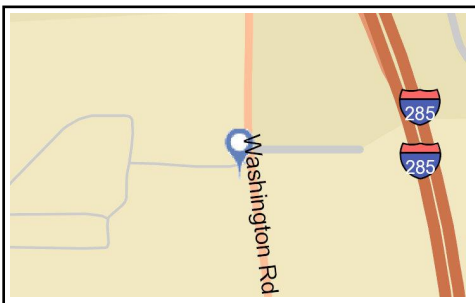
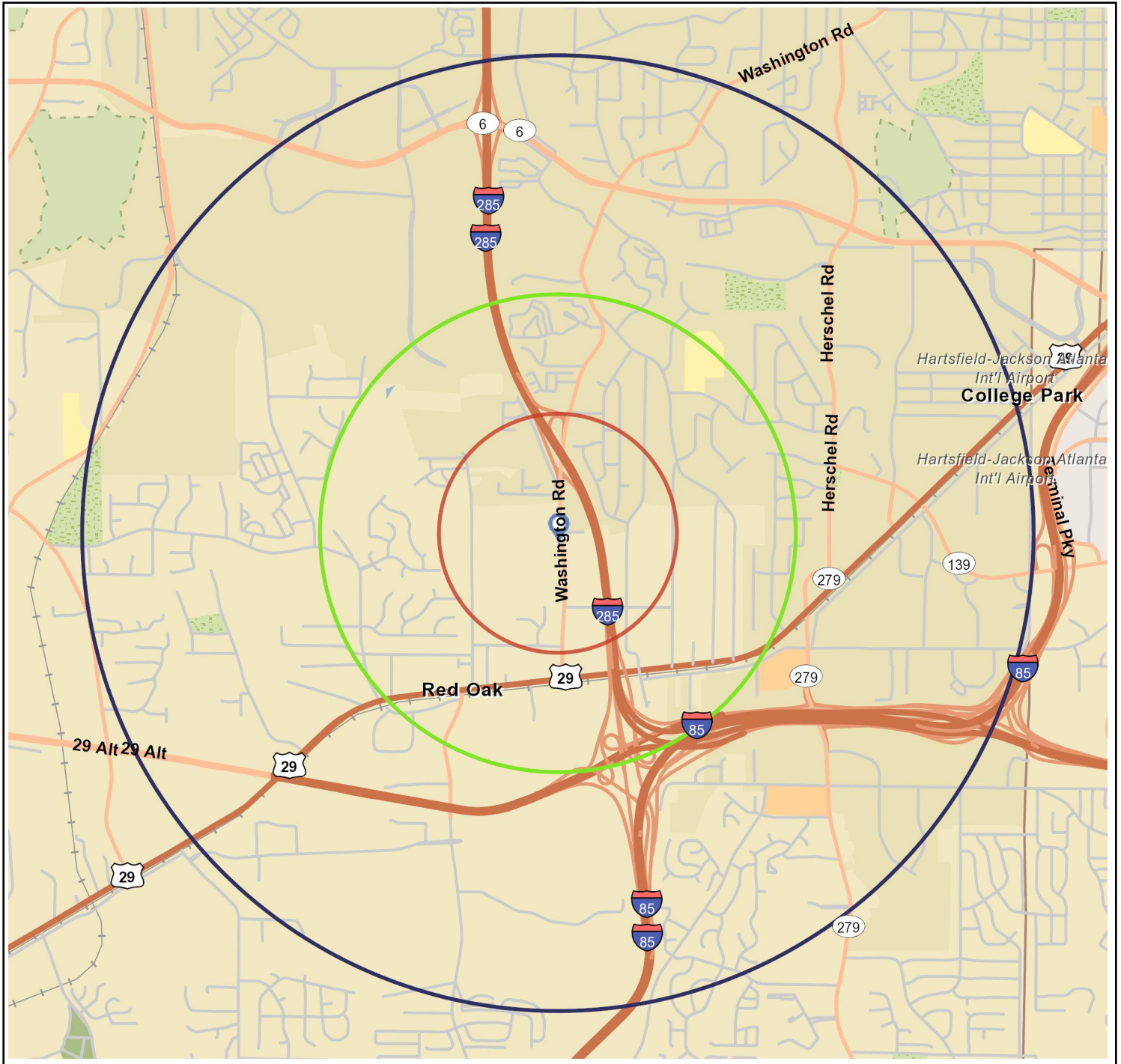




4555 Washington Road
4555 Washington Rd, Atlanta,
GA 30349-2218

Site Type: Ring

Latitude: 33.631675
Longitude: -84.492458
Rings: 0.5, 1, 2 Miles





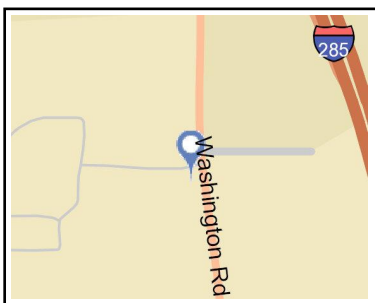
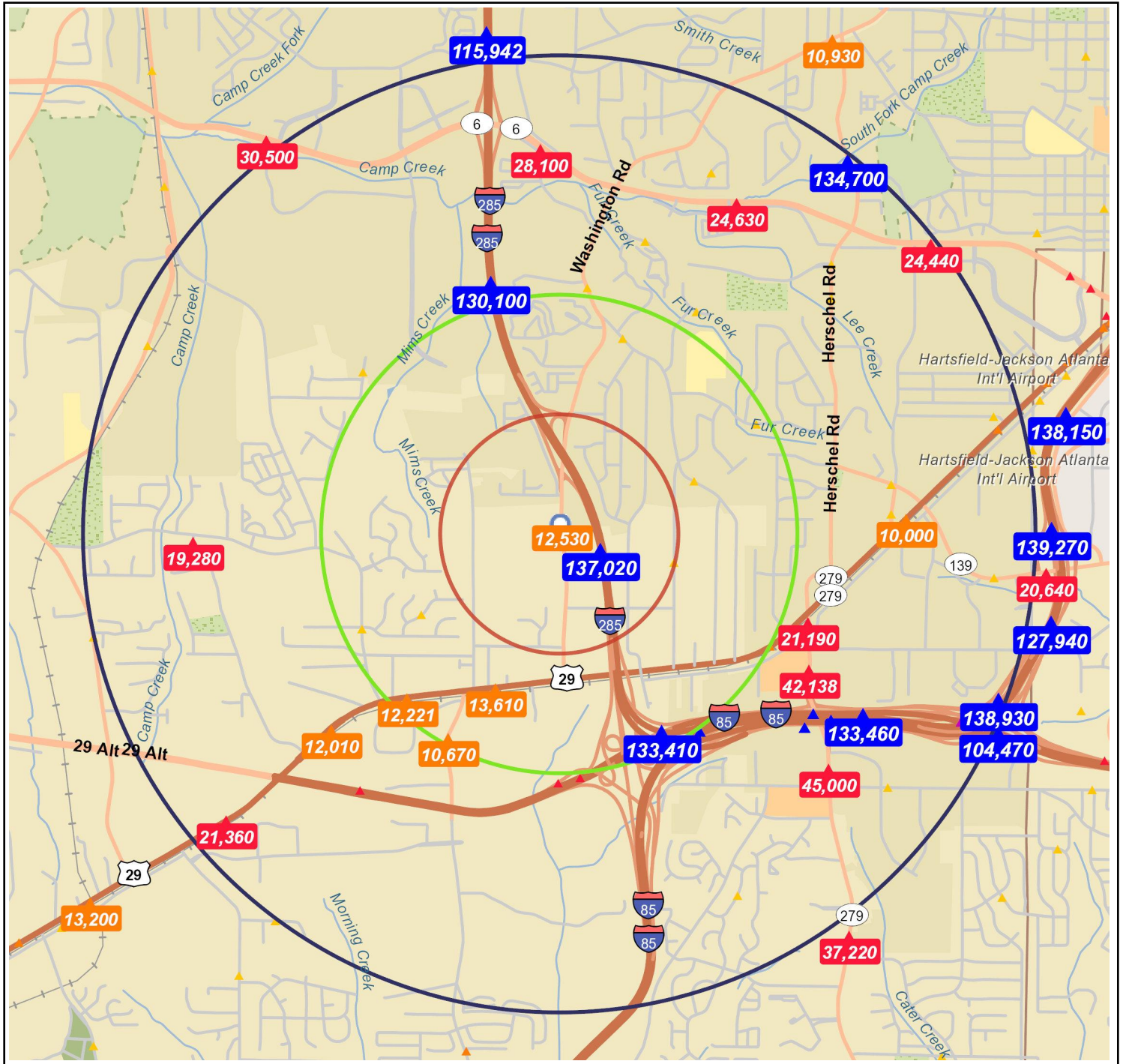
Traffic Count Map

Prepared by Fletcher and Company

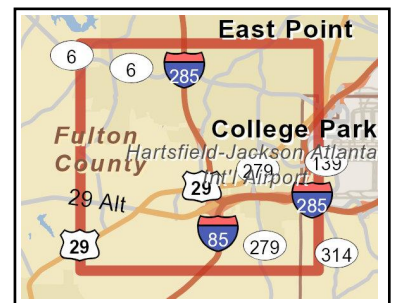
4555 Washington Road
4555 Washington Rd, Atlanta,
GA 30349-2218

Site Type: Ring

Latitude: 33.631675
Longitude: -84.492458
Rings: 0.5, 1, 2 Miles



Average Daily Traffic Volume
▲ Up to 6,000 vehicles per day
▲ 6,001 - 15,000
▲ 15,001 - 30,000
▲ 30,001 - 50,000
▲ 50,001 - 100,000
▲ More than 100,000 per day



