

Restricted Appraisal Report

509 & 511 Main Street, SW

An Existing Approximately 6,413 Square Foot Building

Situated on a 0.40 Acre Site

In Land Lot 148 of the 9th Land District

Gainesville, Hall County, Georgia 30501



Presented To:

Mr. John T. Gentry, Jr.
Assistant County Administrator
Hall County Government
P.O. Drawer 1435
Gainesville, Georgia 30503

Valuation Date:

March 25, 2026

Prepared By:

Metro Appraisals
P.O. Box 791
Gainesville, Georgia 30503

P.O. Box 1422
Moultrie, Georgia 31776

770-534-0384
Metro File # 2026-096

Date of Report:

April 16, 2026



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April 16, 2026

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David B. Griffin, MAI, SRA, AI-GRS
Scott E. Hirons, SRA
Marion L. Meeks, SRA
Cliff M. Ward, MAI

Re: Appraisal of an existing approximately 6,413 square foot building, situated on a 0.40 acre site, located at 509 - 511 Main Street, SW, Gainesville, Hall County, Georgia 30501.

Dear Mr. Gentry:

At your request, we visited and analyzed the subject property to develop an opinion of market value for the fee simple interest. The effective date of the current market value opinion is March 25, 2026.

Restricted Appraisal Report

This report is in a Restricted Appraisal Report format intended to comply with our interpretation of the reporting requirements in Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice. Use of this report is limited to the client. The client should be aware that the rationale for how the appraisers arrived at the opinions and conclusions set forth in the report may not be understood properly without additional information contained in the work file. We are not responsible for the unauthorized use of this report.

Current Fee Simple Market Value Opinion

Based on the analysis in this report, our opinion of the current, March 25, 2026, fee simple market value is

\$1,575,000

**ONE MILLION FIVE HUNDRED SEVENTY FIVE THOUSAND
DOLLARS**

Note to Client: The market value opinion above reflects the market value of the subject real property and does not include any value associated with equipment. We understand that in association with the renovations to the retail market component area of the property approximately 4 years ago significant cost was incurred for the equipment needed to operate a retail market. The majority of this equipment is not permanently affixed and therefore not considered to be real property. No value is included in our analysis associated with this equipment or equipment installation cost.



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Marketability

The subject property has average to good overall marketability. The factors that positively influence marketability include:

- The subject has a good location, within the Midtown area of Gainesville;
- Property has TAD credits in place, with approximately 12 years of credits remaining associated with the Midtown Gainesville TAD;
- The retail component of the improvements was significantly renovated approximately 4 years ago and are in good physical condition;

The factors that negatively influence marketability include:

- Older age of the improvements, originally constructed in 1974;
- The unrenovated component of the northern area of the improvements is in average overall condition;
- Limited on-site parking available to support the improvements, as renovated;

The market value opinion for the subject is based on an estimated exposure period and marketing time for the subject property of 12 months.

Extraordinary Assumptions and Hypothetical Conditions

No Hypothetical Conditions have been utilized in developing our opinions of value.

This appraisal contains an extraordinary assumption defined below which were used in our analysis of the subject property and in developing the opinion(s) of value. Use of these assumptions and conditions does impact the assignment results. An extraordinary assumption is defined as information directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions.

It is an extraordinary assumption of this appraisal that the subject will continue to be utilized as a market, in order that the remaining approximately \$176,662 of approved TAD funds will be received over the next 12 years.

The reader should review the attached Statement of Limiting Conditions. We have prepared the report based on our interpretation of the Uniform Standards of Professional Appraisal Practice as set forth by the Appraisal Foundation.

Employment was not conditional on producing a specific value or a value within a given range. Future employment prospects were not dependent on producing a specified value.

The basis of our fee did not include reporting a predetermined value or cause that favors the client.



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We appreciate the opportunity to be of service. Please let us know if we can be of further assistance.

Respectfully,

A handwritten signature in blue ink, appearing to read "Charles A. McKay".

Charles A. McKay
Associate Appraiser
State Certified General
Georgia No. 964

A handwritten signature in blue ink, appearing to read "Cliff M. Ward".

Cliff M. Ward, MAI
President
State Certified General
Georgia No. 269864



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Summary of Salient Data and Conclusions

Property Location: 509 – 511 Main Street, SW, Land Lot 148 of the 9th Land District, Gainesville, Hall County, Georgia 30501

Property Rights Appraised: Fee simple interest

Highest and Best Use
 As Vacant: Commercial development/Assemblage
 As Improved: Continued retail/light industrial use

Land Data

Area: 0.40 Acre, approximately

Zoning: G-B, General Business District

Tax Identification Number: 01011 001002 & 01011 001003

Improvements Data

Property Type or Use: Retail & light industrial building

Gross Building Area: 4,598 Square Feet – Renovated Retail Southern Area
1,815 Square Feet – Unrenovated Northern Area
 6,413 Square Feet – Gross Building Area

Market Value

Current Market Value Opinion: \$1,575,000

Market Value Opinion Allocation: Market Value – Real Property \$1,455,000
 Contributory Value of remaining TAD Funds \$120,000

Marketing Time: 12 months

Exposure Period: 12 months

Date of Current Market Value: March 25, 2026

Date of Site Visit: March 25, 2026

Date of Report: April 16, 2026



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Statement of Limiting Conditions

This report is subject to the following limiting conditions:

1. The appraisal assumes the subject property is free and clear of existing liens or encumbrances, and under responsible ownership with competent management. The appraisal assumes typical market financing for the subject property, and considers any favorable mortgage positions in the analysis.
2. We did not search legality of title nor assume responsibility for corrections that a survey of the property may reveal.
3. The reported information herein is not a guarantee. However, the information is from sources believed reliable and accurate.
4. The client should seek the services of an attorney-at-law for legal matters. We assume no responsibility for legal matters.
5. Sketches are accurate only for purposes of approximation.
6. We ask no reproduction of the report without prior written consent.
7. The conclusions expressed in this report assume competent management and marketing of the subject property.
8. The contents of this appraisal are for limited private use only. If this report becomes the property of any party, other than the client or intended users, permission must be obtained from the client for reproduction or more copies. Further services on the subject property, such as consultation, reappraisal, or review, could have added fees.
9. Information about the location or existence of public utilities came from GIS data, verbal inquiries to the proper utility, or from visual evidence during the property visit. The appraisal includes no warranty for the exact location or capacities of public utilities. If questions about public utilities exist, the client should rely on a professional engineer.
10. Disclosure of the contents of this appraisal report is governed by the By-laws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of the report, especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or to the MAI or SRA designation, shall be disseminated to the public through advertising media, public relations media, sales media, or any other public means of communication without the prior written consent and approval of the signing appraisers.
11. Market value conclusions in this report are opinions. There are no guarantees, either written or implied that the subject property would sell for expressed opinions of value.



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12. Unless stated through engagement for services, this appraisal includes no obligation to give court testimony or appear in any court because of having completed this assignment.
13. Property history information came from conversations with individuals having knowledge about the chain-of-title, and if available, various documents such as contracts, deeds, leases, and closing statements. The appraisal does not include a title search, nor is the accuracy of the property history guaranteed. Anyone considering an interest in the subject property should rely solely on a title search and opinion prepared by a qualified attorney-at-law.
14. The Appraisal Institute and their approved representatives have rights to review this report in a professional capacity.
- 15. ACCEPTANCE AND OR USE OF THIS APPRAISAL REPORT BY THE CLIENT OR ANY THIRD-PARTY CONSTITUTES ACCEPTANCE OF THESE LIMITING CONDITIONS. APPRAISAL LIABILITY EXTENDS ONLY TO THE STATED CLIENT, NOT SUBSEQUENT PARTIES OR USERS.**
16. The appraisal assumes no hidden or unapparent conditions of the property, sub-soil, or structures would make it more or less valuable. We do not assume responsibility for adverse conditions that require a professional engineer. Unless otherwise stated in the report, there are no known hazardous materials on the property. The presence of substances such as asbestos, urea-formaldehyde, asbestos insulation, radon gas, or other potentially hazardous materials may affect the value of the property. The value opinions assume, unless otherwise stated, that no such material exists and would cause a loss in value. The client should seek the services of a professional with expertise in this field if there are questions about dangerous materials.
17. The basis of any improved property description is information provided to and identified by the appraiser. We make no warranty for construction materials, manufacturers of construction materials, construction quality, utility systems, nor any items related to the physical/legal property. Any user of the report with concerns about the physical or legal property items should contact a property inspection company or an attorney for all legal matters.
18. This appraisal is an opinion of value and not a guarantee. No guarantee is warranted or intended.



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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved in this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Georgia Real Estate Appraiser Classification and Regulation Act and the Rules and Regulations of the Georgia Real Estate Appraisers Board. In addition, this report adheres to the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which includes the Uniformed Standards of Professional Appraisal Practice.
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
9. I visited the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the person signing this report.
11. I have performed no services as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.

CHARLES A. MCKAY



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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
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8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
9. I have visited the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the person signing this report.
11. I have performed no services as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
12. As of the date of this report, I have completed the requirements of the continuing education program of the Appraisal Institute.

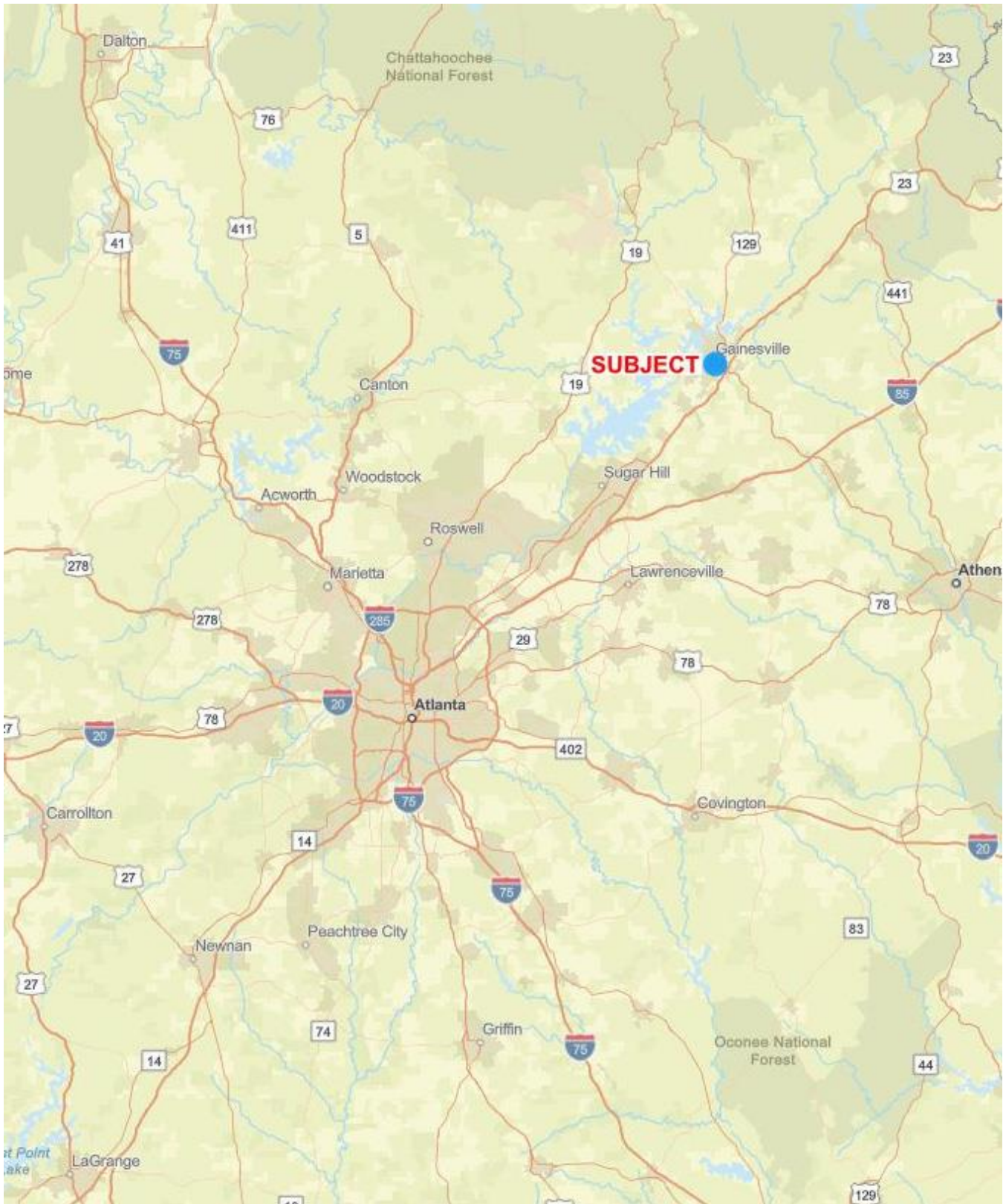
CLIFF M. WARD, MAI



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Subject Maps and Photographs

