RESOLUTION NO. 4696-11

APPROVES FUNDS FOR APPRAISAL FOR CACTUS CAFÉ BUILDING

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Foley, Alabama, approves up to $3,000 to hire an appraiser who will be approved by the owners of the Cactus Café building to be able to better market the building and/or assist the owners in selling the property, and amends Account No. 620-3020. This Resolution shall become effective immediately upon its adoption as required by law.

PASSED, ADOPTED AND APPROVED THIS 3rd day of October, 2011.

John E. Koniar, Mayor

ATTEST:

Vickey Southern

Vickey Southern, CMC
City Clerk

ADVANCED APPRAISALS
WELDON PAYNE & CO
PO BOX 401
MONTROSE AL 36559

CCRA- Certified Commercial Real Estate Appraiser

Phone #: (251) 625-8764
Cell# (888) 455-7552
Fax# (251) 625-8777

October 31, 2010

City of Foley
Foley, AL. 36535

RE: Appraisal 118 W. Laurel Ave

Bill For Services:

$2,400.00

Approved by [signature]
~~P.O.~~/Resolution #4696-11
Account #620-3020
Check #
Date Paid

RESOLUTION NO. 4734-11

MEMORIALIZING PAYMENT OF FUNDS FOR

APPRAISAL AT 118 WEST LAUREL AVENUE

WHEREAS, the Foley City Council approved the expenditure of up to $3,000 for hiring an appraiser to appraise the building at 118 West Laurel Avenue, a/k/a Cactus Café Building under enabling Resolution 4696-11, and

WHEREAS, Advanced Appraisals was contacted and has performed the appraisal in the amount of $2,400.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Foley, Alabama, as follows:

SECTION 1: Memorializes hiring Advanced Appraisals (Weldon Payne & Co.) in the amount of $2,400 for performing the appraisal at 118 West Laurel Avenue, Foley, Alabama.

SECTION 2: This Resolution shall become effective immediately upon its adoption as required by law.

PASSED, ADOPTED AND APPROVED THIS 7th day of November, 2011.

John E. Koniar, Mayor

ATTEST:

Vickey Southern

Vickey Southern, CMC
City Clerk

ADVANCED APPRAISALS
WELDON PAYNE & CO
PO BOX 401
MONTROSE AL 36559

CCRA- Certified Commercial Real Estate Appraiser

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Cell# (888) 455-7552
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October 31, 2010

City of Foley
Foley, AL. 36535

RE: Appraisal 118 W. Laurel Ave

Bill For Services:

$2,400.00

Approved by [signature]
~~P.O.~~/Resolution #4696-11
Account #620-3020
Check #
Date Paid

ADVANCED APPRAISALS
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MONTROSE AL 36559

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Phone #: (251) 625-8764
Cell# (888) 455-7552
Fax# (251) 625-8777

APPRAISAL REPORT

118 Laurel Ave West
Foley, AL. 36535

PREPARED FOR

The City of Foley
PO Box 1750
Foley, Alabama 36536

DATE OF EVALUATION

October 31, 2011

ADVANCED APPRAISALS
WELDON PAYNE & CO
PO BOX 401
MONTROSE AL 36559

CCRA- Certified Commercial Real Estate Appraiser

Phone #: (251) 625-8764
Cell# (888) 455-7552
Fax# (251) 625-8777

October 31, 2011

LETTER OF TRANSMITTAL
City of Foley/ Sutton Family
PO Box 1750
Foley, Alabama 36536

Dear Sirs:

In accordance with your request, the undersigned appraiser has completed an investigation and analysis of a 10,000+/- Sq.Ft. commercial building and lot located at 118 West Laurel Ave, Foley, AL. 36535

The purpose of this Appraisal is to estimate market value of the fee simple interest of the above referenced property in its developed condition as of the effective date of this report. The definition of market value is located within the body of this report. This Appraisal is for the use of the party to whom it is addressed and any further use or dissemination without the consent of the appraiser and addressee is prohibited.

It is furthermore required by the Uniform Standards of Professional Appraisal Practice, as promulgated by the Appraisal Standards Board of the Appraisal Foundation, as well as the Alabama Appraiser's Board, to inform you that the appraiser has performed a Limited Appraisal according to Standard Rule 1 and the communication to the client is a Summary Appraisal Report, in accordance with Standards Rule 2-2b.

Although this appraisal is not a Self-Contained Appraisal Report, data has been acquired by the Appraisers and a full narrative report inclusive of all research, market data studies and conclusions can be prepared. Should you require a full narrative report, it will be forwarded to you immediately upon its completion and will be in compliance with minimum appraisal report writing requirements as set forth in Standard Rule 2-2 of the above referenced appraisal standards, as well as the Appraisal Guidelines of the Alabama Appraiser's Board.

The property which I appraised herein is both legally and physically described in this report under the proper headings. The values outlined below are subject to the underlying Assumptions and Limiting Conditions specified in the body of this report. My employment as appraiser in this assignment was not conditioned upon producing a specific value or a value within a given range.

I have not been provided an environmental audit of the subject property. An environmental audit of the subject by a qualified expert is believed to be a necessity to determine whether or not any current or potentially toxic wastes, hazardous materials, or undesirable substances may have been previously stored and seeped onto the subject site. This office does not make any representations, either expressed or implied, regarding the existence or non-existence of toxic wastes, hazardous materials, or undesirable substances affecting the subject site.

My value estimate is predicated on the assumption that no contamination of the subject exists which would impact its marketability and/or value. Therefore, it is the responsibility of the client or recipient of this report to retain qualified experts to determine the existence of any toxic wastes, hazardous materials, or undesirable substances, and the necessary actions and cost required to correct the situation, should any exist.

The appraisers are not technically qualified to detect, analyze, or provide "cost to cure" estimates on Americans With Disabilities Act (ADA) issues.

After thoroughly considering all of the information available and after making a physical inspection of the subject property, it is my opinion that the Market Value of the subject property is as follows:

Market Value $165,000

ONE HUNDRED SIXTY FIVE THOUSAND DOLLARS

This transmittal letter only introduces the actual appraisal report and it should not be interpreted as an appraisal. We hope that you will find the following report in order, but if you have any questions please feel free to contact us.

Respectfully submitted,

Weldon Payne

Weldon R. Payne
State Certified General
Appraiser #G00253

ADVANCED APPRAISALS
WELDON PAYNE & CO
PO BOX 401
MONTROSE AL 36559

CCRA- Certified Commercial Real Estate Appraiser

Phone #: (251) 625-8764
Cell# (888) 455-7552
Fax# (251) 625-8777

June 24, 2011

City of Foley
PO Box 1750
Foley, Alabama 36536

Dear sirs:

Pursuant to your request, I have completed an investigation and appraisal of a 10,000 +/- Sq.Ft. commercial building and lot located at 118 West Laurel Ave, Foley, AL. 36535.

The purpose of this appraisal is to express an opinion of value for the fee simple interest in the property. The estimated value of the subject in this report is based upon the subject being free and clear of all liens, judgments, mortgages, or other legal restrictions that could affect marketability. The marketing period is estimated to be 6-12 months based on present market conditions and marketing trends continuing to be stable.

I certify that I have physically inspected the property and it is my opinion that the Fair Market Value of the property, assuming free and clear title, as of October 31, 2011 is as follows.

ONE HUNDRED SIXTY FIVE THOUSAND DOLLARS

I certify that I have no interest, present or contemplated, in the property described herein, and that neither the employment nor the compensation is contingent on the value of the property, and that according to my best knowledge and belief, all statements and information contained in this report are true and correct, subject to the limiting conditions.

Respectfully submitted,

Weldon Payne

Weldon Payne
Certified General Real Property Appraiser
License No. #G00253

General Definitions

DEFINITION OF MARKET VALUE

Market Value is defined by the FIRREA 12 CFR Part 323.2 (f) as:

"Market Value means 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:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

Market Value "as is" is defined as the Market Value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date the appraisal is prepared. Market Value "Upon Completion" is defined as the Market Value of a property with all proposed construction, conversion, or rehabilitation hypothetically completed, or under other specified hypothetical conditions as of the date of the appraisal or prospective date.

DEFINITION OF "AS IS" MARKET VALUE

All appraisals must be made on an "As Is" Market Value basis unless otherwise instructed. The "as is" status of the property reflects its physical condition and any legal, environmental, and/or financial factors or encumbrances known to impact the property at the effective date of appraisal. The "as is" valuation of the appraised property shall reflect the impact on value of all such factors known and conveyed to the appraisers by the Client. The appraiser is responsible for employing due diligence in accounting for all factors not reported by the Client that are items of the public record (i.e. zoning, taxes, covenants, conditions, restrictions, etc.). "As Is" Market Value must reflect all assumptions of the Market Value definition.

DEFINITION OF FEE SIMPLE

Fee Simple Interest is defined as total ownership of property not encumbered by any other interest or estate, and limited only by the powers of eminent domain, escheat, police power, and taxation, which are rights reserved by the government. The value of the fee simple estate is therefore impacted by its current zoning, tax status, condemnation proceedings, public easements, environmental legislation, or other governmental interests or actions.

The Fee Simple Interest encompasses all rights of ownership not limited by the government, including the right of occupancy (use), the right to lease and receive rents, the right of conveyance to another, etc. This interest is analogous to a total "bundle" of rights, each of which may be severed and conveyed by the fee simple owner. The fee simple interest may be severed into various partial or fractional interests, including the leased fee and leasehold interests. The fee simple interest is the sum of the leased fee and all leasehold interests.

Scope of the Work

The term Scope of Work means describing the extent of the process of collecting, confirming, and reporting data. In basic terms, the scope of work is the work an appraiser performs to develop assignment results. USPAP defines "scope of work" as the type and extent of research and analyses in an assignment.

The appraisal problem submitted to the appraisers was to furnish a 1.) Market value based on the subject's "As Is" market value for the existing commercial structure.
The information provided to the appraiser consisted of a complete legal description of the subject site, condition report and marketing data for the development.

Highest and best use of the subject property is based on its highest and best use "as if vacant", as well as consideration for the demand for similar type properties within the subject property's immediate area.

The appraisers thence outlined the information gathered, assembled this information, logically described the subject's location and physical characteristics, analyzed the information gathered and applied this information into the previous discussed approaches to value. The appraisers once again analyzed the indicated solutions manifested by the proposed appraisal problems and reconciled these solutions into a logical estimate of values needed and/or requested by the client.

Highest and Best Use

Highest and Best Use is defined in the Dictionary of Real Estate appraisal 4th rd Edition, 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. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."

The Highest and Best Use Analysis is a critical study which analyzes the reasonable uses which a site may be suitable for, in the context that the uses permitted could possibly occur and within a reasonable framework of time. To attain its highest and best use, the property must possess the utility and desirability in the marketplace to attain its highest value. A property must possess a function which is desired in the marketplace which is legally permissible, financially feasible, physically possible, and maximally productive in order to create the highest value. The highest and best use in the case of subject does not necessarily have to be the current improvements nor a variation thereof.