Source: © 2010 MPSI Systems Inc. d.b.a. DataMetrix®



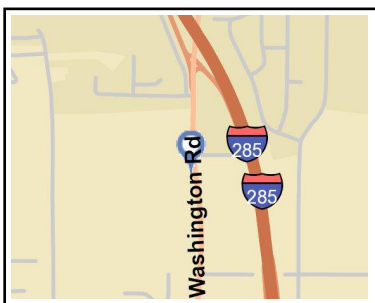
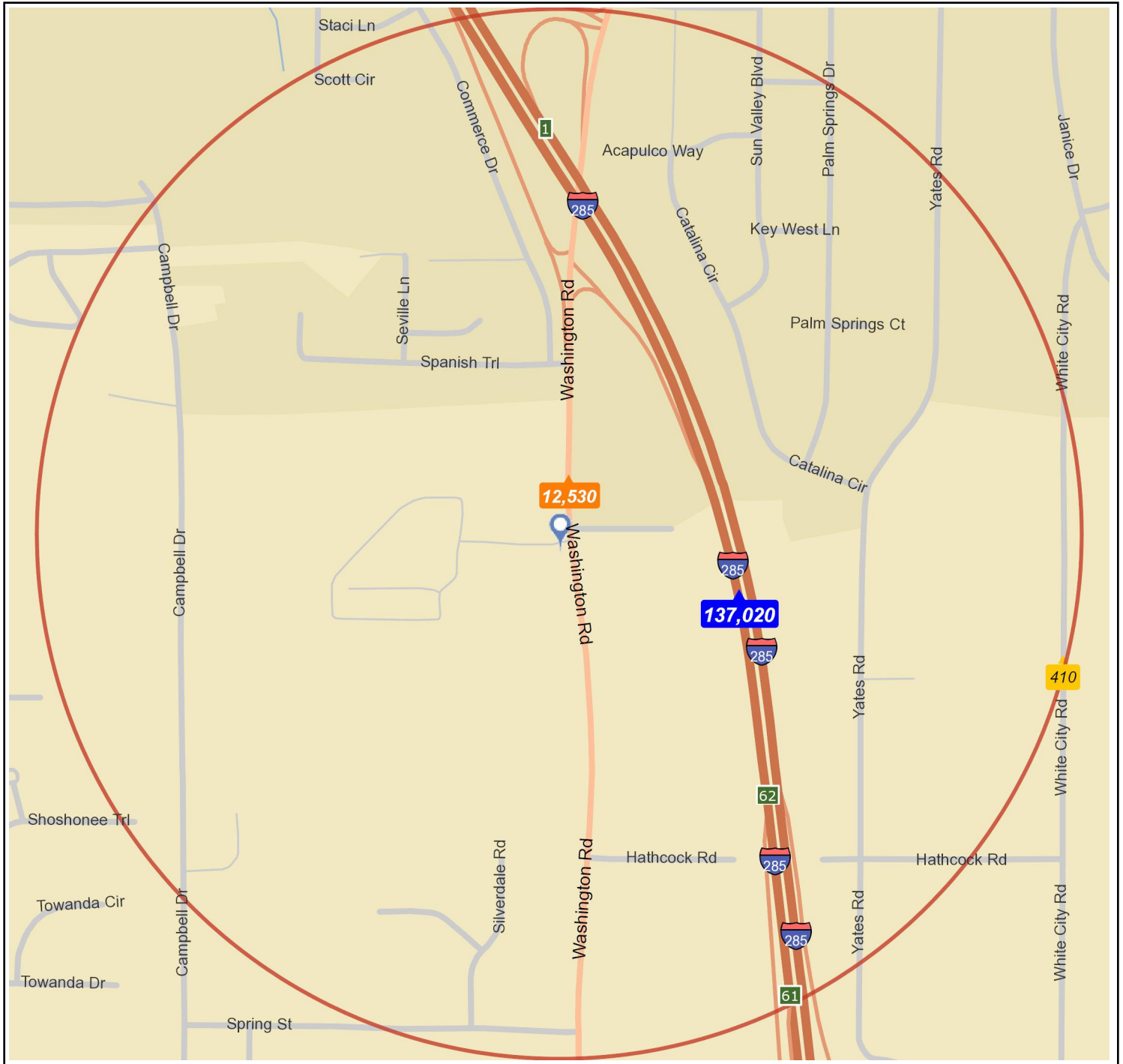
Traffic Count Map - Close Up

Prepared by Fletcher and Company

4555 Washington Road
4555 Washington Rd, Atlanta,
GA 30349-2218

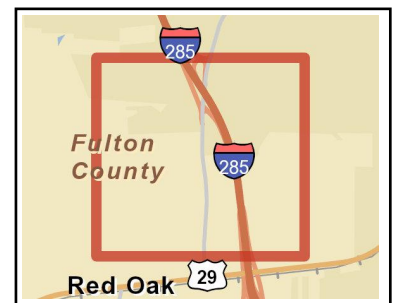
Site Type: Ring

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Longitude: -84.492458
Rings: 0.5, 1, 2 Miles



Average Daily Traffic Volume

- ▲ Up to 6,000 vehicles per day
- ▲ 6,001 - 15,000
- ▲ 15,001 - 30,000
- ▲ 30,001 - 50,000
- ▲ 50,001 - 100,000
- ▲ More than 100,000 per day



Source: © 2010 MPSI Systems Inc. d.b.a. DataMetrix®

Highest and Best Use

Highest and Best Use is a real estate valuation principle that dictates that the market tends to put property to its most profitable use, and that use which provides the greatest benefits of ownership. The Appraisal of Real Estate, 12th Edition, defines highest and best use as:

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

Because the principle of highest and best use reflects the actions of the market, generally accepted professional appraisal practice requires that the subject property must be valued under this premise. If the property being appraised is improved with a structure, two highest and best use analyses are required; the highest and best use of the land as though vacant, and the highest and best use of the total property as developed. The highest and best use analysis is developed using the following four criteria. The highest and best use must be Legally Permissible, Physically Possible, Financially Feasible, and Maximally Productive.

Land as if Vacant

Physically Possible – As previously mentioned, the subject property contains approximately 29.30± acres. Many uses would be physically possible including commercial, industrial, service, or other compatible use; however, developments requiring large parcels would not be possible due to the size and configuration of the site.

Legally Permissible - In estimating the highest and best use of a property, the legally permissible uses are typically determined by the zoning constraints of the jurisdiction in which the property is located. The subject parcel is located within Fulton County and is under the jurisdiction of the City of East Point. The property is zoned R-3, Multi Family Residential. The subject is located in a neighborhood that is predominately composed of residential and commercial retail and services on the primary streets. According to the City of East Point zoning ordinance, many uses such as various single family residences, boarding houses, existing apartment complexes, educational schools, recreational facilities, etc...would be legally permissible and compatible with the surrounding land uses. For official zoning and allowances, a letter of permissible uses must be obtained from the City of East Point and Zoning Department.

Financially Feasible - After determining which uses are physically possible and legally permissible, it is necessary to determine what potential uses are economically feasible. A use that produces an overall positive return, be it cash flow or return on investment, is economically feasible. From the list of economically feasible uses, the one use that produces the greatest return is chosen. This is the maximally productive use and, therefore, is the highest and best use of the property. This thought process could be described as a detailed process of

elimination. The highest and best use given these conditions is the continued use as multi-family residential.

Maximally Productive – Of all the financially feasible uses, each use is analyzed to determine which use will return the highest profit or which use will be the maximally productive use.

Highest and Best Use as if Vacant - Of the available alternative uses that are physically and legally acceptable, the best alternative use for the subject site as if vacant would be to hold undeveloped until construction of a new residential development is determined financially productive.

Land as Currently Improved

Physically Possible and Legally Permissible Uses

The subject property comprises 470,523 SF of multi-family residential space located on Washington Road. There are no physical constraints that would inhibit typical commercial use allowed under the R-3, Multi Family Residential zoning. Given the shape, frontage, and location of the subject, it appears that the current use of the subject's commercially zoned parcel is legally permissible and physically possible.

Economically Feasible and Maximally Productive Uses

The only use that satisfies the first three tests is continuation of the existing use. The property is presently vacant pending renovations. The highest and best use, as improved, is considered to be its current use.

Highest and Best Use as Improved

Based primarily upon the type and quality of the subject improvements, the subject's conformance with types and quality of land uses in the area, the lack of any apparent alternative use that would provide a higher return to the land, and demonstrated market acceptance of the subject property, as reflected in the valuation section of this report, it is my opinion that the current Highest and Best Use for the improved property is the continued use as an apartment complex.

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 large, multi-sized multi-family developments this common denominator is typically price per unit or “per door”.

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. Due to the age of the subject property, depreciation would be too speculative to warrant any accuracy. As such, the cost approach has been deemed un-necessary to complete a credible report and as such, has not been included in this analysis.

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 income approach has been included in this report.

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 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.