General Area Map





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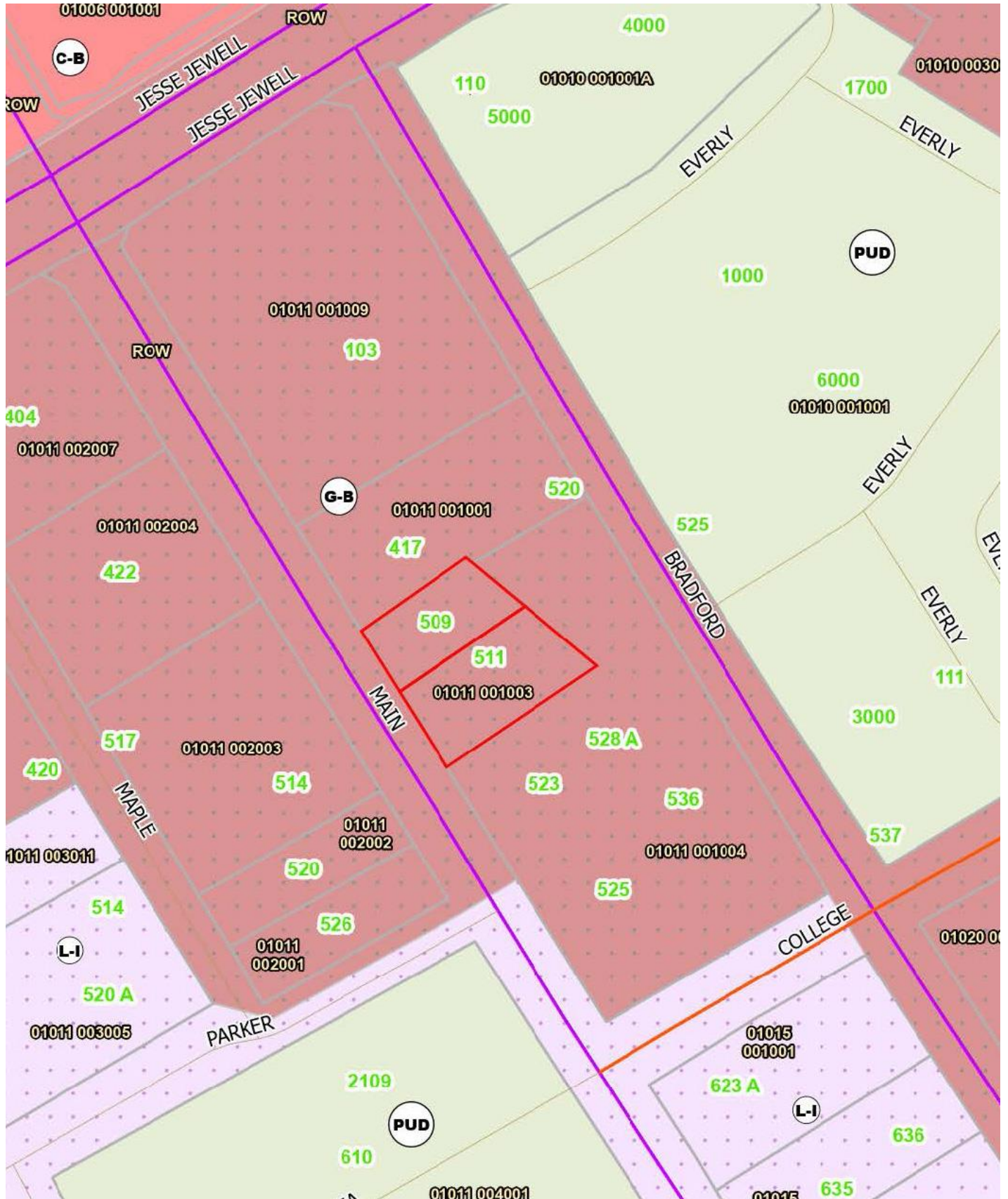


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Overview of Subject, From Along Main Street



Overview of Subject, From Along Main Street





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Front/Side View of Subject Improvements



Front/Side View of Subject Improvements





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Side/Rear View of Subject Improvements



Side/Rear View of Subject Improvements





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Typical Interior View of Subject – 507 Main Street Area of Improvements



Typical Interior View of Subject – 509 Main Street Area of Improvements





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Typical Interior View of Subject – 511 Main Street Area of Improvements



Typical Interior View of Subject – 511 Main Street Area of Improvements





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Typical Interior View of Subject – 511 Main Street Area of Improvements



Typical Interior View of Subject – 511 Main Street Area of Improvements





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Typical Interior View of Subject – 511 Main Street Area of Improvements



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Typical Interior View of Subject – 511 Main Street Area of Improvements



Typical Interior View of Subject – 511 Main Street Area of Improvements





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Street Scene – Main Street, Facing North



Street Scene – Main Street, Facing South





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Chapter 1: Introduction

Property Identification	The subject of this appraisal is a 0.40 acre parcel of land, with an existing approximately 6,413 square foot building, located at 509 – 511 Main Street, SW, Gainesville, Hall County, Georgia 30501.
Purpose, Property Interest Appraised, and Intended Use of the Report	The purpose of this appraisal is to develop an opinion of the current “as is” market value for the fee simple interest in the subject property. It is our understanding that this appraisal is intended for decision purposes related to the subject property by the client for a potential acquisition of the property.
Effective Appraisal Date	The effective appraisal date for the current market value opinion is March 25, 2026, which was the most recent property visit by the appraiser.
Client and Intended User	The client and intended user of this appraisal is Mr. John T. Gentry, Jr., Assistant County Administrator, Hall County Government, P.O. Drawer 1435, Gainesville, Georgia 30503.
Format and Contents	This report is in a Restricted Appraisal Report format intended to comply with our interpretation of the reporting requirements in Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice. Use of this report is limited to the client. The client should be aware that the rationale for how the appraisers arrived at the opinions and conclusions set forth in the report may not be understood properly without additional information contained in the work file. We are not responsible for the unauthorized use of this report.
Definitions of Value	<p>Market value, for purposes of this report, is “The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby”</p> <ul style="list-style-type: none">• Buyer and seller are typically motivated;• Both parties are well informed or well advised and each acting in what they consider their own best interest;• A reasonable time is allowed for exposure in the open market;• Payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and• The price represents a normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: Office of the Comptroller of the Currency, 12CFR, part 34



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Scope of Work

The valuation of property interest in real estate is a process of data collection, analysis, and conclusions by a nonbiased third-party. Scope of work is the type and extent of research used in an assignment (USPAP, 2024 ed.). The scope of this appraisal included a physical visit to the property and photographs taken on March 25, 2026.

Market Research: The first step in the appraisal is the market research phase, which includes data collection from all known and available sources. Researched areas include the region, county, and immediate neighborhood. This research provides an understanding about the current economic and social climate within which the subject property competes. Data sources include the local municipal government, public records, private real estate professionals, the subject property history, and real estate publications. When gathering data, work includes confirming and crosschecking the data for accuracy. Throughout the appraisal, we personally spoke to brokers and investors active in the market. Commercial data services used include CoStar, MLS, Site-to-Do-Business, etc. Subject property information collected includes zoning, public utilities, floodplain information, property size, frontage, access, and neighborhood features. This data provides the basis for analysis of the subject property.

Property Inspection: Charles A. McKay and Cliff M. Ward, signing appraisers, visited the subject property. Mr. McKay and Mr. Ward noted the physical characteristics and photographed the property. The appraisers were accompanied at the property by Mr. Charlie Hawkins, with The Norton Agency, as a representative of the property owner.

Market Value: In developing a market value opinion for the subject property, we have used the Sales Comparison Approach to analyze improved sales for comparison with the 6,413 square foot existing improvements as well as the Income Approach for analyzing the income and expenses related to the subject. The Cost Approach is not utilized, due to the subjective nature of estimating accrued depreciation for a building originally built in 1974.

Competency

Both appraisers have the competency to develop and report the market value opinions contained within this report. Mr. Charles A. McKay is a State Certified General appraiser with 41 years of commercial appraisal experience in the metropolitan Atlanta, north Georgia, and surrounding market areas. Mr. Cliff M. Ward, MAI, is a State Certified General appraiser with 23 years of commercial appraisal experience in the metropolitan Atlanta, north Georgia, and surrounding market areas. The knowledge of the specific subject market area and the property type was sufficient for both appraisers to complete the previously described scope of work.

Extraordinary Assumptions

This appraisal contains an extraordinary assumption defined below which were used in our analysis of the subject property and in developing the opinion(s) of value. Use of these assumptions and conditions does impact the assignment results. An extraordinary assumption is defined as information directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions.



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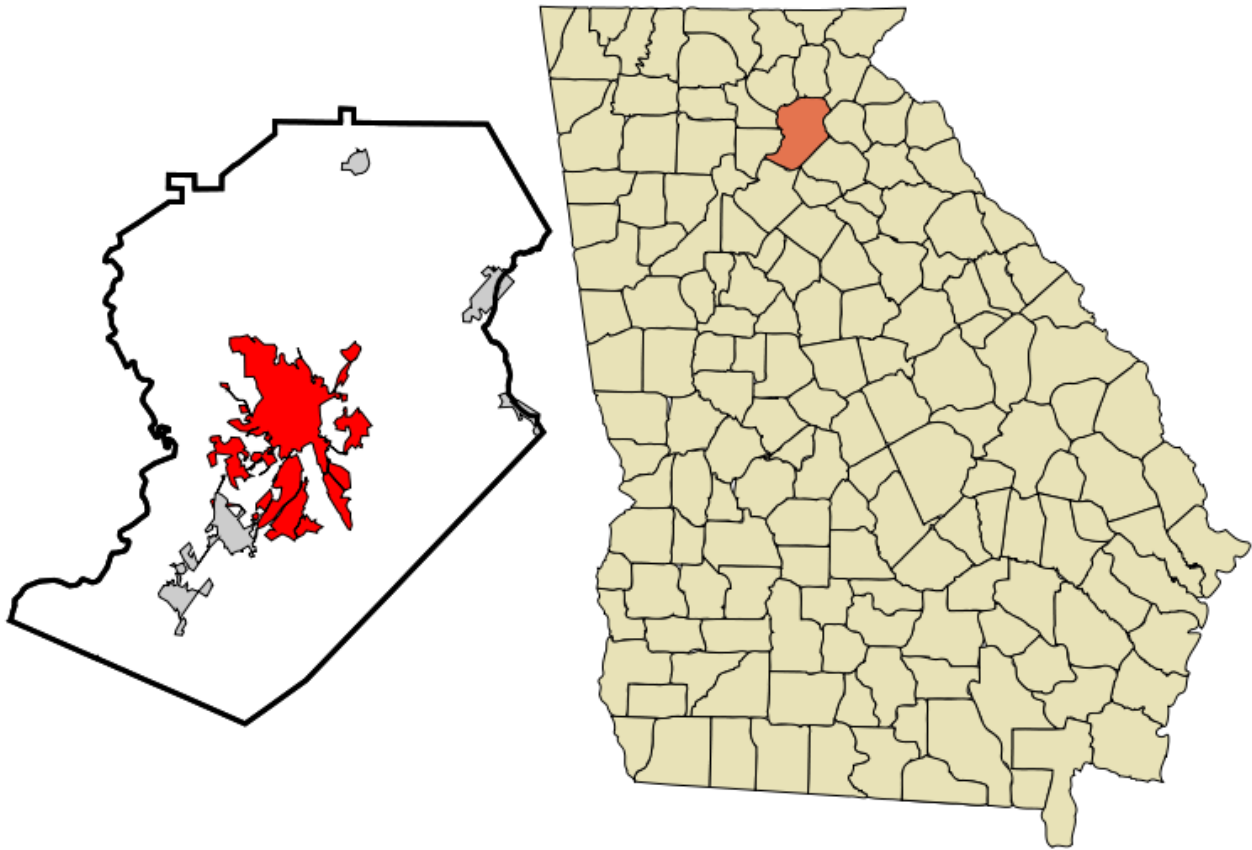
It is an extraordinary assumption of this appraisal that the subject will continue to be utilized as a market, in order that the remaining approximately \$176,662 of approved TAD funds will be received over the next 12 years.