Highest and Best Use "As If Vacant"

1) **Physically Possible** The subject parcel is a rectangular shaped tract with frontage along W Laurel Ave and N Alston St. It contains a total of 5,000 SF. The subject site is level and does not have any adverse topographical nor drainage conditions. We have not been provided structural reports on the subject site and therefore reserve the right to alter the final value estimate accordingly if subsequent data reveals the site has inadequate

load bearing qualities which may have a detrimental impact on the structural integrity of the present buildings. The most viable use of the vacant subject site would, in my opinion, be for a retail building or restaurant. In considering the development trends within the immediate neighborhood, along with the physical and locational characteristics of the subject site, the appraisers are of the opinion that the vacant subject site would have the greatest potential for utilization for retail or restaurant space.

2) **Legally Permissible** Currently the subject site carries a commercial B-2 zoning denotation. The majority of properties in this area also have similar zoning. This zoning denotation allows for a number of different legally permissible uses. Therefore, the present zoning of the property would not negatively affect the marketability of the subject site nor its best use as a number of commercial uses.

3) **Financially Feasible** For a use to be financially feasible, there must be sufficient demand for that use and maximum value is usually realized where surrounding land uses are compatible. The financial feasibility test must involve consideration of the neighborhood and marketing conditions existing at the time of the analysis and those anticipated within the foreseeable future. This analysis considers the development trends within the competitive neighborhood and relative success of developed properties, which have similar physical, locational, and legal characteristics as compared to those of the subject's.

Given the physically possible and legally permissible uses as noted above, along with the growth and revitalization in close proximity to the subject, we are of the opinion that the most financially feasible use of the vacant subject site would be for utilization for retail/restaurant development.

COUNCIL WORK SESSION AGENDA
CITY OF FOLEY
CONFERENCE ROOM, 407 E. LAUREL AVENUE
FOLEY, ALABAMA
MONDAY, OCTOBER 18, 2010 4:00 P.M.

Mayor John Koniar called the meeting to order at 4:00 p.m. Those in attendance were Council Members Charlie Ebert, Rick Blackwell, Vera Quaites, and Ralph Hellmich. Absent: Wayne Trawick. Also attending were Perry Wilbourne, Sandra Pate, Vickey Southern, David Wilson, Randy Bishop, Randy Kurtts, Jeff Rouzie, Joey Darby, Butch Stokes, David Thompson, Joe Bouzan, Miriam Boutwell, Jessica Nelson, David Vosloh, Bob Young, Heyward Hosch, Steven Smith, and Shea Zirlott

Before the meeting began the Mayor announced that he had received an acknowledgement from Kenneth Feinberg (President Obama's point person for managing the Gulf Disaster Compensation Fund) and Mr. Feinberg has accepted the Mayor's invitation to come to Foley. The meeting will be a public "town hall" type meeting similar to what Orange Beach has been having and Mayor Koniar asked Chief Wilson to be sure that the necessary safety and security precautions are put in place for Mr. Feinberg's visit. The visit is anticipated to be scheduled for either the end of October or the first of November.

ACTION ITEMS:

1. Approve Work Session Minutes of October 4, 2010.

   Councilman Hellmich made a motion to approve. Councilman Blackwell seconded the motion and the vote passed unanimously.

2. Consider Consent agenda of October 18, 2010.

COUNCIL WORK SESSION **CONSENT** AGENDA
CITY OF FOLEY
CONFERENCE ROOM, 407 E. LAUREL AVENUE
FOLEY, ALABAMA
MONDAY, OCTOBER 18, 2010 4:00 P.M.

1. Amends Resolution 4225-10 Section 2 to read "Approves an additional $14,000 for sidewalk repairs and amends Account 12-600-9380 A06 98 Sidewalk Repair/ Maintenance" instead of Account No. 12-665-7268 Streetscape, Phase I.

A resolution approving the Work Session Consent agenda was moved to the Council agenda.

3. Consider reappointing Charles Eubanks and Earl Buchanan to the Fire Code of Appeals Board. Their terms expire November 16, 2010. If consensus move under New Business for voice vote.

Chief Darby reported both men have agreed to serve another term. This item was moved to the Council agenda.

4. Consider reappointing Mary Murchison as Municipal Court Judge. If consensus move resolution to Council agenda.

A resolution reappointing Mrs. Murchison was moved to the Council agenda.

5. Consider reappointing Walter Chandler as Assistant Court Judge. If consensus move resolution to Council agenda.

A resolution reappointing Mr. Chandler as Assistant Court Judge was moved to the Council agenda.

6. Consider reappointing Michael Dassinger as the City Prosecutor and Frank Hollon as the Assistant City Prosecutor. Terms of office expire November 3, 2010. If consensus move resolution to Council agenda.

A resolution was moved to the Council agenda.

DISCUSSION ITEMS:

7. Randy Kurtts: Consider resolution approving appropriation of $6,100 for installation of water services at eight lamp posts along Hwy. 98 in the Historic District.

A resolution was moved to the Council agenda.

8. Jessica Nelson: ***A)*** Consider approving the printing of a new visitor's guide and new website. See attached documentation. If consensus, move resolution to Council agenda. ***B)*** Consider a resolution approving a "Parade Release and Agreement".

A) Jessica reported the CVB's Visitor's Guide was outdated and needed to be updated. Councilman Ebert noted the resolution makes reference to a new Welcome Center, which is listed in the proposed budget, and requested that this be removed. A resolution was moved to Council agenda. ***B)*** *A resolution approving a parade release and agreement with witness instead of the notary block was moved to the Council agenda.*

9. Butch Stokes: ***A)*** Consider installing a pedestrian signal and crosswalk at CR20 and Foley Beach Express. This will be a direct owner purchase of materials plus

shipping/freight. If consensus move resolution approving the purchase in the amount of $4,208.50. ***B)*** Information Item: Consider Safe Span's bridge inspection proposal for October 2010. ***C)*** Consider ordinance rescinding Ordinance No. 1144-10 accepting the public right of way and infrastructure improvement on Abbey Lane for City maintenance. ***D)*** Information Item: Consider proposal for "Division of Maintenance on Streets and Roadways". This is carried over from 02-16-09. ***E)*** Further discuss purchasing traffic counters. (Carried over from 08-02-10.) ***F)*** Consider resolution approving HMR's proposal for surveying Lot 7 in the Foley Beach Express Industrial Park.

A) A resolution approving $6000 for pedestrian signal and crosswalk was moved to Council agenda. ***B)*** *A resolution was moved to Council agenda approving $2,100 for three bridge inspections. C) The first reading of an ordinance rescinding Ordinance 1144-10 was moved to the Council agenda.* ***D)*** *Butch asked for Council approval to move forward with sending the proposed "Division of Maintenance on Streets and Roadways" to the County for their review. It was noted that the list does not include Roscoe Road or Keller Road bridge. There was a consensus to move forward with presenting the list to the County.* ***E)*** *The cost of the traffic counters was discussed and it was decided to get further into the budge year and then take another look at this.* ***F)*** *Butch noted this work is for the Swift Property and a resolution was moved to the Council agenda.*

10. Jeff Rouzie: Discuss dedicating 38 parking spaces during Fortis College's hours of operation.

A modified resolution was moved to the Council agenda to include dedicating to Fortis a total of 42 parking spaces; 28 on Chicago Street and 14 on Laurel Avenue directly in front of the old Dixie Furniture building.

11. David Wilson: ***A)*** Consider resolution accepting the lowest responsible bid from AFIX Technologies, Inc. in the amount of $25,000 for Automated Finger Print & Palm Print Identification System (AFIS/APIS) under ADECA grant and an annual support renewal cost of $3,550. Carried over from 10-04-10. ***B)*** Further discuss Medstar's contract for services. Carried over from 10-04-10. ***C)*** Consider a resolution approving the purchase of three equipped patrol cars budgeted in the proposed draft FY2010-11 budget. ***D)*** Consider resolution approving Hurricane Electronics, Inc.'s proposal for repairs to camera system and Jail door repairs in the amount of $15,038.07 out of the Corrections Fund.

A) A Resolution was moved to the Council agenda. ***B)*** *A resolution approving Medstar's invoice for services in the amount of $7,840, to be taken out of the Corrections Fund, was moved to the Council agenda. At the last Council meeting a resolution was adopted accepting Medstar's transportation agreement that included inmates and any Police Department employees. Medstar has offered a separate contract to add all City employees and Council members for an* *additional $400 per month. There was a discussion and general consensus that the additional contract was not needed as the employee's BCBS Health insurance plan provides a level of coverage for ambulance service.* ***C)*** *After a discussion on whether or not they would be able to purchase the Crown Vic's prior to the Ford Motor Company depleting their stock, there was a consensus to move the resolution approving the allocation of money for the purchase of the vehicles to the Council agenda.* ***D)*** *A resolution was moved to the Council agenda.*

12. Miriam Boutwell: ***A)*** Consider the Petition for Annexation for Veronica, Raymond & Janet Herndon for 1.05± Acres, with a requested zoning of B-1A (Extended Business District). Property is located east of the Foley Beach Express and north of Hwy 98. (If approved, move ordinance to Council agenda for a first reading.) ***B)*** Consider resolution waiving fees for two proposed subdivisions in the Foley Beach Express Industrial Park.

    A) The first reading of the ordinance was moved to the Council agenda. ***B)*** *The resolution waiving the fees was moved to the Council agenda.*

INFORMATION ITEMS:

13. Thank you note from the Middleton family.
14. Monthly reports: Sales Tax, Lodging Tax and Rental Tax

ADD ON'S:

15. Bob Young and Heyward Hosch: Discuss swaps as they pertain to our League bond issue.

    Mr. Young reported that he had come to talk with the Council about the 2006 AMFund Entity created by the Alabama League of Municipalities. AMFund was developed by the Alabama League of Municipalities to assist municipalities in Alabama fund local projects and purchases. The AMFund entity integrates a swap arrangement which involves an issuance of floating interest rate debt and converts that to fixed rate debt. Foley is a part of this entity along with other cities. Currently U.S. Bank holds the Letter of Credit and the Bank of New York is the Trustee.

    Mr. Young went on to say that there is nothing wrong and/or illegal with the AMFund arrangement but there are some risks associated with a swap structure. He explained that his purpose here today was three-fold: 1) To explain how the transaction currently stands; 2) To explain where the market is now and how much it would cost for the City to get out of this arrangement; and 3) To provide enough information about the AMFund arrangement that the City could ponder it and decide what course of action, if any, to take.

    Mr. Young further explained that U.S. Bank issued the Letter of Credit and if they remain in good standing, everything is fine. But, if U.S. Bank gets into trouble, the

City could be placed at risk of experiencing a floating and/or much higher interest rate on this bond. There was a question as to when the current letter of credit expiries. Mr. Young replied they could ask and find out.

The other concern Mr. Young outlined was that the AMFund structure, as described and as he understands it, employed a technique where the City did not sign a swap agreement, so anyone could come back and say the City was subject to hedge accounting and then a hedge accounting audit would have to be conducted which can be very costly. Councilman Ebert replied that the City's accounting firm had staff who were qualified and could provide the hedge accounting audit if that became necessary.