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 and current sales data from which to compare the subject and have been weighted accordingly. A comparable analysis is set forth as follows:

IMPROVED SALES	SUBJECT	<i>Comparable 1</i>	<i>Comparable 2</i>	<i>Comparable 3</i>	<i>Comparable 4</i>
Property Type	Apartment	Apartment	Apartment	Apartment	Apartment
Property Location	4555 Washington Rd East Point, GA	4590 Washington Rd College Park, GA	4001 Lakemont Dr College Park, GA	3222 Kenelworth Dr East Point, GA	2609 Charlestown Dr College Park, GA
Facility Data					
Year Built	1970	1970	1970 & 1973	1970/2008	1970
Land Area (Acres)	29.300	6.580	49.600	9.930	20.680
Building Area	470,523	89,680	639,688	178,420	296,200
Number of Units	407	88	684	272	220
Transaction Data					
Date of Sale		Feb-10	Jun-10	Jan-10	*Under Contract*
Sales Price		\$786,500	\$5,450,000	\$3,400,000	\$1,980,000
Sale Price Per SF		\$8.77	\$8.52	\$19.06	\$6.68
Sale Price Per Unit		\$8,938	\$7,968	\$12,500	\$9,000
Transactional Ratings					
Real Property Rights		Similar	Similar	Similar	Similar
Financing Terms		Similar	Similar	Similar	Similar
Conditions of Sale Ratings		Similar	Similar	Superior	Similar
Post-Purchase Expenditures		Similar	Similar	Similar	Similar
Market Conditions		Similar	Similar	Similar	Similar
OTHER RATINGS:					
Location		Similar	Similar	Superior	Similar
Zoning / Land Use		Similar	Similar	Similar	Similar
Age/Condition		Similar	Similar	Superior	Similar
Quality of Improvements		Similar	Similar	Similar	Similar
Size / Sales Price PSF		Superior	Inferior	Superior	Superior
Access/Parking		Similar	Similar	Similar	Similar
Land Size		Similar	Similar	Inferior	Superior
Overall Characteristics		Superior	Inferior	Superior	Superior
Weight Applied - Unit	100%	35%	35%	10%	20%
Per Unit		\$3,128.13	\$2,788.74	\$1,250.00	\$1,800.00
Sum of Weighted Ratios					
Per Unit	\$8,967		\$9,000	(rounded)	
Value Indications					
Range Minimum:	\$7,967.84	<div> 407 Units @ \$9,000 \$3,663,000 </div>			
Range Maximum:	\$12,500.00				
Range Average:	\$9,601.33				
Standard Deviation	\$1,989.38				
Reconciled Value:	\$9,000.00	Reconciled Value Opinion (rounded) \$3,660,000			

Explanation of Ratings

Real Property Rights – When real property rights are transferred, consideration must be given to the bundle of rights conveyed. For example, quit claim deeds and/or leased properties which have sold may not transfer a complete bundle of rights, i.e., the fee simple estate. All Sales transferred similar property rights.

Financing Terms - All of the sales were cash or cash equivalency sales which are considered typical in the market.

Conditions of Sale – Condition of sale ratings were applied to the comparable sales. Sale 3 had a much higher occupancy level at the time of sale and is considered superior to the subject. All other Sales were made under similar conditions of sale.

Post-purchase Expenditures – Post-purchase expenditures can greatly affect the value of the comparable properties. Expenditures such as capital improvements, the placement of or removal of trade fixtures, and/or required deferred maintenance can all affect the value of the property. All Sales are similar to the subject with regard to this factor.

Market Conditions/Time – The market/time rating represents a rating applied to the sale for appreciation and/or depreciation of land values within the area. The sales range in date from January 2010 to June 2010. All Sales have occurred during the current economic conditions and are similar to the subject.

Location - A location rating is 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 3 is located on just off of Camp Creek Parkway, a highly trafficked commercial thoroughfare in the subject's market area and is considered superior to the subject. All other Sales are located in predominately residential areas and are similar to the subject.

Zoning/Land Use – Differences in the zoning ordinances and/or allowable density can greatly affect the price per unit and/or acre for the comparable Sales. All Sales are zoned for multi-family residential purposes and are similar to the subject.

Age/Condition – Condition and age rating changes 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 obviously 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 3 was constructed in 1970, but was also renovated in 2008 and is considered superior to the subject. All other Sales were constructed within five years of the subject and are similar to the subject.

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 appraisers must be aware of the materials and types of construction that may be considered above standard to appropriately rank the sales for this factor. All Sales have been constructed for multi-family residential utilizations and are similar to the subject.

Size/Sales Price PSF – The size of a building or complex must be considered for properties of this type. In the case of apartments, the size is usually based on the number of units in the complex. Larger complexes are sold on a lower price per unit when compared to smaller developments. Sales 1, 3, and 4 are considerably smaller than the subject development and are superior to the subject. Sale 2 is larger than the subject development and is inferior to the subject.

Access/Parking –The subject is located on Washington Road. All Sales have similar access to their respective area's main thoroughfares and are considered similar to the subject.

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 rating must be made to offset these factors. When considering the land of a comparable sale, the appraisers 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 change in the rating of the property. However, in most cases the land difference must be considered to accurately conclude the appropriate value for the subject. Sale 3 has a higher floor area ratio than the subject and is inferior to the subject. Sale 4 has a lower floor area ratio and is superior to the subject.

Sales Comparison Conclusion - Sales 1 and 2 have received the most weight due to overall similarities in location, land size, and time of sale. These Sales are the most similar when comparing these elements of comparison.

The value for the site and improvements is estimated at \$9,000 per unit based on the sales above and giving consideration for location, building size, age/condition, quality of improvements, access/parking, and land size. The differing types of zoning have been taken into consideration for this value. The total value estimated via Sales Comparison Approach is \$3,660,000.

Income Approach – Fee Simple Interest (Direct Capitalization)

Room Income Analysis

The subject property is constructed and utilized as an apartment complex. We have analyzed the rent rolls for the subject property. We have also researched current rates & occupancies of competing apartments within this subject's market area. Rental rate data from our research and analysis is included in the grid below.

Additional apartments were surveyed, however, most of the additional apartment managers surveyed refused to disclose vacancy data.

Income Analysis

	Address	Unit Types	Units	Rates	Occupancy
1.	4001 Lakemont Drive College Park, GA	1Bed - 3Bed	374	\$479 - \$749	85%
2.	3072 Washington Road East Point, GA	1 Bed - 2 Bed	120	\$499 - \$550	86%
3.	2800 Camp Creek Pkwy College Park, GA	1Bed - 3Bed	175	\$499 - \$699	89%

The initial step in estimating the value of the subject via the Income Approach is to determine the property's market or economic rent. The subject complex has 407 units. There are 8 1Bdr/1.5Bath units, 28 2Bdr/1.5Bath flat units, 8 2Bdr/2Bath townhouse units, and 8 3Bdr/2.0Bath units. Typical rental agreements are for a period of one year. Typical reported overall occupancy rates for similar properties range from 85% to 100%. An effective occupancy rate of 85% was deemed appropriate for the subject property.

Gross Potential Annual Income is calculated as follows:

Subject - Reported Unit Rates				
Unit Type	Unit Count	Monthly Unit Rate	May 2010 PGI	
1 Bedroom/1 Bath	32	\$415.00	\$159,360	
1 Bedroom/1 Bath	69	\$440.00	\$364,320	
2 Bedroom/1.5 Bath	5	\$540.00	\$32,400	
2 Bedroom/1.5 Bath (Townhouse)	12	\$645.00	\$92,880	
2 Bedroom/2 Bath	12	\$575.00	\$82,800	
2 Bedroom/1.5 Bath (Townhouse)	32	\$490.00	\$188,160	
2 Bedroom/1.5 Bath (Townhouse)	135	\$545.00	\$882,900	
2 Bedroom/2.5 Bath (Townhouse)	52	\$595.00	\$371,280	
3 Bedroom/2 Bath	58	\$690.00	\$480,240	
	407		PGI \$2,654,340	

We have estimated Potential Gross Income (PGI) at approximately \$2,654,340. We determined that this rate appears to be reasonable when considering the subject property's location and price point compared to the reported rental rates of the comparable sales.

The subject currently has a high vacancy rate of 49% and is considered unstabilized. Per conversations with the Broker, Tyler Averitt, the subject suffers from such a high vacancy rate due, in part, to an under funding of project costs. The complex currently has a waiting list of 30 potential tenants; however, these tenants cannot occupy units in the subject because of a lack of funds to renovate the units into a tenantable condition.

We have selected an 85% stabilized occupancy rate after considering the subject property's current occupancy as well as occupancy rates of competing residential apartment complexes in this market. After adjusting for occupancy, and based on pro forma statements provided by the current owner we have concluded that the Effective Gross Income (EGI) of the subject property is approximately \$2,256,189 as calculated below:

$$PGI \times occupancy\ rate = EGI$$

EGI is estimated at approximately \$2,256,000

Expense Analysis

Vacancy and Collection Loss

Typically, improvements, such as the subject, are leased on a short term basis. The subject is currently vacant pending renovations. Therefore, a historical rate for the subject has been modeled. For the purpose of this analysis, the appraisers have modeled a vacancy loss of 10% and delinquency loss of 5%.

Operating Expenses

Tenant-Paid Expenses

Typically, under the terms of a typical gross lease, the following expenses are paid in whole or part by the Tenant and have been included in this analysis of operating expenses: unit-specific utilities.

Owner-Paid Expenses

The owner-paid expense used for the purpose of this operating expense analysis under the terms of a typical gross lease is maintenance/repairs of the interior and exterior of the buildings, grounds maintenance, common area utilities, pest control, trash removal, insurance, and real estate taxes. These expenses are typically paid by the owner of the property under the terms of a typical gross lease.

Management Fee/Leasing Commissions

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. The Brokers, who have extensive knowledge and experience in the sale of developments of this size, have estimated the number of employees necessary to properly staff the complex and their respective salaries. The following graphic represents their assumptions of staff needed.