Hypothetical Conditions This appraisal does not contain a hypothetical condition.



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Chapter 2: Hall County Overview



On the following pages are demographic and economic data profiles for Hall County obtained from STDBOnline and the US Census Bureau.



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Summary	Census 2020	2025	2030
Total Population	203,136	223,306	238,225
Total Households	71,022	79,276	85,323
Family Households	52,015	56,675	60,545
Average Household Size	2.82	2.79	2.76
Owner Occupied Housing Units	49,062	55,437	60,141
Renter Occupied Housing Units	21,960	23,839	25,182
Median Age	37.8	38.1	38.8

Trends 2025 - 2030	Area	State	National
Population	1.3%	0.7%	0.4%
Households	1.5%	0.8%	0.6%
Family Population	1.3%	0.7%	0.5%
Owner Occupied Housing Units	1.6%	1.2%	0.0%
Median Household Income	3.2%	2.5%	2.5%

Population by Age	Census 2020		2025		2030	
	Number	Percent	Number	Percent	Number	Percent
0-4	12,270	6.0%	13,266	5.9%	14,107	5.9%
5-9	13,052	6.4%	14,123	6.3%	14,120	5.9%
10-14	14,808	7.3%	14,022	6.3%	14,821	6.2%
15-19	15,319	7.5%	14,909	6.7%	14,009	5.9%
20-24	14,211	7.0%	15,344	6.9%	14,975	6.3%
25-29	12,743	6.3%	16,444	7.4%	17,434	7.3%
30-34	12,256	6.0%	14,943	6.7%	17,588	7.4%
35-39	12,149	6.0%	13,810	6.2%	16,028	6.7%
40-44	12,075	5.9%	13,544	6.1%	14,798	6.2%
45-49	12,918	6.4%	13,023	5.8%	14,285	6.0%
50-54	13,191	6.5%	13,744	6.2%	13,250	5.6%
55-59	13,235	6.5%	13,430	6.0%	13,613	5.7%
60-64	11,839	5.8%	13,238	5.9%	13,265	5.6%
65-69	10,102	5.0%	11,924	5.3%	13,124	5.5%
70-74	9,203	4.5%	9,887	4.4%	11,581	4.9%
75-79	6,426	3.2%	8,475	3.8%	9,200	3.9%
80-84	3,892	1.9%	5,261	2.4%	6,917	2.9%
Age 85+	3,447	1.7%	3,919	1.8%	5,110	2.1%



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Population Summary		Hall County, ...
2010 Total Population		179,705
2020 Total Population		203,136
2020 Group Quarters		2,616
2025 Total Population		223,306
2025 Group Quarters		2,396
2030 Total Population		238,225
2025-2030 Annual Rate		1.30%
2025 Total Daytime Population		225,216
Workers		108,900
Residents		116,316
Household Summary		
2010 Total Households		60,701
2010 Average Household Size		2.91
2020 Total Households		71,022
2020 Average Household Size		2.82
2025 Total Households		79,276
2025 Average Household Size		2.79
2030 Total Households		85,323
2030 Average Household Size		2.76
2025-2030 Annual Rate		1.48%
2025 Families		56,675
2025 Average Family Size		3.28
2030 Families		60,545
2030 Average Family Size		3.27
2025-2030 Growth Rate		1.3%
Median Household Income		
2025		\$84,395
2030		\$98,708



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Households by Income	2025		2030	
	Number	Percent	Number	Percent
<\$10,000	3,296	4.2%	3,213	3.8%
\$10,000-14,999	1,831	2.3%	1,732	2.0%
\$15,000-19,999	2,009	2.5%	1,674	2.0%
\$20,000-24,999	2,695	3.4%	2,380	2.8%
\$25,000-29,999	2,012	2.5%	1,671	2.0%
\$30,000-34,999	3,299	4.2%	2,948	3.5%
\$35,000-39,999	1,939	2.5%	1,840	2.2%
\$40,000-44,999	3,641	4.6%	3,349	3.9%
\$45,000-49,999	1,956	2.5%	1,784	2.1%
\$50,000-59,999	5,459	6.9%	5,275	6.2%
\$60,000-74,999	7,281	9.2%	7,260	8.5%
\$75,000-99,999	9,585	12.1%	9,941	11.7%
\$100,000-124,999	8,769	11.1%	9,644	11.3%
\$125,000-149,999	6,268	7.9%	7,575	8.9%
\$150,000-199,999	9,647	12.2%	12,088	14.2%
\$200,000-249,999	3,579	4.5%	4,713	5.5%
\$250,000-299,999	2,259	2.9%	3,254	3.8%
\$300,000-399,999	2,038	2.6%	3,061	3.6%
\$400,000-499,999	639	0.8%	552	0.7%
\$500,000+	1,074	1.4%	1,369	1.6%
Median Household Income	\$84,395	-	\$98,708	-
Average Household Income	\$113,103	-	\$125,535	-
Per Capita Income	\$40,193	-	\$45,000	-



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Chapter 3: Property Description

Location

The subject property is located in the northeastern portion of the state of Georgia, within the central portion of Hall County. The property is located along the northeastern side of Main Street, between the Jesse Jewell Parkway and College Avenue intersections. This location is within the “Midtown” district of Gainesville and is roughly one-quarter mile south of the Gainesville CBD. The property is also located within approximately 2 miles of both the Exit 20 & Exit 22 interchange of I-985.

The subject property is comprised of two adjoining tax parcels and has multiple street addresses, which are 509 and 511 Main Street, SW. Overall, this is an established area of Gainesville, which has relatively low traffic counts, but provides good access to local traffic arteries, the interstate and downtown Gainesville.

Access and Streets

General access to the subject is good. The subject has good proximity and access to Exit 20 and Exit 22 of I-985 as well as the Gainesville Central Business District. The major traffic arteries which provide primary access to the subject neighborhood are E.E. Butler Parkway (US 129), Queen City Parkway (GA 60) and Jesse Jewell Parkway (GA 369), which are all four-lane corridors.

The subject property has direct frontage along the northeastern side of Main Street, a two-lane northwest/southeast oriented roadway that connects Industrial Blvd. to Jesse Jewell Parkway in the area known as Midtown. Other surface streets in the neighborhood include Bradford Street, Parker Street, Maple Street and College Avenue.

Immediate access to the subject property is currently provided via curb cuts along Main Street. Overall, general and specific access to the property is good.

Neighborhood

The general subject neighborhood is known as the Midtown area of Gainesville, which is characterized as a desirable mixed-use area, with commercial, light industrial, residential and institutional uses. The neighborhood can be delineated as the area bordered on the west by Queen City Parkway; to the east by E.E. Butler Parkway; on the north by Jesse Jewell Parkway and on the south by Industrial Blvd. It is one of Gainesville’s oldest neighborhoods being originally developed in the mid 1900’s due to the Southern Railroad line proximity, which was less than a quarter of a mile south of the subject property along High Street. The area historically included a wide variety of uses including government buildings, offices, residential dwellings, industrial buildings, retail buildings, restaurant buildings, churches, etc. Some new development as well as renovation of existing buildings is occurring in the neighborhood.

In the immediate subject neighborhood, the most significant property development is the Solis Gainesville property, located nearby south of the subject. This development consists of a 184 unit apartment property, with 5,000 square feet of ground level retail/restaurant space. It is located on a 4.1 acre tract



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which was the former Gainesville jail site. The same developer has completed the Everly Apartments development nearby to the east of the subject, on the south side of Jesse Jewell Parkway across the pedestrian bridge from the CBD. This development includes 220 apartment units and retail/restaurant buildings totaling 10,000 square feet. It was developed on the property formerly known as “City View”.

Another multi-family development has been recently completed in the northwestern area of the Midtown district. The 214 unit Gainesville Midland Apartment development includes amenities consisting of a rooftop clubroom, business center, coffee bar, fitness center, resort-style pool, pet spa, bike storage, indoor mail and package storage room and dry cleaning lockers.

The City of Gainesville purchased the adjoining property to the east and south of the subject in May 2024 for development of a parking deck. This 1.4 acre tract is located on the northeastern corner of the Main Street and College Avenue intersection as well as the northwestern corner of the Bradford Street and College Avenue intersection. It is located directly across Bradford Street from the Everly Apartment development.

Nearby to the northwest of the subject property is the approximately 18 acre former rail yard which extends from Martin Luther King, Jr. Blvd. and runs north toward Jesse Jewell Parkway. This greenway consists of a paved walking trail, extending north from Banks Street and south from High Street to Martin Luther King, Jr. Blvd. The area of the greenway south of the Banks Street intersection is part of a large greenspace area of the greenway which extends south to High Street.

Site Size, Shape & Topography

The subject is comprised of two adjoining tax parcels and contains approximately 0.40 acres within a moderately irregular shaped property. Overall, the property has approximately 128.8 feet of road frontage on the northeastern side of Main Street. The overall depth of the subject is approximately 146.5 feet, along the southeastern boundary.

The subject site has good, mostly level to gradually sloping topography, with an overall change in elevation of approximately 10 – 12 feet overall.

Soils and Subsurface

No obvious problems during the site visit. If discovered, this appraisal could require revision.

Floodplain

According to FEMA Flood Insurance Map Panel No. 13139C 0187G, effective April 4, 2018, the subject property is located within a Zone X flood zone. This is a designation for areas of minimal flooding that are not located within a 100-year flood plain.

Hazardous Waste

No known hazardous waste known to be present. If discovered, this appraisal could require revision.



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Easements and Encroachments

A physical inspection of the subject property and review of the Hall County GIS indicates no significant easements affecting the subject, other than typical utility easements which are assumed to be present.

Zoning

The subject site is located within the incorporated City of Gainesville and is therefore subject to land use controls by the Gainesville/Hall County Planning Department. The subject property is zoned GB, for a General Business District.

Within the general business (G-B) district, a wide range of office, retailing, commercial activities, and services are permitted. The permitted uses have more off-site impacts on residential areas and other adjoining land uses than neighborhood commercial areas. This district typically serves a larger number of patrons than neighborhood commercial districts.

This district provides areas for those business and commercial uses which primarily serve the public traveling by automobile and which benefit from direct access to highways. Such districts are generally designed so that the automobile has precedence over the pedestrian, although pedestrian access is required.

Dimensional requirements in the G-B district are as follows:

Minimum Road Frontage:	40 feet
Minimum Front Setback:	30 feet
Minimum Side Setback:	None
Minimum Rear Setback:	None
Maximum No. Stories	4
Maximum Building Height:	60 feet

The existing use of the subject is a legal, conforming use of the subject parcel based on the current G-B zoning district regulations.

Utilities

The subject property has all public utilities available, including public sewer.

Property History

The subject property is currently owned by Grubs Market, LLC. The most recent transfer involving the subject occurred on January 31, 2022, when the subject was purchased by the current ownership entity from Marco McKibbon, LLC. The purchase price for the property was \$550,000. The Warranty Deed for this transfer is recorded in Deed Book 9054, Pages 87 – 89 of the Hall County Deed Records. Following this purchase, the improvements were significantly renovated.

No other transfers involving the subject property are known to have occurred in the past three years. The subject is currently marketed for sale, with an asking price of \$1,875,000. We understand that there has been some interest in the property during the marketing period, with offers made, but none accepted.

Legal Description

The subject is located in Land Lot 148 of the 9th District of Gainesville, Hall County, Georgia and can be further identified by that system employed by the Hall County Tax Assessor's Office as Tax Parcel No's 01011 001002 & 01011 001003. A legal description of the subject property has not been provided to the appraisers.