Mr. Young concluded his presentation by stating that as long as U.S. Bank can renew the letter of credit and they remain in good standing, there is not a problem. But that is the risk factor that the City needs to ponder and decide whether to stay in or try to get out. He added it is a reasonable position to take for the City to stay in the arrangement, but it is just as reasonable a decision to take steps to get out of it too. It is entirely up to the City on how they want to analyze the risk factor(s) involved as he has laid out. The cost to get out of it right now would probably be around $360,000.00, but the cost can fluctuate greatly dependent upon market factors. He ended by saying that all of this presentation was for informational purposes only for the Council to be able to consider.

16. Consider resolution hiring Weldon Payne to appraise Cactus Café building.

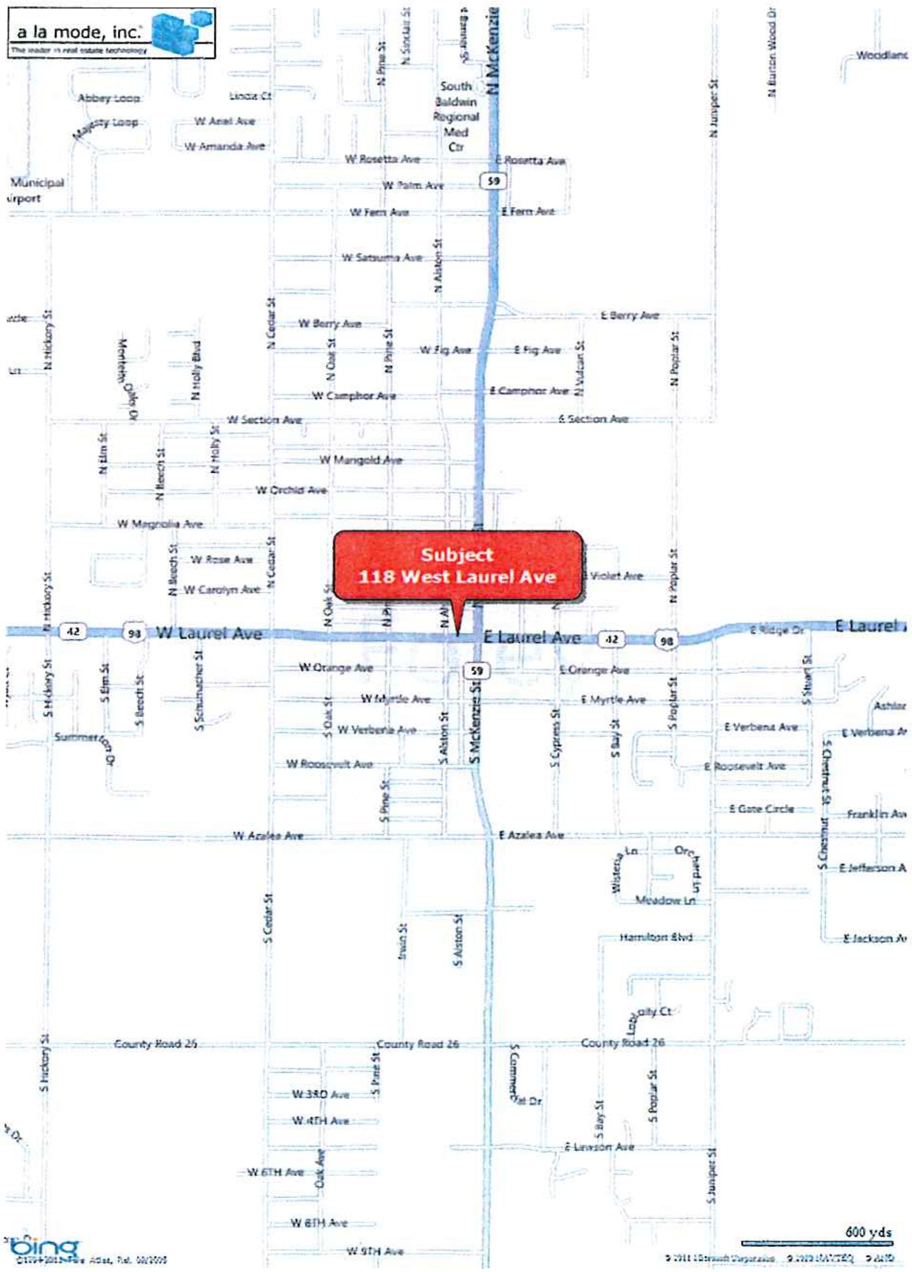
    After a brief discussion this item was carried over.

17. Discuss appropriating $7500 to University of Alabama to analyze/measure the economic impact of the Sports Tournaments/Tourism program(s).

    After a brief discussion this item was carried over.

Identification of Property

The subject of this report covers 118 West Laurel Ave, Foley, AL. The subject property consists of a mostly rectangular shaped approx. 5,000 sq.ft with 50 feet located on Hwy West Laurel and 100 Feet on North Alton St. The subject property consists of one commercial building. The building was originally constructed in 1945+/-. The building contains a total of 10,000 SF.



Legal Description

Parcel : 05-54-09-29-1-101-014.000
PPIN: 012742
Owner: Clement Sutton

50' x 100' THE W 50' OF LOTS 9-12 BLK 10 FOLEY IN THE CITY OF FOLEY SEC 29-T7S-R4E

Intended Use and User of Appraisal

The intended use of this report is for market value opinion. The intended user of this report is The City of Foley. The report is basically to be used at the client's discretion in the analysis of the subject's site and improvements.

Date of Value Estimate

The value estimate which is provided in this report is made effective as of October 31, 2011 "As Is" which is the most recent date of inspection.

Date of Report

The date of the appraisal report is as of October 31, 2011, which is the date of the signatures by the appraiser shown on the letter of transmittal and certification of appraisal.

Property Rights Appraised

It is fee simple interest in the real property, free and clear of any encumbrances. This interest excludes any interest in mineral rights which may exist. This has not been considered in the analysis and is considered to be beyond the scope of this assignment.

Competency Disclosure

The appraiser has sufficient education and experience background in the appraisal of proposed, and existing commercial properties to competently prepare and deliver the prescribed report in a timely manner under the conditions set forth by the engaging client.

Reasonable Exposure Time:

The market value definition assumes an adequate exposure time, which is defined in the Statement on Appraisal Standards No. 6, published by the Appraisal Foundation in the 2006 edition of the Uniform Standards of Professional Appraisal Practice (USPAP), as follows:

"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 the market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market. "

Exposure time is a hypothetical period that is assumed to have occurred prior to the effective date of the appraisal. This time period will vary depending upon market conditions and the type of real estate involved. Exposure time is not intended to be a prediction of a date of sale. The estimate can be based on one or more of the following:

- Statistical information about days on the market;
- Information gathered through sales verification; and/or
- Interviews of market participants

The reasonable exposure period is a function of price, time, and use, not an isolated opinion of time alone. Statement No. 6 gives the following example for clarification purposes:

"An office building, an important artwork, a fine gemstone, a process facility, or an aircraft could have been on the market for two years at a price of $2,000,000, which informed market participants considered unreasonable. Then the owner lowered the price to $1,600,000 and started to receive offers, culminating in a transaction at $1,400,000 six months later.

Although the actual exposure was 2.5 years, the reasonable exposure time at a value range of $1,400,000 to $1,600,000 would be six months."

Conclusions:

- The reasonable exposure time inherent in the market-value concept is always presumed to precede the effective date of appraisal.
- Exposure time is different for various types of property and under various market conditions.
- The answer to the question "what is reasonable exposure time?" should always incorporate the answers to the question "for what kind of property at what value range?" rather than appear as a statement of an isolated period.

The estimated reasonable exposure time for the subject's market value is 12 months. This is considered a reasonable period based upon the appraiser's examination of available data.

Reasonable Marketing Time:

Advisory Opinion 7, published by the Appraisal Foundation in the 2006 edition of the USPAP, defines marketing time as follows:

"The reasonable marketing time is an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal."

It should be noted that marketing time differs from exposure time in that it occurs after the effective date of an appraisal as opposed to exposure time that is assumed to occur prior to the effective date of an appraisal.

An estimate of marketing period is based on the same data utilized in estimating the reasonable exposure time. The appraiser does not anticipate any major changes in the market conditions and therefore, the reasonable marketing period and reasonable exposure time for the subject's estimated market value are considered to be similar (12 months).

PROPERTY DETAIL

OWNER	SUTTON, CLEMENT F ETUX OTTIE L	**ACRES :** **NA**
	1606 HAWKS RDG	
	SAN ANTONIO, TX 78248	**APPRAISED VALUE:** 193800
		ASSESSED : 19380
PARCEL	54-09-29-1-101-014.000	
ADDRESS	118 LAUREL AVE WEST	

TAX INFORMATION

YEAR 2011	**TAX DUE**	**PAID**	**BALANCE**
	639.54	0.00	639.54

LAST PAYMENT DATE **NA**

MISCELLANEOUS INFORMATION

EXEMPT CODES		**DESCRIPTION**	50' X 100' THE W 50' OF LOTS 9
			-12 BLK 10 FOLEY IN THE CITY O
TAX DISTRICT	07		F FOLEY SEC 29-T7S-R4E (WD)
PPIN	012742	**Entry** 00	
ESCAPE YEAR			
ACCOUNT NUMBER	022917		

TAX HISTORY

Year	Owner	Total Tax	Paid(Y/N)
2010	SUTTON, CLEMENT F ETUX OTTIE L	639.54	Y
2009	SUTTON, CLEMENT F ETUX OTTIE L E	978.12	Y
2008	SUTTON, CLEMENT F ETUX OTTIE L E	1956.24	Y
2007	SUTTON, CLEMENT F ETUX OTTIE L E	1961.52	Y
2006	SUTTON, CLEMENT F ETUX OTTIE L E	1930.50	Y
2005	SUTTON, CLEMENT F ETUX OTTIE L E	1731.18	Y