Staff Salaries and Wages				
Title	#	Salary	Subtotal	
Property Manager	1	\$ 45,000	\$	45,000
Asst. Manager	1	\$ 35,000	\$	35,000
Head Maintenance	1	\$ 50,000	\$	50,000
Maint. Assistant	1	\$ 35,000	\$	35,000
Leasing Agent	4	\$ 25,000	\$	100,000
Turnkey	2	\$ 25,000	\$	50,000
Part-Time Labor	4	\$ 20,000	\$	80,000
TOTAL			\$	395,000

Reserves

Capital improvements, or reserves for replacements, typically include an allowance for replacement for roof covers, paving, HVAC, and other short-lived items. More recently, lenders have begun to request purchasers to have a reserve allowance regardless of the lease type. Therefore, given the age and condition of the subject property, a reserve allowance would be expected to be required by any Lender. According to Realty Rates investor surveys, the minimum reserve allowance per unit is \$150 with a maximum of \$380 and an average of \$350. Utilizing a rate of \$300 per unit the total annual reserves would be \$122,100 or approximately 5% of PGI. Given the age and condition of the complex, the appraiser believes that this level of reserves is reasonable and necessary.

All expenses have been based on financial documents for FY 2009 provided by the Owner and/or his representatives.

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 two 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, First Quarter 2010, surveyed OAR's for residential apartment properties range from 5.21% to 13.78%, with an average of 9.45%, which is an increase of approximately forty basis points over one year ago.

RealtyRates.com INVESTOR SURVEY - 2nd Quarter 2010*						
APARTMENTS - ALL TYPES						
Item	Input					OAR
Minimum						
Spread Over 10-Year Treasury	0.73%	DCR Technique	1.03	0.053332	0.90	4.94
Debt Coverage Ratio	1.03	Band of Investment Technique				
Interest Rate	4.42%	Mortgage	90%	0.053332	0.047999	
Amortization	40.0	Equity	10%	0.068600	0.006860	
Mortgage Constant	0.053332	OAR				5.49
Loan-to-Value Ratio	90%	Surveyed Rates				5.21
Equity Dividend Rate	6.86%					
Maximum						
Spread Over 10-Year Treasury	5.95%	DCR Technique	1.95	0.126323	0.50	12.32
Debt Coverage Ratio	1.95	Band of Investment Technique				
Interest Rate	9.64%	Mortgage	50%	0.126323	0.063161	
Amortization	15.0	Equity	50%	0.163800	0.081900	
Mortgage Constant	0.126323	OAR				14.51
Loan-to-Value Ratio	50%	Surveyed Rates				13.78
Equity Dividend Rate	16.38%					
Average						
Spread Over 10-Year Treasury	2.65%	DCR Technique	1.43	0.079112	0.74	8.32
Debt Coverage Ratio	1.43	Band of Investment Technique				
Interest Rate	6.34%	Mortgage	74%	0.079112	0.058189	
Amortization	26	Equity	26%	0.120960	0.031991	
Mortgage Constant	0.079112	OAR				9.02
Loan-to-Value Ratio	73.6%	Surveyed Rates				9.45
Equity Dividend Rate	12.10%					

*1st Quarter 2010 Data

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According to the Korpacz Real Estate Investor Survey by PriceWaterHouse Coopers , First Quarter 2010, surveyed OAR's for apartment properties range from 5.00% to 11.00%, with an average of 7.85% which is a decrease of approximately 18 basis points over last quarter.

Table 26 NATIONAL APARTMENT MARKET First Quarter 2010			
	CURRENT QUARTER	LAST QUARTER	YEAR AGO
DISCOUNT RATE (IRR)^a			
Range	6.50% – 14.00%	6.50% – 14.00%	6.00% – 14.00%
Average	10.18%	10.17%	9.05%
Change (Basis Points)		+ 1	+ 113
OVERALL CAP RATE (OAR)^a			
Range	5.00% – 11.00%	5.75% – 11.00%	3.80% – 9.50%
Average	7.85%	8.03%	6.88%
Change (Basis Points)		– 18	+ 97
RESIDUAL CAP RATE			
Range	5.00% – 11.00%	5.75% – 10.75%	5.00% – 9.00%
Average	8.01%	8.19%	7.35%
Change (Basis Points)		– 18	+ 66
MARKET RENT CHANGE RATE^b			
Range	(10.00%) – 3.00%	(10.00%) – 3.00%	(3.00%) – 5.00%
Average	(0.91%)	(0.90%)	1.74%
Change (Basis Points)		– 1	– 265
EXPENSE CHANGE RATE^b			
Range	0.00% – 4.00%	0.00% – 3.00%	2.50% – 3.00%
Average	2.55%	2.55%	2.93%
Change (Basis Points)		0	– 38
AVERAGE MARKETING TIME^c			
Range	1.00 – 18.00	1.00 – 18.00	2.00 – 12.00
Average	8.06	8.86	6.70
Change (%)		– 9.03	+ 20.30
a. Rate on unleveraged, all-cash transactions b. Initial rate of change c. In months			

Mortgage Equity Technique (method 2)

A capitalization rate was developed using the Mortgage Equity Technique. This is an accepted technique when net income is projected to be stable, beginning in the first year of the analysis. In this method, individual components of the capitalization rate are mathematically derived and an overall capitalization rate is calculated. This rate is then applied to stable net income to determine the value. In order to develop the capitalization rate using the Mortgage Equity Technique, the following assumptions were made:

Capitalization Rate Derived by Mortgage Equity Technique																																									
<table><tr><th colspan="4">Assumptions</th></tr><tr><td>Mortgage Amortization Term</td><td>30</td><td>Years</td><td></td></tr><tr><td>Holding Period</td><td>10</td><td>Years</td><td></td></tr><tr><td>Mortgage Interest Rate</td><td>8.25%</td><td></td><td></td></tr><tr><td>Loan-to-Value Ratio</td><td>70.00%</td><td></td><td></td></tr><tr><td>Annual Constant for Monthly Pmt</td><td>0.09015</td><td></td><td></td></tr><tr><td>Required Equity Yield</td><td>14.00%</td><td></td><td></td></tr><tr><td>Assumed Net Annual Appreciation</td><td>0.00%</td><td></td><td></td></tr></table>										Assumptions				Mortgage Amortization Term	30	Years		Holding Period	10	Years		Mortgage Interest Rate	8.25%			Loan-to-Value Ratio	70.00%			Annual Constant for Monthly Pmt	0.09015			Required Equity Yield	14.00%			Assumed Net Annual Appreciation	0.00%		
										Assumptions																															
										Mortgage Amortization Term	30	Years																													
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										Mortgage Interest Rate	8.25%																														
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										Required Equity Yield	14.00%																														
Assumed Net Annual Appreciation	0.00%																																								
Calculations																																									
Basic Rate Calculations																																									
Mortgage	70.00%	x	0.09015	=	0.06311																																				
Equity	30.00%	x	0.14000	=	0.04200																																				
Composite Basic Rate						10.51%																																			
Credit for Equity Build-up Due to Amortization over Holding Period																																									
Mortgage (LTV Ratio)	70.00%																																								
Sinking Fund Factor @	14.00%	For	10	Years	=	0.05171																																			
Percentage of Loan Principle Repaid		After	10	Years	=	0.11830																																			
Equity Build-Up	70.00%	x	0.05171	x	0.11830	=	0.00428																																		
Appreciation over Holding Period																																									
Appreciation Credit @	0.00%	Over	10	Years	=	0.00000																																			
Sinking Fund Factor @	14.00%	For	10	Years	=	0.05171																																			
Appreciation Credit		0.00000	x	0.05171	=	0.00000																																			
Basic Rate.....							10.51%																																		
Less Credit For Equity Build-Up.....							(0.00428)																																		
Less Credit For Appreciation.....							0.00000																																		
Indicated Capitalization Rate							0.10082																																		
							(Rounded) 10.08%																																		

Capitalization Rate & Value Conclusion via Direct Capitalization

Due to the age, quality of construction, location, investor expectations, and associated risks, the appraiser concludes that an overall rate of 10.00% is appropriate for this type of property under current market conditions.

This overall capitalization rate selection is approximately one percent higher than the surveys and equal to the mortgage equity technique. We have selected a slightly higher capitalization rate when compared to the surveyed rates due to the risk associated with a development such as the subject. The mortgage equity technique is more reliable than the surveyed rates because the mortgage equity takes into consideration more recent market conditions and risks.

There does not appear to be a ready reserve allowance. We recommend a full inspection by qualified contractors for determination of the current condition of the units. We reserve the right to modify our opinion of value, should a report from certified contractors or building inspectors differ from our observations of the conditions of the units.

Direct Capitalization Technique

<u>REVENUES:</u>			
Potential Gross Revenues			
Rentable Area:			\$2,654,340
Potential Gross Revenue:			\$2,654,340
Vacancy:	10%		\$265,434
Delinquency:	5%		\$132,717
Effective Gross Income:			\$2,256,189
<u>OPERATING EXPENSES:</u>			
Pest Control			\$4,884
Trash Removal			\$27,600
Landscaping			\$36,000
Utilities			
Electric			\$85,000
Gas			\$98,000
Water/Sewer			\$475,000
Insurance			\$159,000
Maintenance/Repairs			\$310,000
Real Estate Taxes			\$135,358
Management/Admin	3.0%	+ Administrative Salaries	\$395,000
Total Operating Expenses			\$1,725,842
Reserves	\$300 per Unit		\$122,100
Total Expenses & Reserves			\$1,847,942
NET OPERATING INCOME			\$408,247
Capitalization Rate			10.00%
Estimated Direct Capitalization Value			\$4,082,470
INDICATED VALUE VIA INCOME APPROACH			Rounded \$4,080,000

Rent Up Adjustment

We project it will take about four quarters to lease up the units to a stabilized level. We project that beginning in the third quarter of 2010, approximately 10% of the building's vacant units will lease in the fourth quarter of 2010, 15% in the first quarter of 2011, 10% in the second quarter of 2011 when the property reaches stabilized occupancy in the third quarter. The rent loss is summarized below.