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Real Estate Taxes

The year 2025 real estate taxes for the subject property were \$14,526.45, based on a combined fair market valuation for tax purposes for the two tax parcels which comprise the subject property of \$1,290,301. The year 2025 Hall County millage rate for the incorporated City of Gainesville was 3.798 mills, applied to a 40% assessment of fair market valuation for tax purposes. The year 2025 City of Gainesville millage rate was 9.739 mills, applied to a 100% assessment of fair market valuation. Based on the above information, the calculations for the year 2025 taxes for the subject property are as follows:

Tax Calculation

Tax Parcel #	City of Gainesville	Hall County
01011 001002	\$1	\$1
01011 001003	<u>\$1,290,300</u>	<u>\$1,290,300</u>
Total Tax Valuation	\$1,290,301	\$1,290,301
Assessment Ratio	x <u>100%</u>	<u>40%</u>
Assessed Value	\$1,290,301	\$516,120
Millage Rate	x <u>0.009739</u>	<u>0.003798</u>
Total Taxes	\$12,566.23	\$1,960.22
Total Tax Expense	\$14,526.45	

TAD Financing

The current owners of the property received approval for TAD financing from the City of Gainesville for the renovations associated with the retail component area of the subject. This TAD financing acts as a reimbursement for plumbing – grease trap, water and back wall repair, structural steel, concrete repair, masonry, bollards & dumpster gate, doors, frames and hardware, windows, painting, exterior sitework and material overhead associated with the renovations. The subject was approved for up to \$210,575 for the above delineated uses, to be distributed on an annual basis, based on the TAD increment generated by the project for each calendar year. The total reimbursement approved shall not exceed \$210,575 over a maximum of 15 calendar years.

To date, three payments have been provided to Grubs Market: the first in the amount of \$11,071.71; the second in the amount of \$10,992.07 and the third in the amount of \$11,849.33. The TAD agreement, which may transfer to new owners of the property, will conclude upon the full reimbursement of the remaining amount or after the expiration of the 12-year period, whichever comes first. The outstanding balance of TAD funds remaining is approximately \$176,662. **The Resolution approving the subject TAD stipulates that “in order to receive TAD funds, the project must remain a market that is in substantial conformance with the uses proposed in the application.”**

Description of Improvements

Building Area: 4,598 Square Feet – Renovated Retail Southern Area
1,815 Square Feet – Unrenovated Northern Area
6,413 Square Feet – Gross Building Area



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Building Age: Approximately 52 Years. The building improvements were constructed in 1974 according to the Hall County Tax Assessors records.

Story Height: The building has an eave height of approximately 14-feet.

Footings and Foundation: Concrete floor slab assumed to be at least 4" thick.

Structural Frame: Pre-engineered metal panel construction with steel frame, with northern end wall concrete block.

Exterior Finish: The exterior of the building is brick and metal panel, with painted brick veneer on the front, painted metal panel side and rear walls.

Roof Cover: Metal panel.

HVAC: Central heat and air-conditioning are in place in the approximately 4,598 square foot southern area of the building which has been renovated and utilized as Grubs Market. The remaining 1,815 square foot northern building area has no HVAC system in place.

Interior Detail: The subject approximately 4,598 square foot southern area of the building has been renovated and was utilized for retail purposes as Grubs Market, with the remaining northern 1,815 square foot area of the building in unfinished condition.

The 4,598 square foot finished retail area features stained and sealed concrete floors, with white subway tile walls with wood accents and drop acoustical tile ceilings at 9 to 11-foot height.

Plumbing: Assumed to be adequate and meet code.

Electrical: 208 volt/3-phase electrical power service, with 220 and 120 amp panels. Assumed adequate electrical outlets throughout building.

Lighting: LED lighting throughout.

Fire Sprinklers: None.

Paving: Approximately 12,000 square feet of asphalt paving on site. Total of 11 parking spaces in the western area of the property. Based on the total gross building area, the parking ratio for the subject is 1.72 spaces per 1,000 square feet of gross building area. Alternatively, based on the 4,598 square feet of renovated retail area the parking ratio is 2.39 spaces per 1,000 square feet.

The City of Gainesville minimum parking requirement for retail use is one space per 275 square feet, which indicates that 17 parking spaces are needed to support the renovated retail area. Therefore, the subject does not appear to comply with



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regard to minimum parking requirements. There are approximately 6 street-front parking spaces along the southwestern side of Main Street nearby the subject.

Other Improvements: There are two (2) 8' X 10' grade level overhead doors in the unfinished area of the building. These overhead doors are dock high, accessed via a covered 8-foot poured concrete loading dock. The floor plan for the renovated, market area is mostly open, with a sales counter in the southeastern corner of the floor area and a deli prep area in the northeastern corner of the floor area. This deli prep area does not contain any significant commercial kitchen equipment.

Remaining Economic Life: The remaining economic life of the subject improvements is approximately 15 - 20 years.

Remarks: There is approximately 4,598 square feet (71.7%) of good quality retail build out in the building, which is in good physical condition. The remaining 1,815 square feet is unfinished. The exterior of the building features painted white brick façade. The renovations to the improvements include all new HVAC systems, new plumbing and new electrical service.

We understand that in association with the renovations to the property, significant costs were incurred for the equipment associated with the retail market. The majority of this equipment is not permanently affixed and therefore not considered to be real property. No value is included in our analysis associated with this equipment or the installation of any equipment.

Surplus/Excess Site Area

As currently configured, the land to building ratio represented for the subject equates to 2.72:1.00. This compares with land to building ratios of 3.52:1.00 to 7.26:1.00 for the improved retail sales herein. Therefore, there is no surplus or excess land present.



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MARKET ANALYSIS

The subject consists of a 6,513 square foot masonry and pre-engineered building, located within the Midtown area of Gainesville. Approximately 4,598 square feet of this building has been renovated for use for retail purposes. Overall, the appeal of the subject improvements appears to be good and its quality is considered average overall.

The subject market area, consisting primarily of Gainesville-Hall County has a rather active retail market from which to derive significant meaningful market analysis data.

Gainesville/Hall County Retail Market Metrics

Collectively, the market data illustrates that there has been a steady increase in the average per square foot sales price for retail building area in Gainesville/Hall County during the past five years. The rental rate per square foot for industrial space has also increased gradually over this same time period. The retail market appears to be stable locally. A summary of the Co-Star analytics for the Gainesville/Hall County retail market is below:

Gainesville/Hall County Co-Star Market Metrics

The current market metrics for the Gainesville/Hall County retail market are summarized as follows:

INVENTORY SF 11.8M +0.9% Prior Period 11.7M	UNDER CONSTRUCTION SF 56.3K -49.8% Prior Period 112K	12 MO NET ABSORPTION SF 75.7K -43.3% Prior Period 133K	VACANCY RATE 3.6% +0.2% Prior Period 3.4%	MARKET ASKING RENT/SF \$20.61 +2.2% Prior Period \$20.16	MARKET SALE PRICE/SF \$220 +3.7% Prior Period \$212	MARKET CAP RATE 6.9% +0% Prior Period 6.9%
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Key Metrics

Availability		Inventory	
Vacant SF	420K ↓	Existing Buildings	1,152 ↑
Sublet SF	6.7K ↓	Under Construction Avg SF	8K ↑
Availability Rate	1.6% ↓	12 Mo Demolished SF	0 ↓
Available SF Total	185K ↓	12 Mo Occupancy % at Delivery	87.3% ↑
Available Asking Rent/SF	\$22.80 ↑	12 Mo Construction Starts SF	45.2K ↓
Occupancy Rate	96.4% ↑	12 Mo Delivered SF	100K ↑
Percent Leased Rate	96.5% ↑	12 Mo Avg Delivered SF	14.7K ↑
Sales Past Year		Demand	
Asking Price Per SF	\$356 ↑	12 Mo Net Absorp % of Inventory	0.6% ↑
Sale to Asking Price Differential	-5.8% ↓	12 Mo Leased SF	180K ↑
Sales Volume	\$133M ↑	Months on Market	10.3 ↑
Transactions	47 ↓	Months to Lease	0.5 ↓
Months to Sale	8.8 ↑	Months Vacant	1.1 ↓
For Sale Listings	23 ↓	24 Mo Lease Renewal Rate	88.8%
Total For Sale SF	200K ↑	Population Growth 5 Yrs	8.4%



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Highest and Best Use

As **vacant**, the highest and best use for the site is commercial use.

As improved, no alternative exists that would justify removal for an alternative use. Thus, the highest and best use, as improved, is for continued retail and light industrial use of the improvements.



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Chapter 4: Valuation Process

Application of the Three Approaches

The valuation process is a systematic procedure an appraiser follows to provide answers to a client's questions about real property value (The Appraisal of Real Estate, 14th Edition). The number of steps followed depends on the intended use of the assignment results, the nature of the property, the scope of work believed suitable for the assignment, and the data available. The eventual goal is a well-supported value conclusion that reflects the facts that influence the market value of the property appraised. To achieve this goal, an appraiser studies a property from three different viewpoints, which are the approaches to value. Below is a brief description of the approaches to value:

1. In the *cost approach*, an indication of value is the current cost of reproducing or replacing the improvements (including an appropriate entrepreneurial incentive or profit) minus the loss in value from depreciation plus land or site value.
2. In the *income approach*, value is indicated by a property's earning power, based on capitalizing income.
3. In the *sales comparison approach*, value is indicated by recent sales, listings or contracts of comparable properties in the market and other supporting transactional information.

Traditionally, specific appraisal techniques are applied within the three approaches to draw indications of real property value. An appraisal may include one or more approaches to value depending on the approaches necessary to produce credible assignment results, given the intended use.

The three approaches are interrelated. Each approach requires gathering data and analysis that applies to the property appraised. From the approaches applied, the appraisers gain separate indications of value for the property appraised. To complete the valuation, the appraisers integrate the information drawn from market research, data analysis, and valuation approaches to form a value conclusion. The final opinion of value depends on the appraiser's skill, experience, and judgment.

Methodology

In developing a market value opinion for the subject property, we have used the Income Approach and the Sales Comparison Approach. The Cost Approach has not been utilized due to the subjective nature of accurately estimating accrued depreciation for a building originally constructed in 1974 according to Hall County Tax Assessors records and renovated significantly 4 years ago.



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Investors typically purchase income-producing real estate. From an investor's point of view, earning power is the critical element affecting property value. One basic investment premise holds that the higher the earnings, the higher the value, provided the amount of risk remains constant. An investor who purchases income-producing real estate is essentially trading present dollars for the expectation of receiving future dollars. The income approach to value consists of methods, techniques, and mathematical procedures that an appraiser uses to analyze a property's capacity to generate benefits (i.e., usually the monetary benefits of income and reversion) and convert these benefits into an indication of present value. In order to convert an income stream into a value indication, the following items must be considered.

Market Rent: This is the rental income a property would likely command in the open market.

Potential Gross Income (PGI): Is the total potential income attributable to the real property at full occupancy before the deduction of operating expenses.

Vacancy and Collection Loss: Is an allowance for reductions in the potential gross income attributable to vacancies, tenant turnover, and nonpayment of rent or other income.

Effective Gross Income: Is the anticipated income from all operation of the real property adjusted for vacancy and collection losses ($PGI - \text{Vacancy and Collection} = EGI$).

Operating Expenses: These are the expenses associated with generating the annual income stream. Expenses are typically included in one of three categories:

- Fixed Expense (taxes, building insurance, etc.)
- Variable Expense (management fees, utilities, maintenance, leasing commission, etc.)
- Replacement Allowance (fund to provide for periodic replacement of building components)

Net Operating Income (NOI or I_o): Is the actual or anticipated net income remaining after all operating expenses are deducted from effective gross income.

Overall Capitalization Rate (R_o): An income rate for a total real property interest that reflects the relationship between a single year's net operating income expectancy and the total price or value; used to convert net operating income into an indication of overall property value. Overall capitalization rates may be derived from comparable sales, effective gross income multipliers and net income ratios, band-of investment techniques (based on mortgage and equity components), debt coverage ratios, and yield capitalization techniques.