TAX SALES

Year	Sold To	Redeemed By

NO TAX SALES FOUND

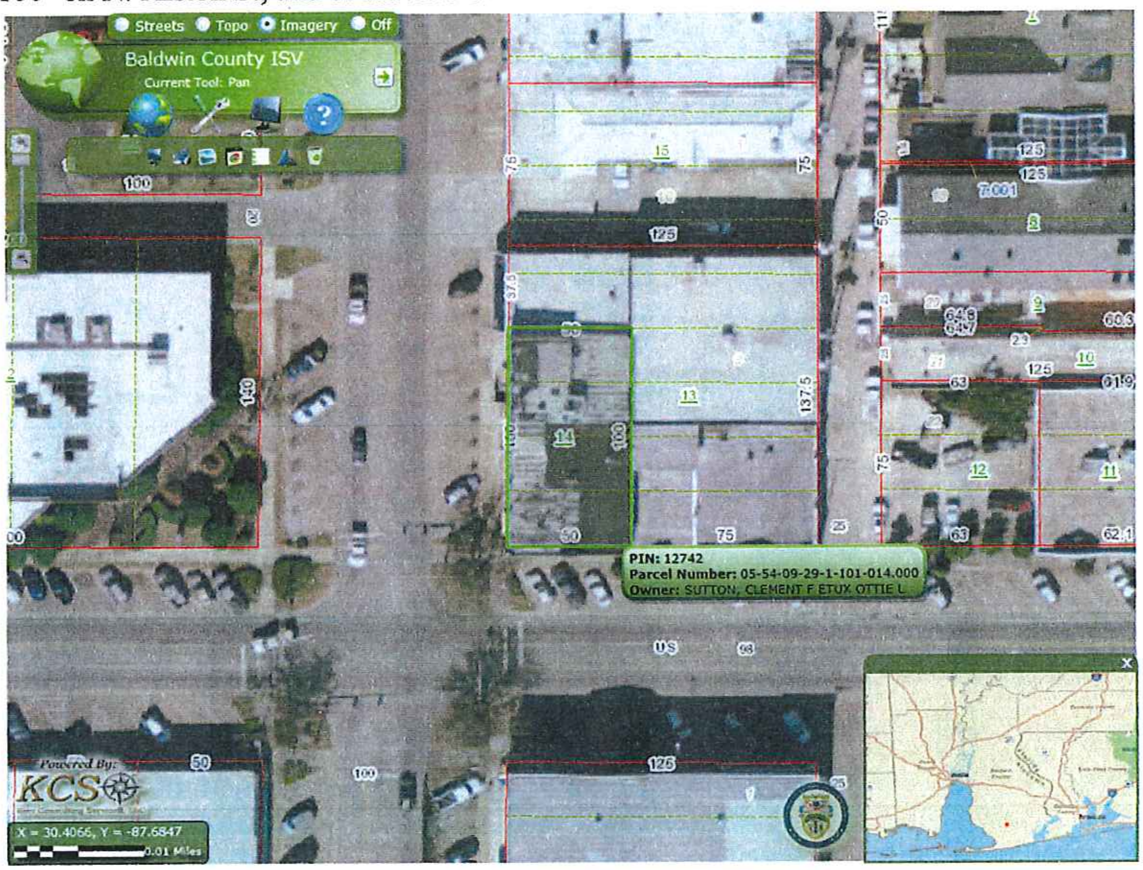
Site Data

General Description

The subject site consists of a 5,000 sq.ft. parcel of level land located at the corner of West Laurel Ave and N. Alston Street.

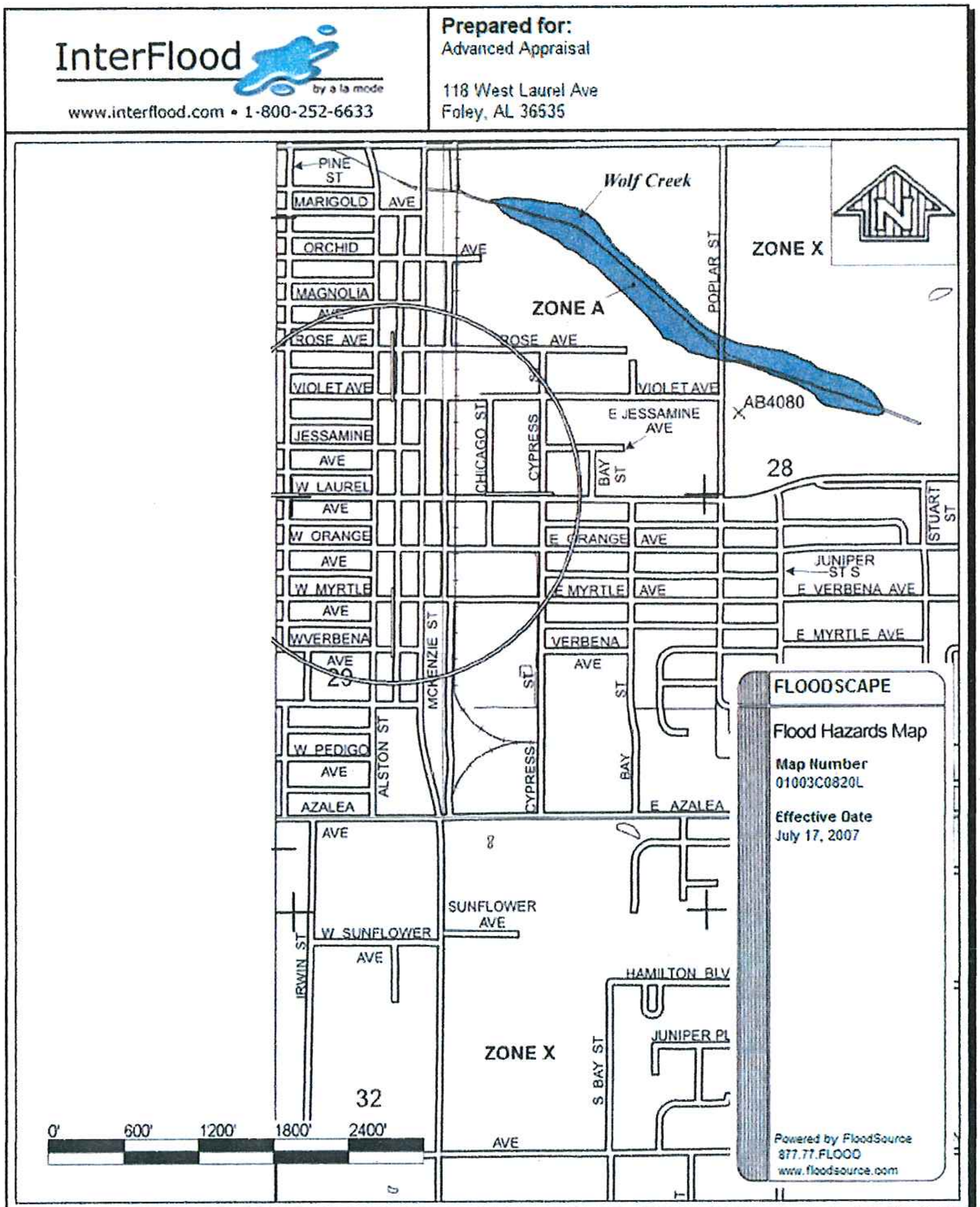
SHAPE AND FRONTAGE:

The site is rectangular in shape with the East side of 100', north side of 50', West side of 100' on N. Alston St, and south side of 50' on West Laurel Ave.



FLOOD HAZARD:

Flood Zone "X"



ZONING:	B-2 , General Business District
EASEMENTS:	None Noted
ACCESS/VISIBILITY:	Site has average access and visibility compared to similar sites in the subjects area.
UTILITIES:	Water Service – yes Sewer Service - yes Electric System- yes Telephone - yes
IMPROVEMENTS:	Commercial Building containing 10,000 square feet of area.
ENVIRONMENTAL:	The value estimate rendered in this report is predicated on the assumption that there are no hazardous materials and/or in the property, causing a loss in value. No evidence of hazardous waste or toxic materials were visible. The appraiser has no knowledge of the existence of these substances and/or in the subject property. However, the appraiser is not qualified to detect hazardous waste or toxic materials.

Description of Improvements

Subject site is improved with a 10,000 sq.ft building. The subject was built around 1945+/-. The building is a brick two story building with 5,000 sq.ft on both the bottom and top floor. The downstairs has been previously used as a Mexican style restaurant. The second story is in disrepair with some hazardous physical issues noted at inspection. Based on the inspection, the development is considered to be below average in quality construction, average in layout as well as functional utility. A brief description of the construction type is as follows:

Exterior

Foundation:	Poured Concrete
Walls:	brick
Roof:	Flat Top
Parking:	Street Side

Interior

Flooring:	tile/ stained concrete/ commercial carpet
Walls:	brick, paneling
Ceiling:	acoustic drop ceiling; damaged
Lighting:	Fluorescent light fixtures
Restrooms:	commode and lavatory
Heating & Cooling:	Window units /central

load bearing qualities which may have a detrimental impact on the structural integrity of the present buildings. The most viable use of the vacant subject site would, in my opinion, be for a dental office. In considering the development trends within the immediate neighborhood, along with the physical and locational characteristics of the subject site, the appraisers are of the opinion that the vacant subject site would have the greatest potential for utilization for medical office space.

2) **Legally Permissible** Currently the subject site carries a commercial B-2 zoning denotation. The majority of properties in this area also have similar zoning. This zoning denotation allows for a number of different legally permissible uses. Therefore, the present zoning of the property would not negatively affect the marketability of the subject site nor its best use as a number of commercial uses.

3) **Financially Feasible** For a use to be financially feasible, there must be sufficient demand for that use and maximum value is usually realized where surrounding land uses are compatible. The financial feasibility test must involve consideration of the neighborhood and marketing conditions existing at the time of the analysis and those anticipated within the foreseeable future. This analysis considers the development trends within the competitive neighborhood and relative success of developed properties, which have similar physical, locational, and legal characteristics as compared to those of the subject's.

Given the physically possible and legally permissible uses as noted above, along with the growth and revitalization in close proximity to the subject, we are of the opinion that the most financially feasible use of the vacant subject site would be for utilization for office development.

4) **Maximally Productive** Given the factors noted above, it is the appraisers' opinion that the vacant subject site would have the greatest potential for development with a mixed commercial use development. In the appraisers' opinion, no other use would be either likely or logical to project for the vacant site.

Highest and Best Use "As Improved"

The same criteria utilized to determine the highest and best use for the subject site , as if vacant and available for development, is utilized to determine the highest and best use of the property as.

Physical Possible - The site is large enough to accommodate the project. No excess land remaining.

Legally Permissible - The site is zoned for existing usage.

Financially Feasible -Analysis of the cost versus market value indicates that the feasibility of the project is marginal at best. Analysis of cost versus going concern value indicated that the property is feasible given its intended use.

Maximally Productive - The use appears to be the most productive use given an analysis of alternative uses within the neighborhood.

Application in Relationship of Approaches to Value

When valuing a subdivision it is important to understand the relationship between valuation methods.

INCOME APPROACH

It should be noted that the Income Approach is only one approach to value and the development analysis is not the end-all of all the valuation processes. The income approach is not used in this appraisal report. The Cost Approach and the Sales Comparison Approaches are applicable to commercial properties and should be applied if they are applied in other types of valuation assignments.

COST APPROACH

The Cost Approach is a valuable tool in analyzing proposed developments. The total cost of production is an important measure of the financial feasibility and risk associated with the development. The inability to recover the cost to create a proposed development is not only an indication of economic obsolescence but also a sign that the property may not be competitive in the marketplace. The Cost Approach also offers insight into developers motivation to produce additional market supply.

Direct Sales Comparison Approach to Value

The methodology behind the Sales Comparison Approach to Value is the direct comparison of the subject property to similar type properties within the subject property's immediate area and/or similar markets to which have sold recently.