Our discount rate for the rent loss is a "safe rate" which is a very low discount rate. We base our figure of 2.5% on the rate of return for a comparable length Certified Deposit and on the yield for Treasury Bonds.

As demonstrated in our income approach, we do not expect much value appreciation over the holding period. Therefore, the projected value upon stabilization needs no further adjustment to estimate the as is value.

Period	Effective Vacancy Rate (%)	Projected Rent	Stabilized EGI	Rent Loss
1st Quarter	50%	\$ 282,023.63	\$ 564,047.25	\$ 282,023.63
2nd Quarter	60%	\$ 338,428.35	\$ 564,047.25	\$ 225,618.90
3rd Quarter	75%	\$ 423,035.44	\$ 564,047.25	\$ 141,011.81
4th Quarter	85%	\$ 479,440.16	\$ 564,047.25	\$ 84,607.09
Present Value of Rent Loss at:			2.50%	\$697,485.65

Deducting a rent up adjustment of \$700,000 from the projected value of \$4,080,000 results in an "as is" value estimate of \$3,380,000 via the direct capitalization approach.

RECONCILIATION AND FINAL ESTIMATE

Summary of Value Conclusions	
	Fee Simple
Sales Comparison Approach	\$3,620,000
Cost Approach	N/A
Income Approach	\$3,380,000
Reconciled Market Value	\$3,400,000
Per Building Square Foot	\$7.23
Per Unit	\$8,353.81

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

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 sophisticated 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.

Fee Simple Interest 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 Income Approach due to the income producing nature of the subject property. The final estimate of value is as follows:

As of June 4, 2010 it is my opinion that the Market Value of the Fee Simple Interest in the subject property is as follows:

Three Million Four Hundred Thousand Dollars

(\$3,400,000)

Addenda

Supporting Documents
For
Subject Property

Exhibit “A”
Engagement Letter

Confidential Information

Confidential Information

Exhibit “B”
Subject Deed with Legal Description

IN WITNESS WHEREOF, Grantor has signed this deed, under seal, the date and year first above written.

GRANTOR:

AZALEA APARTMENTS, INC., a Georgia non-profit corporation

By: _____
Name: Jonathan Jones
Title: Interim President

[CORPORATE SEAL]

Signed, sealed and delivered
in the presence of:

Upofficial Witness

Notary Public

My commission expires

[Notary Seal]

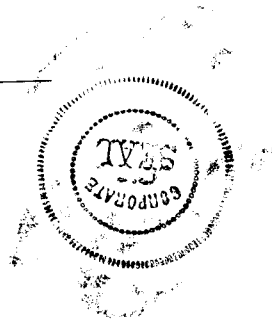


EXHIBIT "A"

PAGE 2 OF 2

LEGAL DESCRIPTION

All that tract or parcel of land lying and being in Land Lot 34 of the 13th District of Fulton County, Georgia, and being more particularly described as follows:

Beginning at an iron pin set on the western side of the 70-foot right-of-way Washington Road 688.66 feet southerly as measured along the western side of Washington Road from the point formed by the intersection of the western side of Washington Road with the north Land Lot line of said Land Lot 34; running thence south 6° 39' 30" east along the western side of Washington Road, a distance of 493.34 feet to an iron pin set; running thence north 88° 35' 40" west a distance of 527.58 feet to an iron pin found; running thence north 14° 16' 22" west a distance of 378.96 feet to an iron pin set in asphalt; running thence north 48° 54' 27" east a distance of 183.00 feet to an iron pin found; running thence south 88° 35' 27" east a distance of 425.86 feet to an iron pin set on the western side of Washington Road at the point of beginning; said tract containing 6.06 acres and being more fully shown on plat of survey of Washington Court Apartments for Azalea Apartments, Inc. and Chicago Title Insurance Company by John W. Stanzilis, Jr., Georgia Registered Land Surveyor No. 2109 of Solar Land Surveying Company, dated March 19, 1998.

1. All taxes and assessments for the year 2005 and subsequent years, which are a lien not yet due and payable.
2. Easement from Mrs. Thelma Lee Flowers to Georgia Power Company, dated December 15, 1947, recorded in Deed Book 2302, Page 218, Fulton County, Georgia records.
3. Easement from F. L. Scales to Georgia Power Company, dated October 19, 1962, recorded in Deed Book 3962, Page 84, aforesaid records.
4. Easement from Dewey P. Kelly to Georgia Power Company, dated March 6, 1970, recorded in Deed Book 5205, Page 244, aforesaid records.
5. Easement from Dewey P. Kelly to Georgia Power Company, dated December 4, 1970, recorded in Deed Book 5332, Page 459, aforesaid records.
6. Slopes, fills and drainage rights as contained in that certain Right of Way Deed from Dewey P. Kelley to Fulton County, dated April 10, 1971, recorded in Deed Book 5391, Page 92, aforesaid records.
7. Declaration of Reciprocal Easements by and between Dewey P. Kelley, Edward S. Pierce, Dave W. Killingsworth, Charles B. Pyke, William E. Clark, Fernando U. Duralde, Alfredo G. Garcia, Hugo S. Moreno, A. W. Ulloa, Monumental Life Insurance Company and Scott Hudgens Realty & Mortgage, Inc., dated June 27, 1972, recorded in Deed Book 5608, Page 267, aforesaid records.
8. Lease by and between Azalea Apartments, Inc. and Web Service Company, a memorandum of which is recorded at Deed Book 28420, commencing at Page 112, aforesaid records.
9. Rights of tenants in possession, as tenants only, under unrecorded leases.

Exhibit “C”
Flood Map



STDBONLINE.com

**FLOODSOURCE
FLOODSCAPE™**



PROPERTY ADDRESS:

4555 Washington Rd, Atlanta, GA 30349-2218

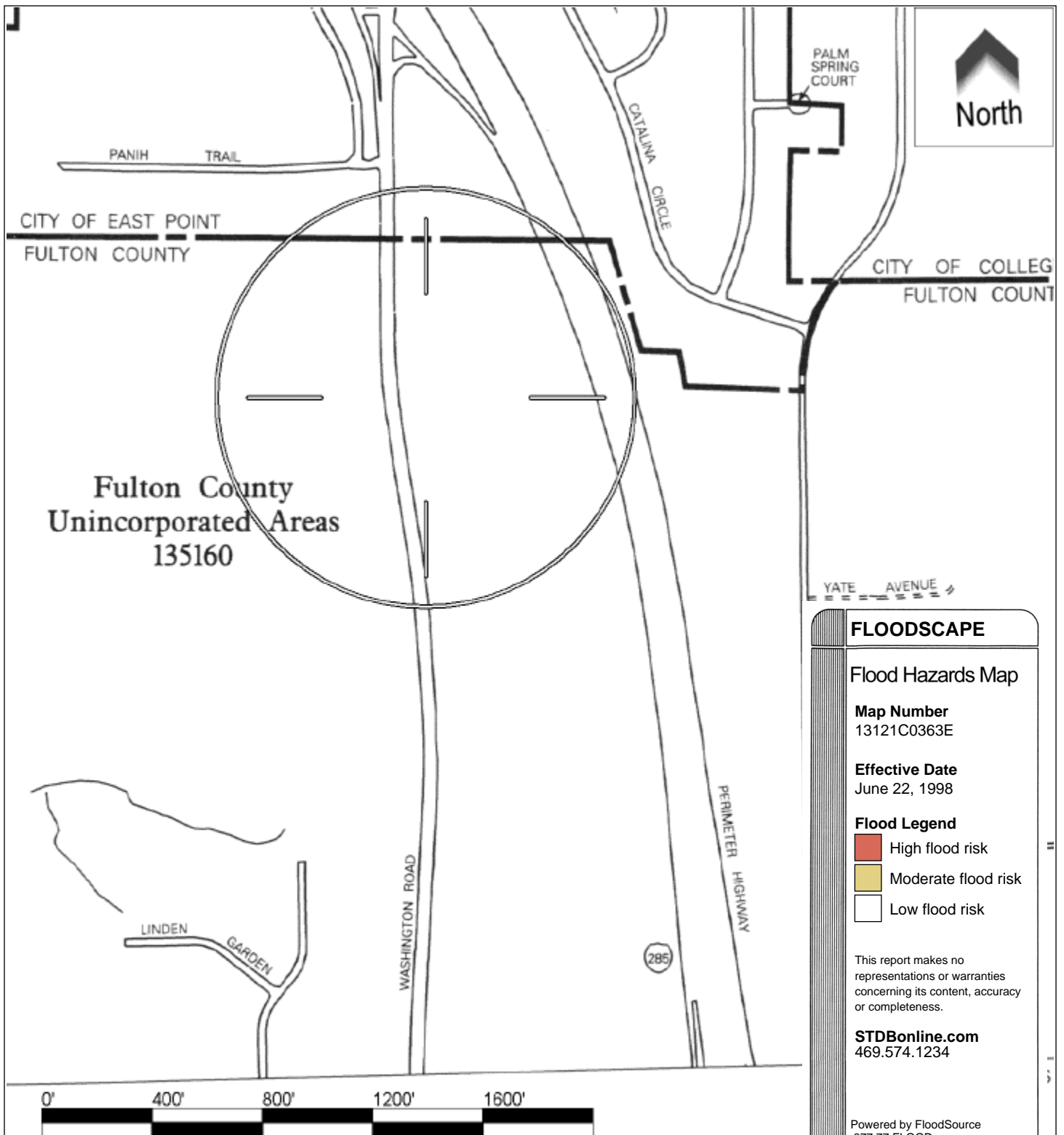


Exhibit “D”
2009 Property Tax Statement

PARID: 13 0034 LL1143
MPI AZALEA LLC

4555 WASHINGTON RD

Parcel

Parcel ID	13 -0034- LL-114-3
Address	4555 WASHINGTON RD
City	FUL
Neighborhood	C917
Class	C4
Land Use Code	2C1-Apt Garden Class C **
Acres	29.3
Utilities	1-ALL PUBLIC/8-ALL UNDERGROUND/-
Tax District	55
Tax Year	2010