After the above items have been analyzed, a value indication for the property can be concluded via direct capitalization, or by dividing the net operating income (I_o) by the overall capitalization rate (R_o):

$$\text{Net Operating Income } (I_o) / \text{Overall Capitalization Rate } (R_o) = \text{Value } (V_o)$$



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Definition of Market Rent The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).

Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015).

Potential Gross Income The basis for the income calculation is the size of the subject facility. The subject improvements contain 6,413 square feet of gross building area. The improvements were originally constructed in 1974 and the approximately 4,598 square foot retail market area of the building was significantly renovated approximately 4 years ago and is in very good condition. This retail component area was owner occupied and operated until approximately 5 – 6 months ago. The remaining 1,815 square foot northern component area of the property is unfinished and also unoccupied.

The property is currently marketed for sale and also offered available for lease at \$26.00 per square foot based on triple net lease terms according to the marketing brochure.

Comparable Research To analyze market rent for the subject property, we conducted a rental survey of competing properties in the subject market area and the regional market. For purposes of this analysis, we have postulated a “triple net” basis for developing an opinion of the market rent for the subject property. Under the terms of this type lease, the tenant is responsible for real estate taxes, property insurance and maintenance. Expense items which the landlord will incur include management fees, reserves for replacement of long-lived items and accounting fees. All comparable rental properties are adjusted to reflect differing lease terms, if applicable.

Considering the two component areas of the subject, we will analyze rental comparables for each of the components.

A summary of the rent comparables considered are in Table 5-1 and a profile of each rental comparable is at the end of this section. A brief narrative of the pertinent leases follows the table.

Table 5-1: Rentals Summary Table

No.	Location	Typical Tenant Size (SF)	Rent/SF	Lease Terms
<u>Light Industrial Rentals</u>				
1.	2365 Monroe Drive	3,600	\$9.00	Modified Gross
2.	1640 Oakbrook Drive	10,000	\$9.50	Modified Gross
3.	1013 Airport Street	6,000	\$10.00	Modified Gross
<u>Retail Rentals</u>				
4.	550 Main Street	1,038	\$25.00	Triple Net
5.	610 White Sulphur Road	3,038	\$31.00	Triple Net
6.	114 – 118 Jesse Jewell Pkwy.	1,405	\$35.00	Triple Net



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Comparable Rentals Discussion

We researched the market for comparable rentals. Comparable rentals No. 1, No. 2 and No. 3 above range from \$9.00 to \$10.00 per square foot and are analyzed in comparison with the 1,815 square foot northern unfinished area of the subject. Comparable Rentals No. 4, No. 5 and No. 6 above range from \$25.00 to \$35.00 per square foot and are analyzed in comparison with the 4,598 square foot southern area of the subject which has been renovated as a retail market.

Adjustment Grid

The comparable rentals above are analyzed in comparison with the subject in the following adjustment grid:

Rental Comparable Adjustment Grid

	Subject (Average)	Comparables for 1,815 Sq.Ft. Area			Comparables for 4,598 Sq.Ft. Area		
		Comp No. 1	Comp No. 2	Comp No. 3	Comp No. 4	Comp No. 5	Comp No. 6
Price Per SF		\$9.00	\$9.50	\$10.00	\$25.00	\$31.00	\$35.00
Lease Terms	Triple Net	Mod. Gross	Mod. Gross	Mod. Gross	Triple Net	Triple Net	Triple Net
Adj. Price Per Square Foot		\$8.00	\$8.50	\$9.00	\$25.00	\$31.00	\$35.00
Market conditions		Market	Market	Market	Market	Market	Market
Unit Size (Sq.Ft.)	1,815/4,598	Larger ↑	Larger ↑	Larger ↑	Smaller ↓	Similar	Smaller ↓
Location	Good	Similar	Similar	Similar	Similar	Superior ↓	Superior ↓
Age/Condition	1974/Renov.	2004 ↓	2004 ↓	1988 ↓	2023 ↓	2019	2021 ↓
Building Constr.	Pre-Eng.	Pre-Eng.	Pre-Eng.	Pre-Eng.	Wood Frame	Wood Frame	Masonry ↓
Building Quality	Average	Average	Average	Average	Good ↓	Average	Average
Building Height	14-Ft./9-Ft.	14-Ft.	14-Ft.	18-20-Ft. ↓	Similar	Similar	Similar
Interior Build-Out	0%/100%	11.7% ↓	10% ↓	30% ↓	Similar	Similar	Similar
Parking	Limited	Superior ↓	Superior ↓	Superior ↓	Superior ↓	Superior ↓	Superior ↓
Indicated Market Rent		\$7.50/SF	\$8.00/SF	<\$8.50/SF	\$18.00/SF	\$25.00/SF	<\$25.00/SF

Market Rent Conclusion

After adjustments, the rentals above indicate a market rental rate for the 1,815 square foot unfinished area of the subject in the \$7.50 to \$8.50 per square foot range. In our opinion, a market rental rate for this component area of the subject in the middle area of the range, approximately \$8.00 per square foot appears appropriate.

After adjustments, the rentals above indicate a market rental rate for the 4,598 square foot renovated and finished retail market area of the subject in the \$18.00 to \$25.00 per square foot range. In our opinion, a market rental rate for this component area of the subject at approximately \$20.00 per square foot appears appropriate.

Based on the concluded market rental rates above, the Potential Gross Income for the subject is as follows:

Finished Retail Market Area	4,598	SF @	\$20.00	/SF =	\$91,960
Unfinished Building Area	1,815	SF @	\$8.00	/SF =	<u>\$14,520</u>
					\$106,480



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RENTAL NO. 1

Property Type: Industrial **Record ID:** 6453-GA

Address: 2365 Monroe Drive, Gainesville, Hall County, Georgia
Location: North side of Monroe Drive, just east of Danbury Lane intersection

Lessor: Sconet, LLC

<u>Tenant</u>	<u>Size (SF)</u>	<u>Rent (SF)</u>	<u>Begin</u>	<u>Term</u>	<u>Escalations</u>
N/A	3,600	\$9.00	Sept. 2025	2 yrs.	N/A

Total Building Area:	7,200				
Rentable Area:	7,200				
Typical Tenant Size:	3,600				
Year Built:	2004				
				Average Rent/SF:	\$9.00

Expenses by Lessor: Real estate taxes, insurance, maintenance
Expenses by Lessee: Utilities, janitorial
Current Occupancy: 100%
Verification: Public records, field, broker

Comments: This is a 3,600 square foot single-tenant light industrial space located within a two-tenant building in close proximity to the Exit 20 interchange of I-985. This industrial space is two-story, featuring pre-engineered construction. The building was built in 2004, with a total of approximately 420 square feet, or 11.7% finished office area. It has one front loaded grade level overhead door and one rear level door. The space was leased in September 2025 at \$9.00 per square foot, based on modified gross lease terms.





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RENTAL NO. 2

Property Type: Industrial **Record ID:** 7451-GA

Address: 1640 Oakbrook Drive, Gainesville, Hall County, Georgia
Location: At the end of cul-de-sac

Lessor: Wilbof, LLC

Total Building Area: 10,000
Rentable Area: 10,000
Typical Tenant Size: 10,000 **Average Rent/SF:** \$9.50
Year Built: 2000

Expenses by Lessor: Taxes, insurance, management, reserves, exterior maintenance
Expenses by Lessee: Interior Maintenance, Utilities
Current Occupancy: 100%
Verification: CoStar, Leasing agent

Comments: Lease of a 10,000 square foot pre-engineered office warehouse building located at the end of an access drive from Oakbrook Drive in Gainesville. It was constructed in 2000 and is in average condition. It features 14' eaves, one drive-in door, two dock-high doors and 10% office buildout. The property was leased for \$9.50 per square foot under modified gross terms. The lease began January 1, 2025 for three years.





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RENTAL NO. 3

Property Type: Industrial **Record ID:** 6989-GA

Address: 1013 Airport Street, Gainesville, Hall County, Georgia
Location: Southeastern side of Airport Street, just west of Hancock Ave. Ext.

Lessor: Bennett Properties, LP

Total Building Area: 6,000
Rentable Area: 6,000
Typical Tenant Size: 6,000 **Average Rent/SF:** \$10.00
Year Built: 1988

Expenses by Lessor: Management, reserves, structural
Expenses by Lessee: R.E. Taxes, Property Insurance, Utilities, interior Maintenance, CAM
Current Occupancy: 100%
Verification: Co-Star Comps, Broker

Comments: This one-story pre-engineered building was renovated in 2018 and features approximately 18 feet to 20 foot building height and 1,800 square feet (30%) of finished office space. There is one (1) 12' X 16' drive in door and one (1) dock high overhead door. Electrical is 120/208 V, 400 amp., single-phase. The building was marketed for lease with an asking rate of \$10.00 per square foot and was marketed for approximately one month prior to leasing for \$10.00 per square foot, with modified gross lease terms.





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RENTAL NO. 4

Property Type: Retail
Property Name: Midland on Main
Address: 550 Main Street, Gainesville, Hall County, Georgia
Location: Southwestern side of Main Street

Record ID: 7309-GA

Lessor: Gainesville II Apartments, LLC

Total Building Area: 6,000
Rentable Area: 60,000
Typical Tenant Size: 1,038 **Average Rent/SF:** \$25.00
Year Built: 2023

Expenses by Lessor: Management, reserves, structural maintenance
Expenses by Lessee: R.E. Taxes, Property Insurance, Utilities, interior Maintenance, CAM
Current Occupancy: 82.7%
Verification: Pub. Rec., Co-Star Comps, Field

Comments: Multi-tenant retail-office area, within the Midland on Main apartment development. There are four tenant areas on the first floor area of this development, ranging in size from 1,038 - 1,719 square feet. Two of the tenant area were leased beginning in December 2024 and January 2025 at \$25.00 per square foot, based on triple net lease terms with 3 to 5-year leases. There is one remaining tenant area available as of April 2026, 1,038 square feet in size.





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RENTAL NO. 5

Property Type: Retail **Record ID:** 7469-GA

Address: 610 White Sulphur Road, Gainesville, Hall County, Georgia

Location: Eastern side of White Sulphur Road, one parcel north of Jesse Jewell Pkwy. int.

Lessor: New Holland Partners, LLC

Total Building Area: 5,244

Rentable Area: 5,060

Typical Tenant Size: 3,038 **Average Rent/SF:** \$31.00

Year Built: 2019

Expenses by Lessor: Management, reserves, structural maintenance

Expenses by Lessee: R.E. Taxes, Property Insurance, Utilities, interior Maintenance, CAM

Current Occupancy: 100%

Verification: Pub. Rec., Co-Star Comps, Field

Comments: Multi-tenant retail building, located on White Sulphur Road just north of Jesse Jewell Parkway. The building is currently configured with two tenant bays, ranging in size from 2,100 to 3,038 square feet. The most recently leased space in this rental is the 3,038 square foot area which leased in February 2026 at \$31.00 per square foot with triple net lease terms. This space was configured for restaurant use, with existing FF&E which includes 2 walk-in coolers; 1 walk-in freezer, multiple 3 compartment sinks; multiple vent hood systems; fryer; stove tops; ice maker, etc. The development features 32 on-site parking spaces (6.1 spaces per 1,000 square feet of gross building area.)





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RENTAL NO. 6

Property Type: Retail **Record ID:** 7101-GA
Property Name: Solis Gainesville
Address: 114 - 118 Jesse Jewell Parkway, Gainesville, Hall County, Georgia
Location: Southeastern corner of Jesse Jewell Pkwy. & Bradford Street int.