Applying the principal of substitution, the Sales Comparison Approach is based on the premise that an informed prudent and rational purchaser would pay no more for a property than the cost to acquire a similar competitive property within the same utility and as of the same date of appraisal.

To apply the Sales Comparison Approach an appraiser follows a systematic procedure according to the "Appraisal of Real Estate", eleventh edition. A general outline of the basic procedures are as follows:

1. Research the market for information on sales transactions, listings, and offers to purchase or sell involving properties that are similar to the subject property in terms of characteristics such as property type, date of sale, size, physical condition, location, and zoning.

2. Verify the information by confirming that the data obtained are factually accurate and that the transactions reflect arm's-length, market considerations. Verification may elicit additional information about the market.

3. Select relevant units of comparison (e.g., price per acre, price per square foot, price per front foot) and develop a comparative analysis for each unit.

4. Compare comparable sale properties with the subject property using the elements of comparison and adjust the price of each comparable to the subject property or eliminate the sale property as a comparable.

5. Reconcile the various value indications produced from the analysis of comparables into a single value indication or a range of values. In an imprecise market subject to varying occupancies and economies, a range of value may be a better conclusion than a single value estimate.

Summary of Improved Sales

Sale No.	Name/Location	Date	Bldg Size	Site size	Sale price	Price/SQ
1	8154 Hwy 59 Foley, AL	Jun-10	28,000	1.5+/- acre	$950,000	$33.92
2	246 West Laurel Ave Foley, AL	Jun-10	1,640	>.16+/- acre	$125,000	$76.22
3	9152 Hard Drive Foley, AL	Jun 11	20,000	1.77+/- acre	$363,000	$18.15
4	106 Rosetta Ave/Hwy 59 Foley, AL	Apr-10	2,790	>.92+/- acre	$250,569	$88.00
5	22448 Doc Mcduffie Rd Foley, AL	Mar-10	4,000	2+/- acre	$244,400	$61.10
6-	22208 Highway 59 Summerdale, AL.	Apr-10	13,712	1+/- acre	$238,675	$17.41
Subject	118 W. Laurel Ave Foley, AL	n/a	10,000	>.25+/- acre	n/a	n/a

Sale 1
-age
- condition
$169,000 indicated value
Sale 2
+ size
$165,000 indicated value
Sale 3.
- land size
- building size
$161,500 indicated value
Sale 4
- size lot
+Bldg + location
$175,000 indicated value
Sale 5
- size lot
+Bldg -condition
$169,000 indicated value
Sale 6
- size lot
-Bldg
$174,000 indicated value

After careful review of all data gathered and taking into consideration the features and location of the subject, the appraiser estimated that the Market Value for the subject property as of October 31, 2011 is: $165,000

Market Approach Conclusion

In order to arrive at a value through the Market Approach it is necessary to search the market for recent sales of comparable developments before sellout which are directly compared to the subject. As stated earlier, they are adjusted for dissimilarities to arrive at an estimated unit price for the subject. Generally, the Market Approach provides a highly supported estimated of value for homogeneous properties when adjustments are few in number and relatively simple to compute and understand. In the case of the subject, the Market Approach is considered and attempted with the best comparables available.

It should be noted that the appraisers attempted and formulated a Sales Comparison Approach to Value but due to the uniqueness of the subject improvement the comparison's the appraisers could formulate were from utilizing sales or listings of other developments from around Baldwin County. Therefore, this comparison, in the appraiser's opinion, would depict the market participants for this type of improvements. Therefore, a direct comparison was developed similar type buildings and location.

Application in Relationship of Approaches to Value

When valuing a subdivision it is important to understand the relationship between valuation methods.

INCOME APPROACH

It should be noted that the Income Approach is only one approach to value and the development analysis is not the end-all of all the valuation processes. The income approach is not used in this appraisal report. The Cost Approach and the Sales Comparison Approaches are applicable to commercial properties and should be applied if they are applied in other types of valuation assignments.

COST APPROACH

The Cost Approach is a valuable tool in analyzing proposed developments. The total cost of production is an important measure of the financial feasibility and risk associated with the development. The inability to recover the cost to create a proposed development is not only an indication of economic obsolescence but also a sign that the property may not be competitive in the marketplace. The Cost Approach also offers insight into developers motivation to produce additional market supply. The cost approach is not applicable due to the age of the dwelling.

SALES COMPARISON APPROACH

Often when appraising the appraiser is sometimes faced with the lack of market data. Even in markets where the data is available it is often argued that the past sales were transacted under duress and therefore not truly comparable.

The primary reason why appraisals are needed is because they represent the only practical means of determining the worth of dissimilar asset that are rarely traded and for which accurate pricing information is difficult to obtain. Thus, the lack of readily available market information is not unusual but quite common. The vacant building is in poor condition and is not valued by Income approach. The Cost approach of the with old poor condition building is not applicable. The market approach is the only applicable method to value the subject property. The assigned value falls within the range of adjusted value of comparable sales.

Final Reconciliation of Value

The final stage in the appraisal process is the reconciliation and/or correlation of value indications presented by the three approaches to value. The appraiser must examine the three approaches separately. The dependability and/or the applicability of each approach are then considered in reconciling the value indications into a final estimate of defined value. The appraiser also examines the range between the value indications and places the major emphasis on the approach that is the most relevant and produces the most reliable solution of the appraisal problem at hand. The final estimate of defined value, which as a matter of course is the goal of the valuation process, can then either be reported in a range of value and/or as a single figure. The appraisal problem is not complete until the conclusion is stated in the report and presented to the client The Market Value "As Is" is reconciled within the range adjusted from the sale of commercial office buildings. The value assigned is within the range at $165,000.

- Other Maps & Exhibits

Site Map

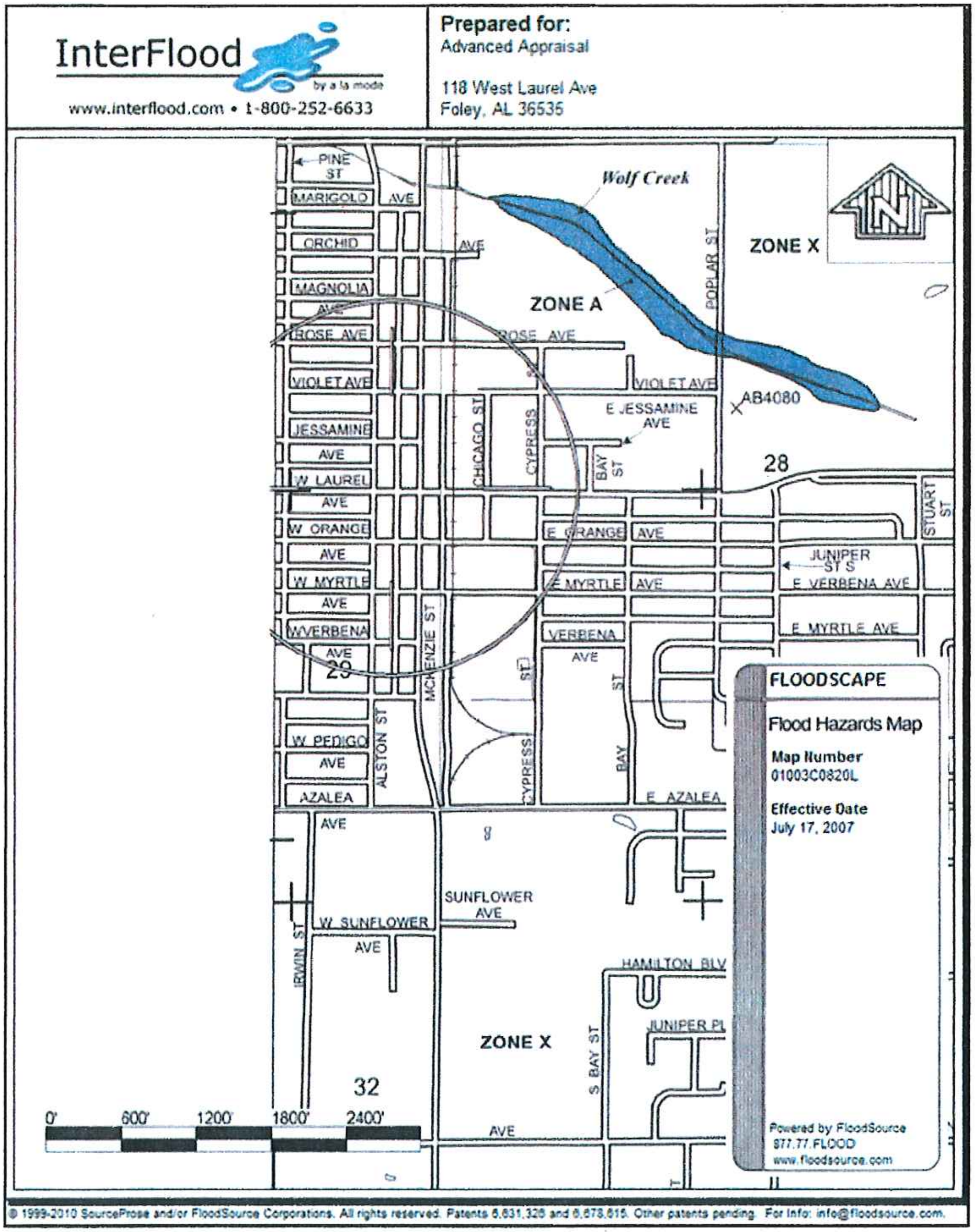
Client	The City of Foley			
Property Address	118 West Laurel Ave			
City	Foley	County Baldwin County	State AL	Zip Code 36535
Appraiser	Weldon Payne			

Location Map

Client	The City of Foley						
Property Address	118 West Laurel Ave						
City	Foley	County	Baldwin County	State	AL	Zip Code	36535
Appraiser	Weldon Payne						

Flood Map

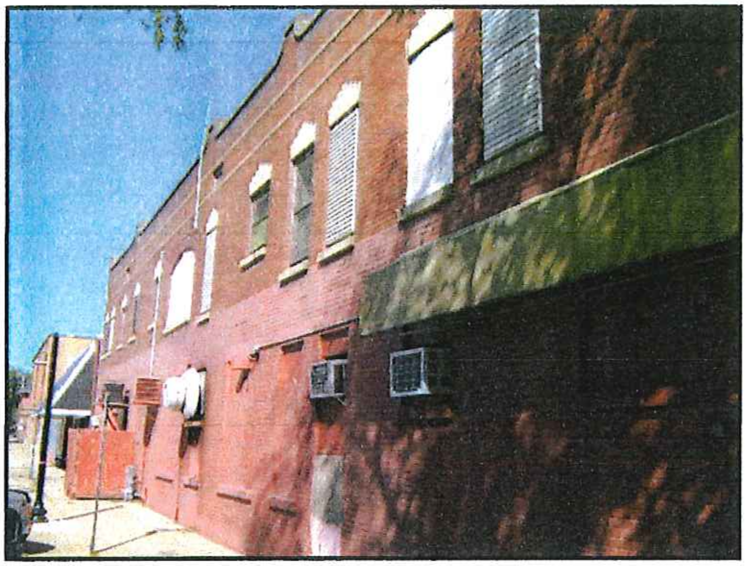
Client	The City of Foley						
Property Address	118 West Laurel Ave						
City	Foley	County	Baldwin County	State	AL	Zip Code	36535
Appraiser	Weldon Payne						