Owner(s)

Owner Name	MPI AZALEA LLC
Owner Name 2	

Building

Card	1
Description	211
Year Built	1971
Total Under Roof	4000
Number Identical Bldgs	1

1 of 20

Current Values - 2010

Year	2010
Appraised Land	\$4,785,000
Appraised Building	\$6,215,000
Total Appraised Value	\$11,000,000
Assessed Land	\$1,914,000
Assessed Building	\$2,486,000
Assessed Total	\$4,400,000

Values History

Tax Year	Total Appraised Value	Total Assessed Value
2010	11000000	4400000
2009	11000000	3740000
2008	11000000	4400000

Sales

Sale Date	Sale Price	Grantee	Grantor
01-OCT-04	\$7,350,000		

Sale Details

Sale Date	01-OCT-04
Sale Price	\$7,350,000
Grantee	
Grantor	
Book	
Page	

OBY

Card	Desc	Year Built	Grade	Width	Length	Area
1	PA1	1971				156,400
18	SH2	1971				48
1	SH1	1971				189
1	SC1	1971				1,916

DETAILED TAX SUMMARY



Unincorporated Fulton County

TAX YEAR: 2009

Owner Name
MPI AZALEA LLC

Parcel Identification
13 -0034- LL-114-3

Account Number
6307105

Property Location
4555 WASHINGTON RD

Tax District
55

Fair Market Value
11,000,000

Assessed Value
3,740,000

Temporary Assessment
3,740,000

City Exemption:

County Exemption:

<u>Levies</u>	<u>Assessment</u>	<u>Exemptions</u>	<u>Net Assessment</u>	<u>X</u>	<u>Net Rate</u>	<u>State Credit</u>	<u>TAX</u>
FULTON OPER	3,740,000	0	0	X	.010281		\$ \$38,450.94
FULTON SCHOOL GEN	3,740,000	0	0	X	.017502		\$ \$65,457.48
SERVICE DIST SOUTH FULTON	3,740,000	0	0	X	.008159		\$ \$30,514.66
STATE	3,740,000	0	0	X	.000250		\$ \$935.00
Last Payment: 12/11/2009			Total Amount Billed				\$135,358.08
			Less Amount Paid				\$135,358.08
			Total Due				\$0.00
Last Payment: Not Found			Total Amount Billed				\$0.00
			Less Amount Paid				\$0.00
			Total Due				\$0.00

Property owners with current legal matters, such as bankruptcy or foreclosure, must contact the Tax Commissioner's office at (404) 730-6100 for the official balance due on their parcel(s).

[Return to Tax Bill](#) | [Return to Search Results](#)

Exhibit “E”
Zoning Ordinance

Sec. 10-2065. - R-3 Multifamily Development District.

R-3 District scope and intent. Regulations set forth in this Section are the R-3 District regulations. Article D should be consulted to determine uses and minimum standards for uses allowed by Administrative Permit or Use Permit. The R-3 District is intended to provide land areas devoted to medium to high density residential uses. The District also provides for closely related uses.

Use regulations. Within the R-3 District, land and structures shall be used in accordance with standards herein. Any use not specifically designated as a permitted use in this section or as a use allowed by Administrative Permit or Use Permit shall be prohibited.

(a)

Permitted uses. Structures and land may be used for only the following purposes:

(1)

Single family dwelling.

(2)

Two-family dwelling

(3)

Multi-family dwelling

(4)

Non-profit recreational uses; public or private playgrounds, parks, golf courses and lakes.

(5)

Institutional Uses: public, private and parochial schools, religious facilities.

(6)

Child day care center (small, medium and large).

(b)

Accessory uses.

(1)

Accessory uses and structures:

a.

Accessory uses and structures incidental to any permitted use. Temporary storage pods are intended for a limited period of time and not for permanent storage.

b.

For sale, for rent, or for lease signs in accordance with the sign regulations of this Ordinance.

Development standards.

(a)

Height regulations -

-

Single family - No building shall exceed thirty-five (35) feet in height.

-

Two-family - No building shall exceed thirty-five (35) feet in height.

-

Multi-family - No building shall exceed forty (40) feet in height.

(b)

Minimum front yard setback - 35 feet

(c)

Minimum side yard setback

-

6 feet adjacent to interior line

-

6 feet adjacent to street

(d)

Minimum rear yard setback - 25 feet

(e)

Minimum lot area

-

Single family - 8,500 sq. ft.

-

Two-family - 9,400 sq. ft.

-

Multi-family - 14,400 sq. ft.

(f)

Minimum width of lot frontage or width at building line

-

Single family - 60 feet

-

Two-family - 60 feet

(g)

Minimum heated floor area

- 1,600 square feet on ground level for less than two-story

- 1,800 square feet for two-story or more than two-story with 1,050 square feet on ground floor

(h)

Minimum accessory structure requirements. Accessory structures may be located in the rear or side yards only but shall not be located within a minimum yard.

(i)

Multifamily conservation. Multifamily, townhome, and condominium projects shall be required to place in a conservation easement which will be dedicated to the HOA and/or property maintenance firm, prior to the issuance of a land disturbance permit a minimum of 25 percent of the project area reserved as open and/or green space when developing undeveloped property. New projects on undeveloped property must include seven of the required amenities. The regulations set forth in this section supplement regulations for the R-3 Multifamily Residential District regulations set forth elsewhere in this chapter.

(1)

Amenity package requirements:

a.

Multi-family, town home and condominium projects shall include an amenity package of two or more amenities. Amenities shall be defined as "a feature that increases the attractiveness or value of a project." These amenities shall include but not be limited to:

1.

Pool and cabana;

2.

Majority brick building materials;

3.

Enhanced landscaping;

4.

Clubhouse with meeting rooms and/or exercise facilities;

5.

Significant recreational opportunities - swimming pool(s), water park, lighted tennis courts, basketball courts, playground, tot lots, baseball field, soccer/football field, walking track with exercise stations;

6.

Benches, architectural lighting, bike racks, and gazebos;

7.

Ponds/enhanced detention facilities;

8. Mixture of Uses within the development; and
9. Trails.

b.

Projects are eligible for density bonuses based on the following:

Three or more amenities	Density Bonus = 5%
Five or more amenities	Density Bonus = 15%
Seven or more amenities	Density Bonus = 20%
Nine or more amenities	Density Bonus = 30%

Supporting Documents
For
Comparable Properties

Exhibit “F”
Profiles for Improved Comparables

Improved Comparable 1

Property Identification

- | | |
|-------------------|--------------------------------------|
| 1. Property Type: | Apartment Complex |
| 2. Address: | 4590 Washington Rd, College Park, GA |
| 3. Tax ID: | S18-02025000 |

Sale Data

- | | |
|------------------------|-----------------------------------|
| 4. Grantor: | TriTex Real Estate Advisors, Inc. |
| 5. Grantee: | Soltani Investment Group, LLC |
| 6. Sale Price: | \$786,500 |
| 7. Price Per SF: | \$8.77 |
| 8. Price Per Unit: | \$8,938 |
| 9. Sale Date: | 2/24/2010 |
| 10. Deed Book / Page: | |
| 11. Condition of Sale: | Arm's Length |
| 12. Financing: | Cash Equivalent |

Property Data

- | | |
|------------------------------|---------------------------------|
| 13. Building Size: | 89,680 SF |
| 14. Unit Count: | 88 Units |
| 15. Land Area: | 6.58 acres |
| 16. Year Built: | 1970 |
| 17. Land Use: | Multi-Family |
| 18. Utilities: | Similar |
| 19. Average Unit Rate: | \$575 - \$695 per Month |
| 20. Reported Occupancy Rate: | Management refused to disclose. |

Comments: This property consists of 1Br & 2Br apartment units.



Improved Comparable 2

Property Identification

- | | |
|-------------------|---|
| 1. Property Type: | Apartment Complex |
| 2. Address: | 4001 Lakemont Drive, College Park, Georgia
& 2900 Camp Creek Parkway |
| 3. Tax ID: | 13-0002-LL-078-8 & 14-0224-LL-048-1 |

Sale Data

- | | |
|------------------------|--|
| 4. Grantor: | Legends at Laura Creek, LLC & Pine Crossing, LLC |
| 5. Grantee: | |
| 6. Sale Price: | \$5,450,000 |
| 7. Price Per SF: | \$8.52 |
| 8. Price Per Unit: | \$7,968 |
| 9. Sale Date: | 06/04/2010 |
| 10. Deed Book / Page: | Not Available |
| 11. Condition of Sale: | Arm's Length |
| 12. Financing: | Cash Equivalent |

Property Data

- | | |
|------------------------------|-------------------------|
| 13. Building Size: | 639,688 SF |
| 14. Unit Count: | 684 Units |
| 15. Land Area: | 49.6 acres |
| 16. Year Built: | 1970 & 1973 |
| 17. Land Use: | Multi-Family |
| 18. Utilities: | Similar |
| 19. Average Unit Rate: | \$599 - \$632 per Month |
| 20. Reported Occupancy Rate: | 78% as of June 2010 |

Comments: This property consists of 1Br, 2Br & 3 Br apartment units. This is a package sale of two adjoining apartment complexes.