Lessor: Gainesville Urban, LLC

Total Building Area: 10,000
Rentable Area: 10,000
Typical Tenant Size: 1,405 **Average Rent/SF:** \$35.00
Year Built: 2021

Expenses by Lessor: Management, reserves, structural maintenance
Expenses by Lessee: R.E. Taxes, Property Insurance, Utilities, interior Maintenance, CAM
Current Occupancy: 70%
Verification: Pub. Rec., Co-Star Comps, Field

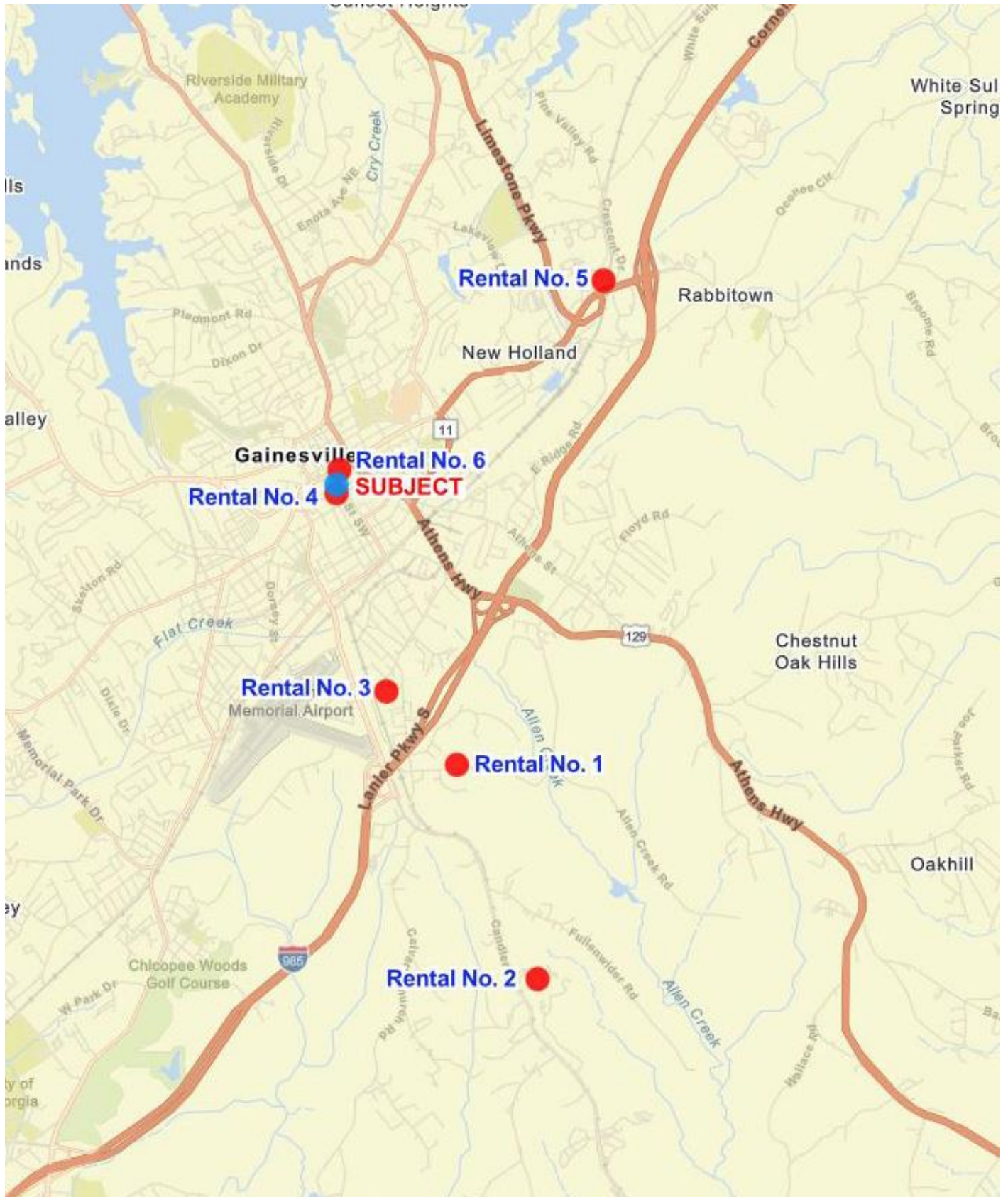
Comments: Multi-tenant retail building, with very good visibility and exposure along a major traffic artery in Gainesville. The buildings adjoin the 220 unit Gainesville Solis apartment development. Pedestrian access to the CBD is available by a pedestrian bridge over Jesse Jewell Parkway at this location. The improvements feature two-story design, with rooftop patios. Three of the tenant areas were leased beginning in June 2023. The tenant areas range in size from 1,405 to 3,230 square feet. Lease rates are reported at \$35.00 per square foot, based on triple net lease terms with 5-year leases. A 1,405 square foot tenant bay is available as of April 2026, at \$35.00 per square foot.





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Subject and Rent Commission Sites Location Map





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Vacancies and Credit Losses

The subject property is located within an established and generally stable commercial area. Historically, there has been good demand for retail facilities locally.

Based on Co-Star Comps data, the current vacancy rate within the Gainesville and Hall County retail market is approximately 3.6%. This is based on a total of approximately 11.8 million square feet of total retail space in Gainesville/Hall County. Likewise, the industrial vacancy rate has been consistently below 5.0% locally during the past several years.

Considering the location, age and design of the subject, as well as the combined unfinished and finished areas, in our opinion a 10.00% allowance for vacancy and collection loss is a reasonable long-term investor expectation for the subject property.

Other Income

There is no other income associated with the subject property.

Effective Gross Income

The effective gross income of a property is the anticipated annual income that can be received after allowing for vacancy and credit losses and the addition of any other income. Based on the previous analysis of potential gross income, and deducting for vacancy and collection loss, the effective gross income for the subject is as follows:

INCOME

Finished Retail Market Area	4,598 SF @	\$20.00	/ SF =	\$91,960
Unfinished Building Area	1,815 SF @	\$8.00	/ SF =	<u>\$14,520</u>
				\$106,480
Less Vacancy	10.00%			<u>(\$10,648)</u>
Effective Gross Rental Income				\$95,832
Plus Other Income				<u>\$0</u>
Effective Gross Income				\$95,832

Expenses

Our opinion of market rent for the subject is based on “triple net” lease terms. Under the provisions of this lease, the Lessee is responsible for payment of real estate taxes, property insurance and interior maintenance. Landlord expenses include management, reserves and replacements for long-lived items and administrative expenses. Our estimate of each expense item is described below:

Real Estate Taxes: In the property description portion of this report, the 2025 real estate taxes for the subject property were calculated at \$14,526.45, based on a 2025 combined fair market valuation for tax purposes of \$1,290,301. Based on the triple net lease structure, a rounded allowance of **\$1,450 annually** (\$14,526.45 X 0.10) for the landlord’s responsibility for real estate taxes.

Property Insurance: Considering the construction characteristics and the amount of finished area, we believe that the subject could be insured for \$2,600 annually, which equates to approximately \$0.40 per square foot annually. Considering the assumed triple net lease structure, a rounded allowance of **\$260 annually** (\$2,600 X 0.10) for the landlord’s responsibility for property insurance.



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Management & Leasing Commissions: Typical management fees for this type property in the subject market area range from 4% to 8% on collected income. This is typical for the leasing, rent collection and general overseeing of the property. Considering the subject's physical condition and location, we believe that 5% of the Effective Gross Income is reasonable for a property such as the subject. This equates to **\$4,792 annually** for the subject property.

Exterior Maintenance & Repairs: This expense category covers the general exterior maintenance such as minor roof and parking lot repairs, painting and other miscellaneous repairs to the exterior of the building. Under the assumed lease structure, exterior maintenance and repairs are the responsibility of the tenant.

Utilities: Under the assumed lease structure, utilities are the responsibility of the tenant.

Janitorial: Under the assumed lease structure, janitorial expenses are the responsibility of the tenant.

Reserves for Replacements: This is a reserve account which is established to provide for adequate funds to replace long-lived items such as the roof, parking lot, HVAC and mechanical systems. An allowance of **\$1,900 annually** (\$0.30 per square foot of gross building area) has been made for reserves and replacements.

Grounds Maintenance: There are minimal grounds to maintain and the grounds maintenance expense is the responsibility of the tenants.

Administrative Expense: For the subject property, this expense category will be limited to legal and accounting fees and other miscellaneous expenses. For purposes of this analysis, an estimate of **\$500 annually** will be utilized.

Net Operating Income

The net operating income is the effective gross income less the total operating expenses. A complete pro-forma operating statement for the subject property is below and indicates net operating income of **\$86,931**.



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Pro-Forma Operating Statement

INCOME

Finished Retail Market Area	4,598 SF @	\$20.00	/ SF =	\$91,960
Unfinished Building Area	1,815 SF @	\$8.00	/ SF =	<u>\$14,520</u>
				\$106,480
Less Vacancy	10.00%			<u>(\$10,648)</u>
Effective Gross Rental Income				\$95,832
Plus Other Income				<u>\$0</u>
Effective Gross Income				\$95,832

EXPENSES

		Annually	Per Sq. Ft.
Real Estate Taxes		\$1,450	\$0.23
Property Insurance		\$260	\$0.04
Property Management	5%	\$4,792	\$0.75
Ext. Maint. & Repairs		\$0	\$0.00
Utilities		\$0	\$0.00
Janitorial		\$0	\$0.00
Reserves for Replacement		\$1,900	\$0.30
Grounds Maintenance		\$0	\$0.00
Administrative Expense		<u>\$500</u>	<u>\$0.08</u>
Total Expenses		\$8,902	\$1.39

NET OPERATING INCOME

\$86,931

Total Expense as a % of PGRI

8.36%



Capitalization Rate

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Capitalization is the process of converting net income into value. The capitalization rate reflects the relationship between net income and the value of receiving the anticipated income stream, or the amount an investor should be willing to pay for this annual income. Thus, the relationship is:

$$\frac{\text{Net Income}}{\text{Capitalization Rate}} = \text{Value}$$

The primary method to derive an overall capitalization rate is to extract it from market data. In order to achieve this extraction, we rely on the comparable sales used in the sales comparison approach. From information gathered, the net operating revenue has been confirmed or estimated for each sale. Dividing this net operating revenue by the sales price indicates an overall capitalization rate for each of the comparables.

Capitalization Rates

Sale Number	Sale Price	Net Operating Income	CAP Rate
Improved Sale 1	\$785,000	\$39,495	5.03%
Improved Sale 2	\$253,500	\$11,120	4.39%
Improved Sale 3	\$1,200,000	\$78,825	6.57%
Improved Sale 4	\$3,703,736	\$222,728	6.01%
Improved Sale 5	\$2,625,000	\$227,596	8.67%
Improved Sale 6	\$3,000,000	\$147,292	4.91%
Average			5.93%

The above indicated capitalization rates range from 4.39% to 8.67%. The mean is 5.93%. The retail Comparable Sales exhibit a capitalization rate range from 4.91% to 8.67%, with a mean of 6.53%. Considering the age, location, condition and that the majority of the subject building is retail oriented, we believe a capitalization rate in the middle of the range by the retail comparables, at approximately 6.50%, is appropriate for the subject property.



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We have also considered Realty Rates, summarized as follow:

RealtyRates.com INVESTOR SURVEY - 1st Quarter 2026*						
RETAIL - ALL TYPES						
Item	Input					OAR
Minimum						
Spread Over 10-Year Treasury	0.81%	DCR Technique	1.10	0.056519	0.80	4.97
Debt Coverage Ratio	1.10	Band of Investment Technique				
Interest Rate	4.83%	Mortgage	80%	0.056519	0.045215	
Amortization	40	Equity	20%	0.074957	0.014931	
Mortgage Constant	0.056519	OAR				6.02
Loan-to-Value Ratio	80%	Surveyed Rates				5.66
Equity Dividend Rate	7.50%					
Maximum						
Spread Over 10-Year Treasury	5.95%	DCR Technique	2.15	0.128732	0.50	13.84
Debt Coverage Ratio	2.15	Band of Investment Technique				
Interest Rate	9.97%	Mortgage	50%	0.128732	0.064366	
Amortization	15	Equity	50%	0.168810	0.084405	
Mortgage Constant	0.128732	OAR				14.88
Loan-to-Value Ratio	50%	Surveyed Rates				13.98
Equity Dividend Rate	16.88%					
Average						
Spread Over 10-Year Treasury	3.70%	DCR Technique	1.39	0.090283	0.70	8.76
Debt Coverage Ratio	1.39	Band of Investment Technique				
Interest Rate	7.72%	Mortgage	70%	0.090283	0.063198	
Amortization	25	Equity	30%	0.126576	0.037973	
Mortgage Constant	0.090283	OAR				10.06
Loan-to-Value Ratio	70.0%	Surveyed Rates				9.64
Equity Dividend Rate	12.7%					

*4th Quarter 2025 Data

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We have also considered the Realty Rates Investor Survey for All Retail Properties for the 1st Quarter 2026, which indicates a rate of 9.64%.