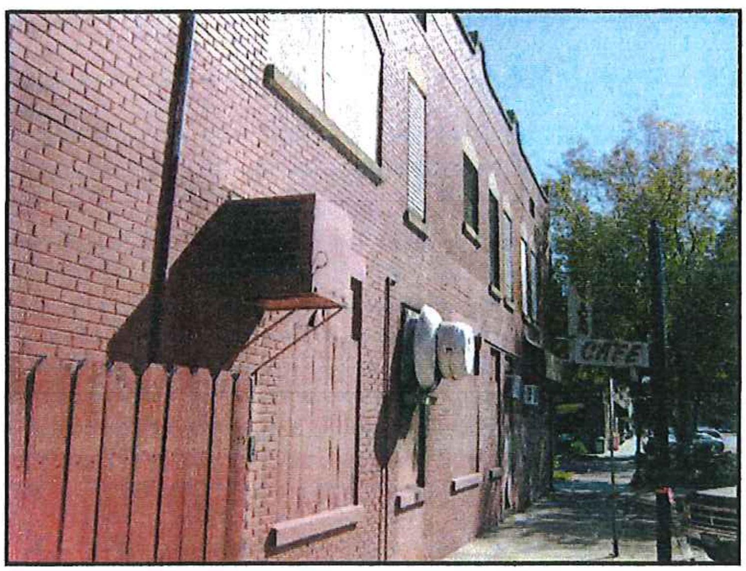


- Subject Photographs

Photograph Addendum

Client	The City of Foley			
Property Address	118 West Laurel Ave			
City	Foley	County Baldwin County	State AL	Zip Code 36535
Appraiser	Weldon Payne			





Photograph Addendum

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City	Foley	County	Baldwin County	State	AL	Zip Code	36535
Appraiser	Weldon Payne						

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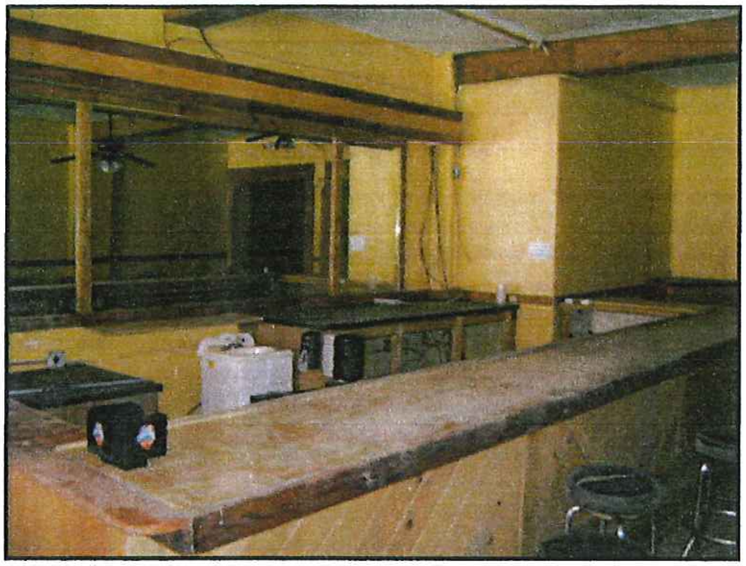

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Appraiser	Weldon Payne						

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City	Foley	County	Baldwin County	State	AL	Zip Code	36535
Appraiser	Weldon Payne						

Photograph Addendum

Client	The City of Foley						
Property Address	118 West Laurel Ave						
City	Foley	County	Baldwin County	State	AL	Zip Code	36535
Appraiser	Weldon Payne						

(1)

MLS #: C154446C (Closed) List Price: $1,080,000 **8154 Highway 59 Foley, AL 36535**

SELLING PRICE: 950000 ***SOLD DATE:*** 6/25/2010 ***FINANCING:*** Conventional
SELLING OFFICE NAME: White-Spunner & Associates, Inc. (#:834) ***SELLING AGENT NAME:*** Matt White (#:131) ***SELLER CONTRIBUTIONS:*** $0

 # UNITS:
BUILDING SQFT: 28000
HEATED & COOLED SQFT: 0
HEATED ONLY SQFT: 0
UNHEATED ONLY SQFT: 0
 # BUILDINGS:
APX YEAR BUILT: 2006
APX AGE: New
WATERFRONT PROPERTY: No Waterfront

VRM:
AREA: Foley (36535)
STREET 2:
STREET NAME 2:
UNIT #:
SUBDIVSN OR COMMNTY: Foley South Comm
COUNTY: Baldwin
BUSINESS NAME: Midpoint Plaza
ZONING: Business/Commercial

33.92 per SF Blt in 2006 - 1/2 condition

LOT/BLOCK/UNIT: ***TAX PPIN #:*** 16209
LONG TERM LSE: No ***LEASE EXPIRES:*** ***TAXES OR RENT:*** ***RESTRICTIVE COVENANTS:*** = 16,965F
LOT DESCRIPTION: 1-3 acres
ROAD FRONTAGE: 150 ***ROAD FRONTAGE TYPES:*** State Road
LOT SIZE: ***MULTIPLE LOTS:*** ***# LOTS:*** ***APX ACREAGE:*** 0 $169,000

ANNUAL INCOME: ***OPERATING EXPENSES:*** Indicated ***INSURANCE:*** Subject Value

TYPE PROPERTY: Retail
TYPE OF BUSINESS/BLDG: Offices, Shopping Center
SUITABLE USE: Bank, Business Office, Medical/Dental, Retail, Small Business, Spa
TERMS OF LEASE:
MISC SEARCH: Other-See Remarks
BOAT FACILITIES: None

CONSTRUCTION/FOUNDATION: Brick
HEAT/COOLING: Central Electric
UTILITIES: Sewage-City, Total Electric, Underground Utilities, Water-City
ENERGY SAVING FEATURES:
 # PARKING SPACES: 50+
PARKING: Lot (51+ spaces)
 # DOORS AT DOCK HEIGHT:
TRUCK DOOR HEIGHT:
AVG CEILING HEIGHT: 8-10 ft
CEILING HEIGHT:
ROOF HEIGHT:

REMARKS: MIDPOINT PLAZA LOCATED ON BUSY HWY 59 WITH A 35,000VPD TRAFFIC COUNT ON HWY 59 BETWEEN FOLEY AND GULF SHORES. PHASE II OF THE SHOPPING CENTER CONSISTS OF 28,000 SF. CALL FOR PACKAGE. VERY NICE BUILDINGS WITH LOTS OF CURB APPEAL.

DIRECTIONS: SOUTH ON HWY 59 FROM FOLEY, ON EAST SIDE OF THE ROAD, JUST NORTH OF OLD TIME POTTERY

AGENT REMARKS: CALL DAVID FOR INFO: 251-458-8202

OFFICE REMARKS:

SUB AGENT COMM: 0 ***BUYER/BROKER COMM:*** 2.5 ***REFER TO ML#:*** ***PROJECTED CLOSING DATE:***
SHOWING INSTRUCTIONS: Appointment Only ***TERMS OF SALE:*** Cash, Conventional
DOCS ON FILE:
TYPE OF LISTING: ***DAYS ON MARKET:*** 296
DISPLAY ON THE INTERNET: Yes ***DISPLAY ADDRESS:*** Yes ***ALLOW AVM:*** No ***ALLOW COMMENTS:*** No

OFFICE NAME: Milstead & Associates Real Estate (#:945)
MAIN: (251) 269-3664

LISTING AGENT: David Milstead (#:8)
AGENT EMAIL: dgmilstead@milsteadassoc.com
CONTACT #: (251) 458-8202

2

MLS #: C164598C (Closed) List Price: $130,000 **246 West Laurel Avenue Foley, AL 36535**

SELLING PRICE: 125000 ***SOLD DATE:*** 6/25/2010 ***FINANCING:*** Cash
SELLING OFFICE NAME: Realty Executives Gulf Coast (#:69) ***SELLING AGENT NAME:*** Clarissa Rambo (#:222) ***SELLER CONTRIBUTIONS:*** $0

 # UNITS:
BUILDING SQFT: 1640
HEATED & COOLED SQFT: 1527
HEATED ONLY SQFT: 0
UNHEATED ONLY SQFT: 0
 # BUILDINGS:
APX YEAR BUILT: 1959
APX AGE: 25+
WATERFRONT PROPERTY: No Waterfront

VRM:
AREA: Foley (36535)
STREET 2:
STREET NAME 2: Hwy98
UNIT #:
SUBDIVSN OR COMMNTY: Foley City Of Blks
COUNTY: Baldwin
BUSINESS NAME:
ZONING: Business/Commercial, Within Corp Limits

Same Block as subject + Adj = $145,000 indication Subject

LOT/BLOCK/UNIT: 13/14 ***TAX PPIN #:*** 20588
LONG TERM LSE: No ***LEASE EXPIRES:*** ***TAXES OR RENT:*** ***RESTRICTIVE COVENANTS:***
LOT DESCRIPTION: Less than .25 acre, Corner Lot, Level, Other-See Remarks
ROAD FRONTAGE: 190 ***ROAD FRONTAGE TYPES:*** City Street, Paved Road, State Road
LOT SIZE: 50x140 ***MULTIPLE LOTS:*** No ***# LOTS:*** ***APX ACREAGE:*** 0.17

ANNUAL INCOME: ***OPERATING EXPENSES:*** ***INSURANCE:***

TYPE PROPERTY: Service Industry, Vacant Building
TYPE OF BUSINESS/BLDG: Fast Food, Food Service, Wholesale, Sales
SUITABLE USE: Business Office, Convenience Store, Retail, Small Business, Other-See Remarks
TERMS OF LEASE:
MISC SEARCH: Restroom-Private
BOAT FACILITIES: None

CONSTRUCTION/FOUNDATION: Block, Slab
HEAT/COOLING: Other-See Remarks
UTILITIES: Sewage-City, Water-City
ENERGY SAVING FEATURES:
 # PARKING SPACES:
PARKING: On Street, Other-See Remarks
 # DOORS AT DOCK HEIGHT:
TRUCK DOOR HEIGHT:
AVG CEILING HEIGHT: 8-10 ft
CEILING HEIGHT:
ROOF HEIGHT:

REMARKS: In the heart of downtown Foley, this prime piece of real estate is the perfect location to get your small business or food service restaurant up and running. Just 1/4 mile from the main intersection of Hwy 98 (Laurel Ave) and Hwy 59 (McKenzie). Location best known as the Old Dairy Queen.

DIRECTIONS: From Gulf Shores, take Highway 59 North to Hwy 98 in Foley and take a left. Travel approximately .2 miles and property will be on your right.