Improved Comparable 3

Property Identification

1. Property Type:	Apartment Complex
2. Address:	3222 Kenelworth Drive, East Point, GA
3. Tax ID:	14-0225-LL-092-1

Sale Data

4. Grantor:	Branch Bank & Trust Company
5. Grantee:	Atlas GA I SPE, LLC
6. Sale Price:	\$3,400,000
7. Price Per SF:	\$19.06
8. Price Per Unit:	\$12,500
9. Sale Date:	01/15/2010
10. Deed Book / Page:	48736/170
11. Condition of Sale:	Non-Arm's Length
12. Financing:	Cash Equivalent

Property Data

13. Building Size:	178,420 SF
14. Unit Count:	272 Units
15. Land Area:	9.93 acres
16. Year Built:	1970 / Renovated in 2008
17. Land Use:	Multi-Family
18. Utilities:	Similar
19. Average Unit Rate	\$614 per Month

Comments: This property consists of one, two, and three bedroom apartment units. This is a transfer from BB & T to a subsidiary. A representative with BB & T stated that the property was first appraised and then the transfer price was based on the appraisal. BB & T believes that the property was transferred for a fair market value.



Improved Comparable 4

Property Identification

- | | |
|-------------------|--------------------------------------|
| 1. Property Type: | Apartment Complex |
| 2. Address: | 2609 Charlestown Dr., East Point, GA |
| 3. Tax ID: | 13-0004-LL045-5 |

Sale Data

- | | |
|------------------------|---------------------------------|
| 4. Grantor: | *Under Contract – Confidential* |
| 5. Grantee: | *Under Contract – Confidential* |
| 6. Sale Price: | \$1,980,000 |
| 7. Price Per SF: | \$9.17 |
| 8. Price Per Unit: | \$9,000 |
| 9. Sale Date: | *Under Contract – Confidential* |
| 10. Deed Book / Page: | *Under Contract* |
| 11. Condition of Sale: | Arm's Length |
| 12. Financing: | Cash Equivalent |

Property Data

- | | |
|------------------------------|---------------|
| 13. Building Size: | 296,200 SF |
| 14. Unit Count: | 220 Units |
| 15. Land Area: | 20.68 acres |
| 16. Year Built: | 1970 |
| 17. Land Use: | Multi-Family |
| 18. Utilities: | Similar |
| 19. Average Unit Rate: | Not Available |
| 20. Reported Occupancy Rate: | Not Reported |

Comments: This property is comprised of 2Br and 3Br units. Water and sewer is provided by Landlord and reimbursed by Tenant.



Exhibit “G”
Location Map for Improved Comparables

Improved Sale Location Map

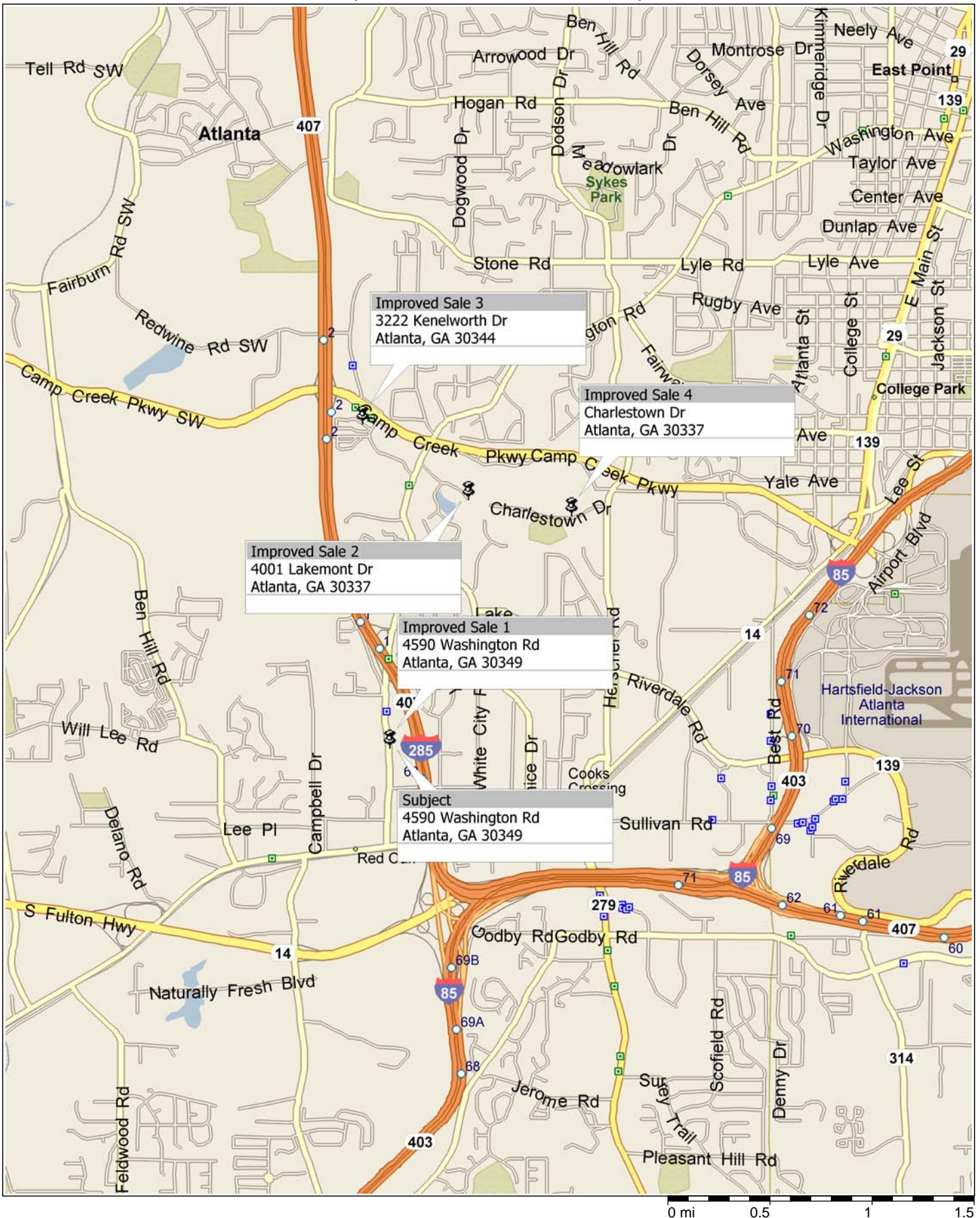


Exhibit “H”
Profiles for Rent Comparables

Rent Comparable 1

Property Identification

- | | |
|-------------------|---------------------------------------|
| 1. Property Type: | Apartment Complex |
| 2. Address: | 4001 Lakemont Drive, College Park, GA |
| 3. Tax ID: | 13-0003-LL-058-9 |

Lease Data

- | | |
|------------------------|-------------------------|
| 4. Reported Occupancy: | 85% |
| 5. Unit Types: | 1 Bedroom – 3 Bedroom |
| 6. Units Rates: | \$479 - \$749 per month |

Property Data

- | | |
|------------------|---------------|
| 7. Complex Size: | Not Available |
| 8. Unit Count: | 374 Units |
| 9. Land Area: | 12.54 acres |
| 10. Year Built: | 1970 |
| 11. Land Use: | Multi-Family |
| 12. Utilities: | Similar |

Comments: This property consists of a variety of differing designed structures.



Rent Comparable 2

Property Identification

- | | |
|-------------------|--------------------------------------|
| 1. Property Type: | Apartment Complex |
| 2. Address: | 3072 Washington Road, East Point, GA |
| 3. Tax ID: | 14-0190-0005-106-1 |

Lease Data

- | | |
|------------------------|-------------------------|
| 4. Reported Occupancy: | 86% |
| 5. Unit Types: | 1 – 2 Bedroom |
| 6. Units Rates: | \$499 - \$550 per month |

Property Data

- | | |
|------------------|---------------|
| 7. Complex Size: | Not Available |
| 8. Unit Count: | 120 Units |
| 9. Land Area: | 5.80 acres |
| 10. Year Built: | 1970 |
| 11. Land Use: | Multi-Family |
| 12. Utilities: | Similar |

Comments: None Noted.