We have considered the indicated capitalization rate from Realty Rates as well as those derived from the improved sales, with most weight given to the indicated capitalization rate by the improved sales. A capitalization rate of 6.50% has been selected for the subject property. Capitalizing the estimated NOI for the subject indicates a market value for the subject property, as follows:

$$\begin{matrix} \text{NOI (Io)} & & \text{Cap Rate (Ro)} & & \text{Value (Vo)} \\ \$86,931 & \div & 0.0650 & = & \$1,337,400 \end{matrix}$$

Rounded to:

Income Approach Value Indication

\$1,340,000



Sales Comparison Approach

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In the sales comparison approach, a market value indication is derived by comparing the subject property to similar properties that have recently sold, are listed for sale, or are under contract. Typically, the market uses price per square foot of building area as the measurable unit of comparison. This is the most common method of valuation used in the industry. After analyzing each sale on this basis, adjustments were made to each sale for differences in physical characteristics including location, access, market change, and land to building ratio, building size and overall age and condition of the property. Below are the most meaningful known sales for this analysis.

Table 5-2: Improved Sales Summary Table

No.	Location	Sale Date	Price	Building Size (SF)	Price/SF
<u>Light Industrial Sales</u>					
1.	2092 Crow Road, Gainesville, Hall Co., GA	9/24	\$785,000	5,600	\$140.18
2.	80 Zander Drive, Gainesville, Hall Co., GA	3/24	\$253,500	1,800	\$140.83
3.	3667 Southland Drive, Flowery Branch, Hall Co., GA	7/25	\$1,200,000	7,500	\$160.00
<u>Retail Sales</u>					
4.	655 Exchange Circle, Bethlehem, Barrow Co., GA	1/25	\$3,703,736	11,890	\$311.50
5.	7310 Spout Springs Road, Flowery Branch, Hall Co., GA	5/25	\$2,625,000	7,500	\$350.00
6.	5866 Spout Springs Road, Flowery Branch, Hall Co., GA	8/25	\$3,000,000	5,600	\$535.71

Comparable Sales Discussion

We researched the market for comparable sales. Comparable sales No. 1, No. 2 and No. 3 above range from \$140.18 to \$160.00 per square foot and are analyzed in comparison with the 1,815 square foot northern unfinished area of the subject. Comparable sales No. 4, No. 5 and No. 6 above range from \$311.50 to \$535.71 per square foot and are analyzed in comparison with the 4,598 square foot southern area of the subject which has been renovated as a retail market.

Adjustment Grid

The comparables have been analyzed in comparison with the subject in the following adjustment grid:



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Comparable Sale Adjustment Grid

	Subject (Average)	Comparables for 1,815 Sq.Ft. Area			Comparables for 4,598 Sq.Ft. Area		
		Comp No. 1	Comp No. 2	Comp No. 3	Comp No. 4	Comp No. 5	Comp No. 6
Sale Price		\$785,000	\$253,500	\$1,200,000	\$3,703,736	\$2,625,000	\$3,000,000
Size (SF)	1,815/4,598	5,600	1,800	7,500	11,890	7,500	5,600
Price Per SF		\$140.18	\$140.83	\$160.00	\$311.50	\$350.00	\$535.71
Financing		Market	Market	Market	Market	Market	Market
Conditions of sale		Market	Market	Market	Market	Market	Market
Expenditures after purchase		N/A	N/A	N/A	N/A	N/A	N/A
Non-realty items		N/A	N/A	N/A	N/A	N/A	N/A
Market conditions		Similar	Similar	Similar	Similar	Similar	Similar
Location	Good	Similar	Similar	Similar	Inferior ↑	Similar	Superior ↓
Exposure/Access	Good	Similar	Similar	Similar	Similar	Similar	Similar
Building Size (SF)	1,815/4,598	Larger ↑	Similar	Larger ↑	Larger ↑	Larger ↑	Similar
Age/Condition	1974/Renov.	2000 ↓	1993 ↓	2025 ↓↓	2013 ↓	2021 ↓↓	2005 ↓
Building Quality	Average	Average	Average	Average	Average	Average	Average
Building Height	14-Ft./9-Ft.	12-Ft. ↑	18-Ft. ↓	18-Ft. ↓	Similar	Similar	Similar
Interior Build-Out	0%/100%	26.7% ↓	20% ↓	None	Similar	Similar	Similar
Land to Building Ratio	2.72:1.00	10.20:1.00 ↓	7.99:1.00 ↓	4.30:1.00 ↓	3.52:1.00 ↓	7.26:1.00 ↓	3.97:1.00 ↓
Indicated Value		\$80/SF	\$100/SF	<\$120/SF	>\$250/SF	\$300/SF	<\$450/SF

Analysis and Conclusion The sales above range in sale price from \$140.18 to \$535.71 per square foot overall, prior to adjustments. Comparables No. 1, No. 2 and No. 3 have been analyzed in comparison with the 1,815 square foot unfinished northern area of the subject. After adjustments, these sales suggest a market value in the \$80.00 to \$120.00 per square foot range for this component area of the subject. Considering the age, construction, condition, location and amount of interior build out, a market value for the 1,815 square foot unfinished northern area of the subject at \$100.00 per square foot appears appropriate.

Comparables No. 4, No. 5 and No. 6 have been analyzed in comparison with the 4,598 square foot finished retail market southern area of the subject. After adjustments, these sales suggest a market value in the \$250.00 to \$450.00 per square foot range for this component area of the subject. Considering the age, construction, condition, location and limited on-site parking, a market value for the 4,598 square foot finished retail market southern area of the subject at \$300.00 per square foot appears appropriate.

Based on \$100.00 per square foot for the unfinished component area of the subject and \$300.00 per square foot for the renovated retail component area of the subject, the indicated market value for the subject is summarized as follows:

Unfinished Building Area	1,815	Square Feet	@	\$100.00	Sq. Ft	=	\$181,500
Finished Retail Market Area	4,598	Square Feet	@	\$300.00	Sq. Ft	=	<u>\$1,379,400</u>

Sales Approach Value Indication = \$1,560,900

\$1,560,000



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IMPROVED SALE

Property Type:	Industrial	Record ID:	12327-GA	
Tax ID:	09124 000257			
Address:	2092 Crow Road, Gainesville, Hall County, Georgia			
Location:	South side, west of its intersection with White Sulphur Road			
Land Lot:	124	District:	9	
Grantor:	Pethel Enterprises, LLC			
Grantee:	Medford Quality Insulation, LLC			
Sale Price:	\$785,000			
Sale Date:	09/23/24	Deed Book:	9541	
Verification:	Field, Deed, CoStar Comps, Tax Records, Broker		Page:	580
Conditions of Sale:	Arm's Length			
Financing:	Conv.			
Building Size:	5,600 SF	Price/SF:	\$140.18	
Year Built:	2000			
Land Size:	1.311 Acres			
Land to Building Ratio:	10.20			
PGRI:	\$56,000	PGRIM:	14.02	
EGRI:	\$50,400	EGRIM:	15.58	
NOI:	\$39,495	Cap Rate:	5.03%	
NOI Ratio:	78.36%	NOI/SF:	\$7.05	
Expense Ratio:	21.64%	Expenses/SF:	\$1.95	
Occupancy at Sale:	Owner			

Comments: This is the sale of a 5,600 square foot industrial office/warehouse along the southern side of Crow Road, west of its intersection with White Sulphur Road. It was originally constructed in 2000 and is in average condition. It contains 1,500 square feet of average quality office buildout (26.7%) with the remainder being open warehouse space with 12' ceilings, two (2) 10' X 10' drive-thru truck doors with a 0.35-acre fenced and graveled area. It was on the market for \$850,000 (\$151.79 per square foot) for approximately one month prior to its sale. It was purchased for owner occupancy.





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IMPROVED SALE

Property Type: Industrial **Record ID:** 12151-GA
Tax ID: 08007 003022

Address: 80 Zander Drive, Gainesville, Hall County, Georgia
Location: Southwestern side of Zander Drive, 2/10 mile southeast of Browns Bridge Road int.

Land Lot: 7 **District:** 8

Grantor: Anthony Ryan Gerrald
Grantee: William P. Bell

Sale Price: \$253,500
Sale Date: 03/08/24 **Deed Book:** 9445 **Page:** 119
Verification: Field, Deed, PT-61, Inspection
Conditions of Sale: Arm's length
Financing: All cash to seller

Building Size: 1,800 SF **Price/SF:** \$140.83
Year Built: 1993
Land Size: 0.330 Acres
Land to Building Ratio: 7.99

PGRI: \$14,400 **PGRIM:** 17.60
EGRI: \$13,680 **EGRIM:** 18.53
NOI: \$11,120 **Cap Rate:** 4.39%
NOI Ratio: 81.29% **NOI/SF:** \$6.18
Expense Ratio: 18.71% **Expenses/SF:** \$1.42
Occupancy at Sale: Vacant

Comments: This is the sale of a pre-engineered office-warehouse building located in an unincorporated area of Hall County and just off the Browns Bridge Road corridor. The building was constructed in 1993, with 360 square feet of office area and the remainder of the building in unfinished warehouse area. There is one (1) 3-fixture restroom. The building features 18-foot eave height and three (3) 16' X 16' grade level overhead doors. There is approximately 2,700 square feet of on-site paving, with adequate parking and maneuvering area. Electrical service is 200 amp.





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IMPROVED SALE

Property Type:	Industrial	Record ID:	12542-GA	
Tax ID:	08047 001025			
Property Name:	Lot 8 Fairgrounds Business Center			
Address:	3667 Southland Drive, Flowery Branch, Hall County, Georgia			
Location:	Southwestern side of cul de sac end			
Land Lot:	47	District:	8	
Grantor:	GE4, LLC			
Grantee:	MM Company & Assoc., Inc.			
Sale Price:	\$1,200,000			
Sale Date:	07/29/25	Deed Book:	9696	
Verification:	Field, Tax Records, CoStar, Broker		Page:	639
Conditions of Sale:	Arm's Length			
Financing:	Conv.			
Building Size:	7,500 SF	Price/SF:	\$160.00	
Year Built:	2025			
Land Size:	0.740 Acres			
Land to Building Ratio:	4.30			
PGRI:	\$90,000	PGRIM:	13.33	
EGRI:	\$85,500	EGRIM:	14.04	
NOI:	\$78,825	Cap Rate:	6.57%	
NOI Ratio:	92.19%	NOI/SF:	\$10.51	
Expense Ratio:	7.81%	Expenses/SF:	\$0.89	
Occupancy at Sale:	Vacant			

Comments: This light industrial building is located in the Fairground Business Center development in Flowery Branch, Hall County, Georgia. This light industrial property is a 7,500 square foot (50' X 150') building which was constructed in 2025, in new condition. The building features 18-foot eave height, with no interior build out at the time of sale. The front and both side walls are brick veneer exterior. There are two (2) front loaded grade level overhead doors and one (1) side loaded grade level overhead door. The building could be sub-divided into two equal sized suites, with a demising wall is desired.





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IMPROVED SALE

Property Type:	Retail	Record ID:	12774-GA
Tax ID:	WN16 022		
Property Name:	Exchange Center		
Address:	655 Exchange Circle, Bethlehem, Barrow County, Georgia		
Location:	Northeastern Corner of Exchange Blvd. & Exchange Cir. intersection		
GMD:	249		
Grantor:	SBN 1177, LLC		
Grantee:	655 Exchange Circle, LLC		
Sale Price:	\$3,703,736	Deed Book:	2915
Sale Date:	01/31/25	Page:	558
Verification:	Broker, deed, pub. rec.		
Conditions of Sale:	Leased fee interest		
Financing:	Cash to seller		
Building Size:	11,890 SF	Price/SF:	\$311.50
Year Built:	2013		
Land Size:	0.960 Acres		
Land to Building Ratio:	3.52		
PGRI:	\$250,003	PGRIM:	14.81
EGRI:	\$237,503	EGRIM:	15.59
NOI:	\$222,728	Cap Rate:	6.01%
NOI Ratio:	93.78%	NOI/SF:	\$18.73
Expense Ratio:	6.22%	Expenses/SF:	\$1.24
Occupancy at Sale:	100%		

Comments: Multi-tenant retail center on 0.96 acre corner site. It was 100% occupied at the time of sale, with a total of five (5) tenant bays. Located along Exchange Boulevard, it is part of Gateway at University Parkway, a 70 acre mixed use development. The site has direct access from Exchange Circle, as well as cross access ingress and egress with the adjoining fast food property to the east. There is a total of 48 on-site parking spaces for the retail center. It was marketed for sale with an asking price of \$3,800,000.