AGENT REMARKS: Property is vacant, easy to show. Call Clarissa for lockbox code or other questions (251) 747-1638. Square footage and measurements were taken from tax records and are approximations. Buyer to verify all information they deem important.

OFFICE REMARKS:

SUB AGENT COMM: 0 ***BUYER/BROKER COMM:*** 4 ***REFER TO ML#:*** ***PROJECTED CLOSING DATE:*** 6/25/2010
SHOWING INSTRUCTIONS: Lockbox, Vacant ***TERMS OF SALE:*** Cash, Conventional
DOCS ON FILE:
TYPE OF LISTING: ***DAYS ON MARKET:*** 38
DISPLAY ON THE INTERNET: Yes ***DISPLAY ADDRESS:*** Yes ***ALLOW AVM:*** No ***ALLOW COMMENTS:*** No

OFFICE NAME: Realty Executives Gulf Coast (#:69)
MAIN: (251) 968-4300

LISTING AGENT:Randy McKinney (#:30)
AGENT EMAIL: randymckinney@realtyexecutives.com
CONTACT #: (251) 968-4300

3

MLS #: C175259C (Closed) List Price: $379,000 **9152 Hard Drive Foley, AL 36535**

SELLING PRICE: 363000 ***SOLD DATE:*** 6/16/2011 ***FINANCING:*** Cash
SELLING OFFICE NAME: Coldwell Banker Reehl Prop Fairhope (#:90) ***SELLING AGENT NAME:*** Jeff Barnes (#:253) ***SELLER CONTRIBUTIONS:*** $0

 # UNITS:
BUILDING SQFT: 20000
HEATED & COOLED SQFT: 0
HEATED ONLY SQFT: 0
UNHEATED ONLY SQFT: 0
 # BUILDINGS:
APX YEAR BUILT: 2006
APX AGE: 1-5
WATERFRONT PROPERTY: No Waterfront

VRM:
AREA: Foley (36535)
STREET 2:
STREET NAME 2:
UNIT #:
SUBDIVSN OR COMMNTY: Below Power Line C/P
COUNTY: Baldwin
BUSINESS NAME:
ZONING: Not Zoned, Industrial $

20,000 sf Bldg on 1.77Ac Sells $363,000
Subject 10,000 sf 1/4 Ac ÷ 2 = 181,500 less land

LOT/BLOCK/UNIT: ***TAX PPIN #:*** 249764
LONG TERM LSE: No ***LEASE EXPIRES:*** ***TAXES OR RENT:*** ***RESTRICTIVE COVENANTS:*** size -20.0%
LOT DESCRIPTION: 1-3 acres
ROAD FRONTAGE: 400 ***ROAD FRONTAGE TYPES:*** County Road, Paved Road $161,500
LOT SIZE: ***MULTIPLE LOTS:*** Yes ***# LOTS:*** ***APX ACREAGE:*** 1.77

ANNUAL INCOME: ***OPERATING EXPENSES:*** ***INSURANCE:***

TYPE PROPERTY: Vacant Building, Warehouse, Industrial Park, Other-See Remarks
TYPE OF BUSINESS/BLDG: Other-See Remarks
SUITABLE USE: Industrial, Light, Other-See Remarks
TERMS OF LEASE:
MISC SEARCH: Fenced Storage, Inside Storage, Outside Storage
BOAT FACILITIES: None

CONSTRUCTION/FOUNDATION: Metal, Slab
HEAT/COOLING: Central Electric
UTILITIES: Other-See Remarks
ENERGY SAVING FEATURES: Other-See Remarks
 # PARKING SPACES:
PARKING: Lot (51+ spaces)
 # DOORS AT DOCK HEIGHT: Three
TRUCK DOOR HEIGHT: 16-20 ft
AVG CEILING HEIGHT:
CEILING HEIGHT:
ROOF HEIGHT:

REMARKS: 3 parcels (PPIN#'s 249764, 249765 & 249770) and located in an unzoned commercial park. Total of 1.77ac & offers a 20,000 sqft (+-) building inclusive of 4,032sqft(+-) 2-story office, a 2,500sqft(+-) attached shed, 23' eave height, 3 16'x14' ground level roll-up doors, 1 truck high-loading dock, high bay lighting, three wall mounted exhaust fans, 400AMP 3 phase power & fully fenced laydown yard.

DIRECTIONS: West on Co Rd 12 to Hard Dr.

AGENT REMARKS: Call Erick Haffner for all details 251-942-5744. Foreclosure, sold as is where is subject to all Alabama Right of Redemption Laws, Buyer to verify all dimensions.

OFFICE REMARKS:

SUB AGENT COMM: 0 ***BUYER/BROKER COMM:*** 3 ***REFER TO ML#:*** ***PROJECTED CLOSING DATE:*** 5/27/2011
SHOWING INSTRUCTIONS: Appointment Only, Call Broker/Key in File ***TERMS OF SALE:*** Cash, Conventional, Foreclosure
DOCS ON FILE: S/D Plat, Site Plan
TYPE OF LISTING: Exclusive Right to Sell Contract ***DAYS ON MARKET:*** 53
DISPLAY ON THE INTERNET: Yes ***DISPLAY ADDRESS:*** Yes ***ALLOW AVM:*** No ***ALLOW COMMENTS:*** No

OFFICE NAME: Realty Executives Gulf Coast (#:69)
MAIN: (251) 968-4300

LISTING AGENT: Erick Haffner (#:37)
AGENT EMAIL: ehaffner@gulftel.com
CONTACT #: (251) 942-5744

4

MLS #: C157736C (Closed) List Price: $399,900 **106 Rosetta Av Foley, AL 36535**

SELLING PRICE: 250569 ***SOLD DATE:*** 4/1/2010 ***FINANCING:*** Cash
SELLING OFFICE NAME: Power Real Estate (#:1016) ***SELLING AGENT NAME:*** Paul Powers (#:1) ***SELLER CONTRIBUTIONS:*** $0

 # UNITS:
BUILDING SQFT: 2850
HEATED & COOLED SQFT: 2790
HEATED ONLY SQFT: 0
UNHEATED ONLY SQFT: 60
 # BUILDINGS: 2
APX YEAR BUILT: 1960
APX AGE: 25+
WATERFRONT PROPERTY: No Waterfront

VRM:
AREA: Foley (36535)
STREET 2:
STREET NAME 2:
UNIT #:
SUBDIVSN OR COMMNTY: Kuhn Park
COUNTY: Baldwin
BUSINESS NAME: Newmans Medical Clin
ZONING: Business/Commercial, Within Corp Limits

LOT/BLOCK/UNIT: 32 ***TAX PPIN #:*** 006712
LONG TERM LSE: ***LEASE EXPIRES:*** ***TAXES OR RENT:*** 2909 ***RESTRICTIVE COVENANTS:***
LOT DESCRIPTION: Less than 1 acre
ROAD FRONTAGE: 410 ***ROAD FRONTAGE TYPES:*** City Street, State Road
LOT SIZE: 161 x 249.6 ***MULTIPLE LOTS:*** ***# LOTS:*** ***APX ACREAGE:*** 0.92

ANNUAL INCOME: ***OPERATING EXPENSES:*** ***INSURANCE:***

TYPE PROPERTY: Service Industry
TYPE OF BUSINESS/BLDG: Service
SUITABLE USE: Business Office, Medical/Dental, Small Business
TERMS OF LEASE:
MISC SEARCH: Inside Storage, Outside Storage, Restroom-Private
BOAT FACILITIES: None

CONSTRUCTION/FOUNDATION: Slab
HEAT/COOLING: Central Electric, Central Heat
UTILITIES: Cable TV, Gas-Natural, Sewage-City Available
ENERGY SAVING FEATURES:
 # PARKING SPACES: 20
PARKING: Lot (21-50 spaces)
 # DOORS AT DOCK HEIGHT:
TRUCK DOOR HEIGHT:
AVG CEILING HEIGHT: 8-10 ft
CEILING HEIGHT: 8
ROOF HEIGHT:

161' on Hwy 59
Corner lot
& leased Bldg
Sold for 250,000
comps 3&4 sold 30%
under list
indicates 175,000
for Subject

REMARKS: Great location and corner lot on N. McKenzie(Hwy 59) and West Rosetta Lane. Heated and cooled square footage is a total of two separate buildings currently leased to separate medical practitioners. Good tenants and monthly income. Priced well below tax appraisal. Zoning B-1.Income producing property brings in a total of $2,500 a month for both buildings.

DIRECTIONS: From I-10 Take Hwy 59 South, go approx. 17.6 miles, just past hospital, property on right.

AGENT REMARKS:

OFFICE REMARKS:

SUB AGENT COMM: 0 ***BUYER/BROKER COMM:*** 2.8 ***REFER TO ML#:*** ***PROJECTED CLOSING DATE:***
SHOWING INSTRUCTIONS: Appointment Only ***TERMS OF SALE:*** Cash, Conventional
DOCS ON FILE: None
TYPE OF LISTING: ***DAYS ON MARKET:*** 124
DISPLAY ON THE INTERNET: Yes ***DISPLAY ADDRESS:*** Yes ***ALLOW AVM:*** ***ALLOW COMMENTS:***

OFFICE NAME: Power Real Estate (#:1016)
MAIN: (251) 342-0600

LISTING AGENT: Paul Powers (#:1)
AGENT EMAIL: powerrealestate@aol.com
CONTACT #: (251) 232-6042

Information Herein Deemed Reliable but Not Guaranteed

5

MLS #: C151379C (Closed) List Price: $370,000 **22448 Doc Mcduffie Rd Foley, AL 36535**

SELLING PRICE: 244400 ***SOLD DATE:*** 3/15/2010 ***FINANCING:*** Cash
SELLING OFFICE NAME: Non Member Office (#:0) ***SELLING AGENT NAME:*** Non Member (#:0) ***SELLER CONTRIBUTIONS:*** $0

 # UNITS:
BUILDING SQFT: 4000
HEATED & COOLED SQFT: 4000
HEATED ONLY SQFT: 0
UNHEATED ONLY SQFT: 4000
 # BUILDINGS: 1
APX YEAR BUILT: 2003
APX AGE: 1-5
WATERFRONT PROPERTY: No Waterfront

VRM:
AREA: Foley (36535)
STREET 2:
STREET NAME 2:
UNIT #:
SUBDIVSN OR COMMNTY: Barin Estates
COUNTY: Baldwin
BUSINESS NAME:
ZONING: Business/Commercial, Industrial

2Ac $244,000 (list 370,000) 212' Road
- site = 244-75k site $169,000

LOT/BLOCK/UNIT: Lots 1 & 2 ***TAX PPIN #:*** 064575
LONG TERM LSE: ***LEASE EXPIRES:*** ***TAXES OR RENT:*** ***RESTRICTIVE COVENANTS:***
LOT DESCRIPTION: 1-3 acres, Elevation-High, No Trees
ROAD FRONTAGE: 212 ***ROAD FRONTAGE TYPES:*** State Road, Unimproved
LOT SIZE: 212 x 424 ***MULTIPLE LOTS:*** Yes ***# LOTS:*** 2 ***APX ACREAGE:*** 2

ANNUAL INCOME: ***OPERATING EXPENSES:*** ***INSURANCE:***

TYPE PROPERTY: Automotive, Industrial, Manufacturing, Marine, Service Industry, Warehouse
TYPE OF BUSINESS/BLDG: Food Service, Wholesale, Offices, Repair, Sales, Service
SUITABLE USE: Business Office, Industrial, Light, Manufacturing, Small Business, Warehouse
TERMS OF LEASE:
MISC SEARCH: Fenced Storage, Restroom-Private
BOAT FACILITIES: None

CONSTRUCTION/FOUNDATION: Metal, Slab
HEAT/COOLING: Heat/Air-Offices Only
UTILITIES: Total Electric, Water-City
ENERGY SAVING FEATURES:
 # PARKING SPACES:
PARKING: Lot (11-20 spaces)
 # DOORS AT DOCK HEIGHT:
TRUCK DOOR HEIGHT: 13-15 ft
AVG CEILING HEIGHT: 16-20 ft
CEILING HEIGHT:
ROOF HEIGHT:

REMARKS: 2 Acres. Building on one acre, Fenced. Lot 2 is empty and located directly behind business. Bank owned, may be subject to Alabama Right of Redemption.