Rent Comparable 3

Property Identification

- | | |
|-------------------|--|
| 1. Property Type: | Apartment Complex |
| 2. Address: | 2800 Camp Creek Pkwy, College Park, GA |
| 3. Tax ID: | 14-0224-LL-052-3 |

Lease Data

- | | |
|------------------------|-------------------------|
| 4. Reported Occupancy: | 89% |
| 5. Unit Types: | 1 Bedroom – 3 Bedroom |
| 6. Units Rates: | \$499 - \$699 per month |

Property Data

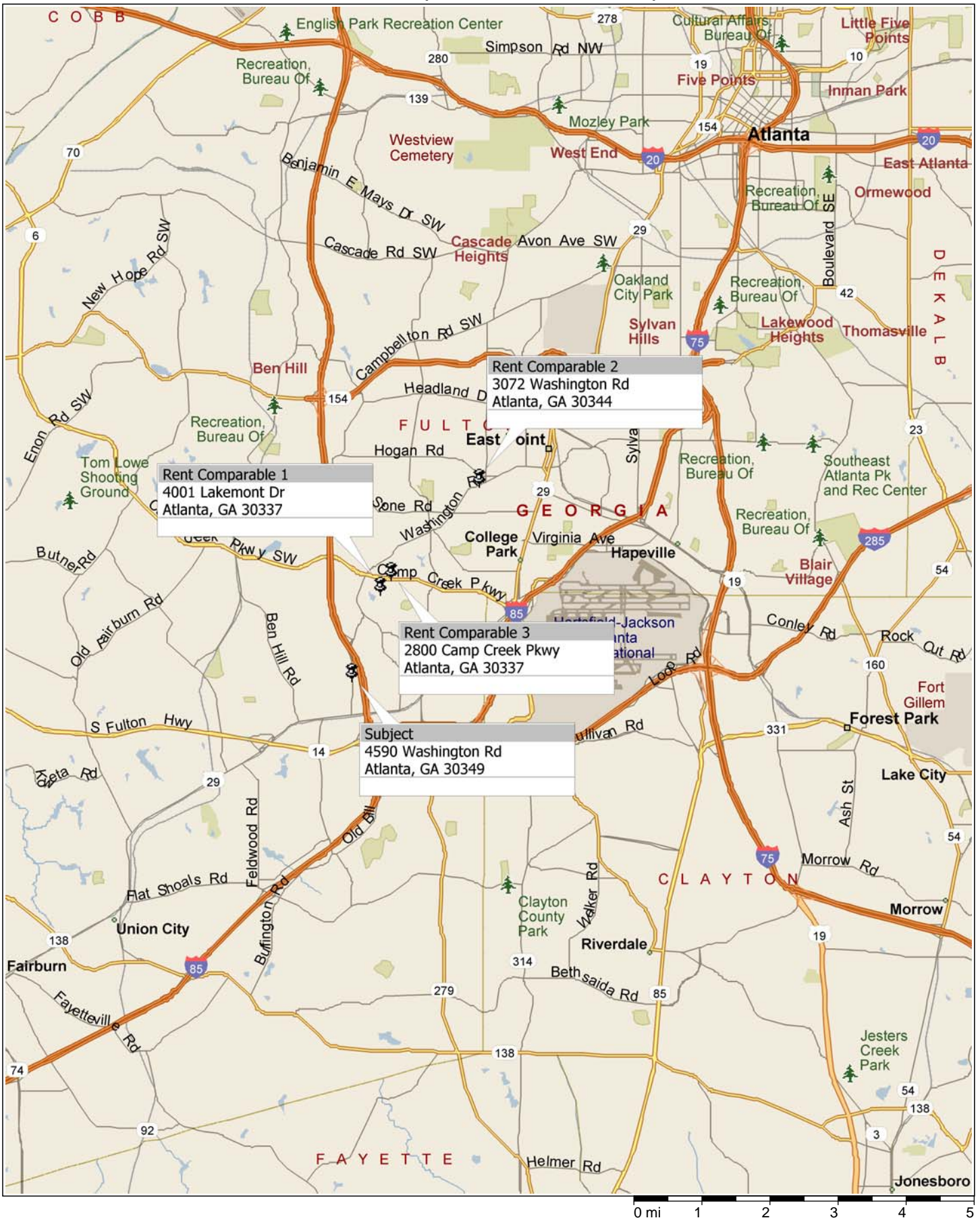
- | | |
|------------------|--------------|
| 7. Complex Size: | 97,760 SF |
| 8. Unit Count: | 175 Units |
| 9. Land Area: | 14.07 acres |
| 10. Year Built: | 1968 |
| 11. Land Use: | Multi-Family |
| 12. Utilities: | Similar |

Comments: None Noted.



Exhibit “I”
Location Map for Rent Comparables

Rent Comparable Location Map



Appraiser Qualifications License & Resume

CORPORATE OFFICE
122 W. Solomon Street
Griffin, Georgia 30224

MAILING ADDRESS:
P.O. Box 884
Griffin, Georgia 30224



PHONE
Local: (770) 227-4008
Toll Free: (866) 408-2812

FAX
Local: (770) 227-7329

REAL ESTATE APPRAISAL SERVICE • *Since 1971*

Ken A. Fletcher – Co-Owner/Chief Appraiser

Partial Client List

LENDING INSTITUTIONS:

United Bank
First National Bank of Griffin
First National Bank of Barnesville
First Choice Community Bank
BB & T
Regions Bank
McIntosh Commercial Bank
Georgia Banking Company
Bank of Coweta
Heritage Bank

The Bank of Georgia
Bank of Atlanta
The State Bank of Georgia
The First Bank of Pike
Fidelity Bank
United Community Bank
The First State Bank
First National Bank of Georgia
United Central Bank
Park Avenue Bank

ATTORNEYS:

Drew Whalen – Griffin, Ga
Sam Sullivan – Griffin Ga
Smith, Welch & Brittain – McDonough, Ga

Allan Connell – Thomaston, Ga
David Dunaway – Thomaston, Ga
Newton Galloway – Griffin, Ga

ACCOUNTANTS:

Robinson, Whaley, Hammonds, & Allison – McDonough, Ga
Alton Knight – Griffin, Ga

Qualified as Valuation Expert Witness: Superior Court of Spalding, Pike, Lamar, Henry, and Upson counties: U.S. Bankruptcy Court – Savannah, Newnan, & Atlanta

EDUCATION:

Graduate of the University of Georgia - 1970
Degree: BBA
Major: Real Estate & Urban Development
Licensed Real Estate Broker
State of Georgia Certified General Real Property Appraiser – No. 596

STATE OF GEORGIA REAL ESTATE APPRAISERS BOARD

KENNETH A FLETCHER

596

IS AUTHORIZED TO TRANSACT BUSINESS IN GEORGIA AS A

CERTIFIED GENERAL REAL PROPERTY APPRAISER

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

CHARLES B. BRAMLETT
Chairperson

SANDRA MCALISTER WINTER
Vice Chairperson

WILLIAM R. COLEMAN, JR.

PATRICIA K. LOVE

D. SCOTT MURPHY

KENNETH A FLETCHER

596

Status **ACTIVE**

CERTIFIED GENERAL REAL PROPERTY APPRAISER

THIS APPRAISER CLASSIFICATION EXPIRES IF
YOU FAIL TO PAY RENEWAL FEES OR IF YOU
FAIL TO COMPLETE ANY REQUIRED EDUCATION
IN A TIMELY MANNER. SEE REVERSE SIDE.

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

ORIGINALLY LICENSED

06/15/1991

END OF RENEWAL

08/31/2010



Real Estate Commissioner
JEFFREY LEDFORD

CORPORATE OFFICE

122 W. Solomon Street
Griffin, Georgia 30224

MAILING ADDRESS:

P.O. Box 884
Griffin, Georgia 30224

**PHONE**

Local: (770) 227-4008
Toll Free: (866) 408-2812

FAX

Local: (770) 227-7329

REAL ESTATE APPRAISAL SERVICE · *Since 1971*

DANIEL B. SEARCY III REGISTERED APPRAISER

Partial Client List

LENDING INSTITUTIONS:

United Bank

First National Bank of Griffin

BB & T

Regions Bank

Georgia Banking Company

Heritage Bank

Bank of Atlanta

First State Bank

First Bank of Pike

First National Bank of Barnesville

First National Bank of Georgia

Bank of Coweta

The Private Bank

McIntosh Commercial Bank

First Choice Community Bank

The Private Bank

ATTORNEYS:

John T Newton – Griffin, GA

ACCOUNTANTS:

Robinson, Whaley, Hammonds, & Allison – McDonough, Ga

Alton Knight – Griffin, Ga

EDUCATION:

Presbyterian College, Clinton, SC - B.S. Business Administration - Sep. 1994 – May 1998

Registered Real Property Appraiser, State of Georgia – Licensed 2005

Associate Broker, State of Georgia – Licensed 2000

Candidate, Certified Commercial Investment Member (CCIM)

Graduate, Realtor Institute

**STATE OF GEORGIA
REAL ESTATE APPRAISERS BOARD**

DANIEL BARTLETT SEARCY, III

286625

IS AUTHORIZED TO TRANSACT BUSINESS IN GEORGIA AS A

STATE REGISTERED REAL PROPERTY APPRAISER

THE PRIVILEGES AND RESPONSIBILITIES OF THIS APPRAISER CLASSIFICATION SHALL CONTINUE IN EFFECT AS LONG AS THE APPRAISER PAYS REQUIRED APPRAISER FEES AND COMPLIES WITH ALL OTHER REQUIREMENTS OF THE OFFICIAL CODE OF GEORGIA ANNOTATED CHAPTER 43-28-A. THE APPRAISER IS SOLELY RESPONSIBLE FOR PAYMENT OF ALL FEES ON A TIMELY BASIS.

CHARLES S. STANLETT
Chairperson
SANDRA MCALISTER WINTER
Vice Chairperson

WILLIAM R. COLEMAN, JR.
PATRICIA H. LOVE
D. SCOTT MURPHY

DANIEL BARTLETT SEARCY, III

286625
Status ACTIVE

ORIGINALLY LICENSED

04/26/2005

END OF RENEWAL
01/31/2011

**STATE REGISTERED REAL PROPERTY
APPRAISER**

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

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



JEFFREY LEDFORD
Real Estate Commissioner

10223710