DIRECTIONS: South on Foley Beach Express to Doc McDuffie Rd. Doc McDuffie is north of Cty Rd 20 and south of Hwy 98.

AGENT REMARKS: Building on lock box. Vacant and Easy to Show.

OFFICE REMARKS:

SUB AGENT COMM: 0 ***BUYER/BROKER COMM:*** 4 ***REFER TO ML#:*** ***PROJECTED CLOSING DATE:***
SHOWING INSTRUCTIONS: Lockbox, Combo Lockbox ***TERMS OF SALE:*** Cash, Conventional
DOCS ON FILE:
TYPE OF LISTING: ***DAYS ON MARKET:*** 281
DISPLAY ON THE INTERNET: Yes ***DISPLAY ADDRESS:*** No ***ALLOW AVM:*** ***ALLOW COMMENTS:***

OFFICE NAME: Century 21 Meyer Real Estate (#:96)
MAIN: (251) 968-7516

LISTING AGENT: Bobby Hill (#:103)
AGENT EMAIL: Bobby@BobbyHill.net
CONTACT #: (251) 978-8771

Information Herein Deemed Reliable but Not Guaranteed

MLS #: C158144C (Closed) List Price: $299,000 **22208 Highway 59 Robertsdale, AL 36542**

SELLING PRICE: 238675 ***SOLD DATE:*** 4/1/2010 ***FINANCING:*** Cash
SELLING OFFICE NAME: RE/MAX Of Gulf Shores (#:28) ***SELLING AGENT NAME:*** The Pro Team (#:156) ***SELLER CONTRIBUTIONS:*** $0

 # UNITS: 1
BUILDING SQFT: 13712
HEATED & COOLED SQFT: 9312
HEATED ONLY SQFT: 0
UNHEATED ONLY SQFT: 4400
 # BUILDINGS: 1
APX YEAR BUILT: 1950
APX AGE: Unknown
WATERFRONT PROPERTY: No Waterfront
VRM:
AREA: Robertsdale (36567)
STREET 2:
STREET NAME 2:
UNIT #:
SUBDIVSN OR COMMNTY: Robertsdale
COUNTY: Baldwin
BUSINESS NAME:
ZONING: Business/Commercial

On Hwy 59 13,712 SF 17.40 SF
Indicates $174,000 for sold
Subject & fees
condition
adj.

LOT/BLOCK/UNIT: Lot 6&8 ***TAX PPIN #:*** 043496
LONG TERM LSE: ***LEASE EXPIRES:*** ***TAXES OR RENT:*** ***RESTRICTIVE COVENANTS:***
LOT DESCRIPTION: Less than .5 acre
ROAD FRONTAGE: ***ROAD FRONTAGE TYPES:*** City Street, Paved Road, State Road
LOT SIZE: 50x320 ***MULTIPLE LOTS:*** ***# LOTS:*** ***APX ACREAGE:*** 1

ANNUAL INCOME: ***OPERATING EXPENSES:*** ***INSURANCE:*** 4200

TYPE PROPERTY: Service Industry, Retail, Other-See Remarks
TYPE OF BUSINESS/BLDG: Dry Cleaner/Laundry, Food Service, Wholesale, Offices, Real Estate, Sales
SUITABLE USE: Business Office, Retail, Small Business, Spa, Warehouse
TERMS OF LEASE: Lease/Option
MISC SEARCH: Outside Storage, Restroom-Private, Other-See Remarks
BOAT FACILITIES: None
CONSTRUCTION/FOUNDATION: Block, Frame, Slab
HEAT/COOLING: Central Electric, Central Heat
UTILITIES: Sewage-City, Water-City
ENERGY SAVING FEATURES:
 # PARKING SPACES:
PARKING: Lot (11-20 spaces)
 # DOORS AT DOCK HEIGHT: Other-See Remarks
TRUCK DOOR HEIGHT: 9-12 ft, Other-See Remarks
AVG CEILING HEIGHT: 11-15 ft
CEILING HEIGHT: 12
ROOF HEIGHT:

REMARKS: Right in the heart of Robertsdale on east side of Highway 59! Roads on 3 sides. Three bay rollups in the rear. Parking in rear and in front. Zoned B1. Single garage/storage area in the rear. All interior walls are easily removable. Priced knowing renovations are needed. Assumable with permission contract for deed with only 148 payments left. Seller to provide title insurance. Will also lease!

DIRECTIONS: In between the Mack Funeral Home and Robertsdale United Methodist Church on the east side of Hwy 59 in the heart of Robertsdale

AGENT REMARKS: Call and we will meet you there to let you in. Dotty

OFFICE REMARKS:

SUB AGENT COMM: 0 ***BUYER/BROKER COMM:*** 4 ***REFER TO ML#:*** ***PROJECTED CLOSING DATE:*** 3/31/2010
SHOWING INSTRUCTIONS: Vacant ***TERMS OF SALE:*** Cash, Conventional, Land Contract, Owner Financing, Other-See Remarks
DOCS ON FILE: Other-See Remarks
TYPE OF LISTING: ***DAYS ON MARKET:*** 102
DISPLAY ON THE INTERNET: Yes ***DISPLAY ADDRESS:*** Yes ***ALLOW AVM:*** ***ALLOW COMMENTS:***

OFFICE NAME: RE/MAX Of Gulf Shores (#:28)
MAIN: (251) 948-2400

LISTING AGENT:The Pro Team (#:156)
AGENT EMAIL: theproteam@gulftel.com
CONTACT #: (251) 948-1219
TEAM MEMBER: James Calvert (#:156)
AGENT EMAIL: james@gulfcondosales.com
TEAM CONTACT #: (251) 213-0897
TEAM MEMBER: Dotty Lou Farias (#:156)
AGENT EMAIL: theproteam@gulftel.com
TEAM CONTACT #: (251) 948-1219
TEAM MEMBER: Kandy Hines (#:156)
AGENT EMAIL: kandy@remaxgs.com
TEAM CONTACT #: (251) 209-1811

- Limiting Conditions

CERTIFICATION OF THE APPRAISER(S)

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

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

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

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

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

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

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

7.) My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the American Institute of Real Estate Appraisers.

8.) The use of this report is subject to the requirements of the American Institute of Real Estate Appraisers relating to review by its duly authorized representatives.

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

10.) No one provided significant professional assistance to the person(s) signing this report, except as noted in the report if applicable.

11.) This assignment was made subject to regulations of the State of Alabama Real Estate Appraisers Board.

12.) I have not performed any real estate services on this property over the past 3 years.

13.) This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

Weldon Payne

Weldon Payne
Certified General Real Property Appraiser
License No. # G00253

• License and Qualifications

QUALIFICATIONS OF WELDON PAYNE

SUMMARY- I graduated from Auburn University in 1972 with a degree in Marketing and Finance. I have been involved with conducting real estate appraisals in Baldwin County since 1973 and have several years experience in Mortgage Lending, Real Estate sales, and development. I have appraised for various attorneys, individuals, government agencies, SBA, corporations, mortgage brokers, and financial institutions previously in Baldwin County and Mobile County. I have testified to the value of real property in State and Federal Courts in Mobile, Alabama and Probate Court in Baldwin County, Alabama.

REAL ESTATE APPRAISAL EXPERIENCE-

1972 - I began by platting properties from descriptions; learning to cruise timber in Montgomery and Hattiesburg, Miss; and to appraise dwellings.

1973 - I was involved as an assistant in preparing appraisals, conducting appraisals, and mortgage lending.

1975 - Field Representative and V.P. involved with appraisals, administration, and lending.

1976-1980 - In charge of mortgage lending and appraisals in Baldwin County, Mobile County, and Washington County.

1981-1985 - Weldon R. Payne & Co. Appraisals (Certified Appraisals) and Real Estate sales development.

1985-2011 - Weldon R. Payne & Co. (Certified Appraisals - Advanced Appraisals). I have supplied Real Estate value testimony in local, state, and federal courts in various types of proceedings and Board of Education Equalization hearings.

PROFESSIONAL EDUCATION- I have completed various courses related to appraisals of residential, commercial, and agricultural properties. 1974 - Rural Home Appraising; 1975-1976 - Real Estate Appraisal 101-102; 1981-1994 - Professional courses: Highest and Best Use Analysis, Sales Comparison, Costs Approach, Statistics in Real Estate, Income Approach, Direct and Yield Capitalization, Income Capitalization seminar, Adjusting for Financial Differences, Creative Financing/Cash Equivalency; Commercial Investment course (analyze and calculate a cash flow for a property), Standards of Professional Practice, Principles of Income Property Appraisals.

FIERRA course; 1991 - I successfully completed the 75 Hour Residential CA-1 Course; 15 Hour Uniform Standards of Professional Practice; and the 90 Hour General Appraisal Course CA-2 in preparation for the State Exams which were successfully completed. I will continue education as required presently to maintain certification.

I have continued taking appraisal courses.

Completed in Montgomery, AL
1999-2011

- Uniform Standards,
- Manufactured Housing
- Income Capitalization
- EDI Overview
- Commercial Properties
- Income Properties
- Various residential/manufactured housing
- USPAP

All continuing education up-to-date
MEMBERSHIPS- I have been a long time member of national appraisal organizations, civic, church, and community programs.

I am Certified as a "CERTIFIED GENERAL REAL ESTATE APPRAISER" #G00253 by the Alabama Real Estate Appraisal Board under present license until September 30, 2013.

State of Alabama

This is to certify that

Weldon R Payne

having given satisfactory evidence of the necessary qualifications required by the laws of the State of Alabama is licensed to transact business in Alabama as a

Certified General Real Property Appraiser

With all rights, privileges and obligations appurtenant thereto.

LICENSE NUMBER: **G00253**
EXPIRATION DATE: **09/30/2013**

Lisa Brooks Executive Director
ALABAMA REAL ESTATE APPRAISERS BOARD