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IMPROVED SALE

Property Type:	Shopping Center	Record ID:	12776-GA
Tax ID:	15041 0000184		
Property Name:	Apollo Plaza		
Address:	7310 Spout Springs Road, Flowery Branch, Hall County, Georgia		
Location:	Western side of Spout Springs Road, one parcel north of the Friendship Springs Blvd. int.		
GMD:	1279		
Grantor:	Yellow Lobster 888 GA-6, LLC		
Grantee:	Apollo Plaza, LLC		
Sale Price:	\$2,625,000		
Sale Date:	05/02/25	Deed Book:	9650
Verification:	CoStar Comps, Public Records, Deed, Broker		Page: 482
Conditions of Sale:	Arm's Length		
Financing:	Conv.		
Building Size:	7,500 SF	Price/SF:	\$350.00
Year Built:	2021		
Land Size:	1.250 Acres		
Land to Building Ratio:	7.26		
PGRI:	\$254,400	PGRIM:	10.32
EGRI:	\$241,680	EGRIM:	10.86
NOI:	\$227,596	Cap Rate:	8.67%
NOI Ratio:	94.17%	NOI/SF:	\$30.35
Expense Ratio:	5.83%	Expenses/SF:	\$1.88
Occupancy at Sale:	100%		

Comments: Sale of a 7,500 square foot multi-tenant retail building in Flowery Branch, Georgia. This is located approximately 2/10 mile north of the Friendship Road and Spout Springs Road intersection. The building, constructed in 2021, is configured for occupancy by two (2) tenants. One of the tenants is a Huey Magoo's fast food restaurant. The retail building was leased for an average rental rate of approximately \$33.92 per square foot. This building features synthetic stucco and brick exterior with storefront glass. There are a total of 55 on-site parking spaces which support the 7,500 square foot multi-tenant retail building. The property sold along with an approximately 1 acre surplus site, which was pad ready with parking in place, with an allocated purchase price of approximately \$500,000.





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IMPROVED SALE

Property Type: Shopping Center **Record ID:** 12775-GA
Tax ID: 08114 004012
Property Name: The Plaza at Flowery Branch
Address: 5866 Spout Springs Road, Flowery Branch, Hall County, Georgia
Location: Southeastern corner of Spout Springs Road & Holland Dam Road int.
Land Lot: 114 **District:** 8

Grantor: Deevik Properties, LLC
Grantee: 5866 FB, LLC

Sale Price: \$3,000,000
Sale Date: 08/22/25 **Deed Book:** 9711 **Page:** 168
Verification: CoStar Comps, Public Records, Deed, Broker
Conditions of Sale: Arm's Length
Financing: Conv.

Building Size: 5,600 SF **Price/SF:** \$535.71
Year Built: 2005
Land Size: 0.510 Acres
Land to Building Ratio: 3.97

PGR: \$165,000 **PGRIM:** 18.18
EGRI: \$156,750 **EGRIM:** 19.14
NOI: \$147,292 **Cap Rate:** 4.91%
NOI Ratio: 93.97% **NOI/SF:** \$26.30
Expense Ratio: 6.03% **Expenses/SF:** \$1.69
Occupancy at Sale: 100%

Comments: Sale of a 5,600 square foot multi-tenant retail building for \$3,000,000 or \$535.71 per square foot. This building is in Flowery Branch, Georgia and is an outparcel for the Publix anchored Village Shoppes of Flowery Branch. The building, constructed in 2005, is leased for an average rental rate of \$29.46 per square foot. It is currently configured with four (4) tenant suites, which were 100% occupied. This building features synthetic stucco and brick exterior with storefront glass. There are a total of 24 on-site parking spaces for this facility. The tenants were localized businesses, two of which are restaurants. The building has maintained good occupancy and also has good proximity and access at the Exit 12 interchange of I-985.





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Subject and Improved Comparable Location Map





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Chapter 5: Conclusions

Certain definitions, limiting conditions, and certifications set forth in the attached report qualify the value opinion(s). The analysis contained in the report is in an appraisal report format.

Restricted Appraisal Report

This report is in a Restricted Appraisal Report format intended to comply with our interpretation of the reporting requirements in Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice. Use of this report is limited to the client. The client should be aware that the rationale for how the appraisers arrived at the opinions and conclusions set forth in the report may not be understood properly without additional information contained in the work file. We are not responsible for the unauthorized use of this report.

Market Value Indications

The subject has been analyzed for the purpose of developing an opinion of the current fee simple market value of the property. The value indications from each of the appraisal methods provide a reasonable range of value for the subject property. The market value of the subject should lie within this indicated range. The value indications by the two approaches utilized are as follows:

Income Approach	\$1,340,000
Sales Comparison Approach	\$1,560,000

TAD FINANCING

The above market value indications for the subject do not include any consideration of the TAD financing for the subject. In the Appendix we have presented a DCF which summarizes the remaining financial benefit of the TAD financing for which the subject has been approved. To date, three payments have been provided to Grubs Market: the first in the amount of \$11,071.71; the second in the amount of \$10,992.07 and the third in the amount of \$11,849.33. The TAD agreement, which may transfer to new owners of the property, will conclude upon the full reimbursement of the remaining amount or after the expiration of the 12-year period, whichever comes first. The outstanding balance of TAD funds remaining is approximately \$176,662. **The Resolution approving the subject TAD stipulates that “in order to receive TAD funds, the project must remain a market that is in substantial conformance with the uses proposed in the application.”** Therefore, for the purposes of this analysis we have relied upon an Extraordinary Assumption that the subject will continue to be utilized as a market. The DCF indicates a present value of the TAD financing reimbursements of approximately \$120,000. Including these with the value indications for the subject above indicates a current market value for the subject in the range from \$1,460,000 to \$1,680,000.

Market Value Conclusion

Current Fee Simple Market Value Opinion

Our opinion of the current fee simple market value of the subject, based on market conditions as of March 25, 2026, is

\$1,575,000

ONE MILLION FIVE HUNDRED SEVENTY FIVE THOUSAND DOLLARS



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Note to Client: The market value opinion above reflects the market value of the subject real property and does not include any value associated with equipment. We understand that in association with the renovations to the retail market component area of the property approximately 4 years ago significant cost was incurred for the equipment needed to operate a retail market. The majority of this equipment is not permanently affixed and therefore not considered to be real property. No value is included in our analysis associated with this equipment or any equipment installation cost.

Marketability

The subject property has average to good overall marketability. The factors that positively influence marketability include:

- The subject has a good location, within the Midtown area of Gainesville;
- Property has TAD credits in place, with approximately 12 years of credits remaining associated with the Midtown Gainesville TAD;
- The retail component of the improvements was significantly renovated approximately 4 years ago and are in good physical condition;

The factors that negatively influence marketability include:

- Older age of the improvements, originally constructed in 1974;
- The unrenovated component of the northern area of the improvements in average overall condition;
- Limited on-site parking available to support the improvements, as renovated;

In our opinion a reasonable marketing period for the subject property at the above concluded value is 12 months. The exposure period for the subject property is also 12 months.

Extraordinary Assumptions and Hypothetical Conditions

No Hypothetical Conditions have been utilized in developing our opinion of value.

This appraisal contains an extraordinary assumption defined below which were used in our analysis of the subject property and in developing the opinion(s) of value. Use of these assumptions and conditions does impact the assignment results. An extraordinary assumption is defined as information directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions.

It is an extraordinary assumption of this appraisal that the subject will continue to be utilized as a market, in order that the remaining approximately \$176,662 of approved TAD funds will be received over the next 12 years.



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Appendix



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DISCOUNTED CASH FLOW ASSUMPTIONS												
Annual Taxes	\$ 14,526	Discount Rate										
			5.0%									
Projected Annual Escalation												
			5.3%									
DISCOUNTED CASH FLOW TAD Reimbursement Grubs Market, 511 Main Street, Gainesville, GA												
Period	1	2	3	4	5	6	7	8	9	10	11	12
TAD Tax Reduction	\$10,895	\$11,474	\$12,085	\$12,728	\$13,405	\$14,118	\$14,869	\$15,660	\$16,494	\$17,371	\$18,295	\$19,269
TOTAL TAD REIMBURSEMENT	\$10,895	\$11,474	\$12,085	\$12,728	\$13,405	\$14,118	\$14,869	\$15,660	\$16,494	\$17,371	\$18,295	\$19,269
P.V. Factors @ 5.00%	0.95238	0.90703	0.86384	0.82270	0.78353	0.74622	0.71068	0.67684	0.64461	0.61391	0.58468	0.55684
PRESENT VALUE	\$10,376	\$10,408	\$10,439	\$10,471	\$10,503	\$10,535	\$10,567	\$10,600	\$9,372	\$8,926	\$8,501	\$10,729
PRESENT VALUE OF CASH FLOWS												
												\$121,427
												\$120,000



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Professional Qualifications

CHARLES A. MCKAY
Metro Appraisals
P.O. Box 791
Gainesville, Georgia 30503
770-534-0384

PROFESSIONAL ORGANIZATIONS

Certified General Real Property Appraiser Georgia License No. 964

EXPERIENCE

June 1989 to Present	Metro Appraisals, Inc. Commercial Real Estate Appraiser
1984 to 1989	Columbus Consolidated Govt., Columbus, GA Commercial Real Estate Appraiser
1983 to 1984	Coldwell Banker, Columbus, GA Real Estate Sales Associate

EDUCATION

The University of Georgia	1975 - 1979
Columbus State University	Bachelors Business Administration 1982
The Society of Real Estate Appraisers	<ul style="list-style-type: none">• An Introduction to Appraising Real Estate• Principles of Income Property Appraising
The Appraisal Institute	<ul style="list-style-type: none">• Residential Valuation

CONTINUING EDUCATION

Fundamentals of Real, Personal Property & Intangible Business Assets, 3/2012	Avoiding Mortgage Fraud for Appraisers 2/2019
7-Hr. National USPAP, 2014 – 2015, 12/2013	7-Hr. National USPAP, 2020 – 2021, 12/2019
Appraisal Applications of Regression Analysis, 1/2014	The Basics of Expert Witness for Commercial Appraisers 12/2019
Appraisal of Fast Food Facilities 1/2015	Appraisal of Medical Office Buildings, 1/2021
Appraisal of Self Storage Facilities 1/2015	Appraisal of Industrial & Flex Buildings, 1/2021
Appraisal of Assisted Living Facilities, 1/2016	7-Hr. National USPAP, 2020 – 2022, 1/2022
7-Hr. National USPAP, 2016 – 2017, 1/2016	Into. To Commercial Appraisal Review, 1/2022
Appraisal of Land Subject to Ground Leases, 1/2017	The Income Approach: An Overview, 1/2023
Appraisal of Owner Occup. Comm. Properties, 1/2017	Appraisal of Self Storage Facilities 1/2023
7-Hr. National USPAP, 2018 – 2019, 12/2017	7-Hr. National USPAP, 2024
Basic Hotel Appraising, 1/2018	Complex Properties, The Odd Side of Appraisal 1/2024
Appraisal of Industrial Incubators, 2/2019	

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CHARLES A MCKAY

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Vice Chairperson

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WILLIAM A. MURRAY
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KEITH STONE

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CHARLES A MCKAY

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Suite 1000 - International Tower
229 Peachtree Street, N.E.
Atlanta, GA 30303-1605



LYNN DEMPSEY
Real Estate Commissioner

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LYNN DEMPSEY
Real Estate Commissioner

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Professional Qualifications

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Gainesville, Georgia 30503
770-534-0384

PROFESSIONAL ORGANIZATIONS

Member of the Appraisal Institute
Certified General Real Property Appraiser

Member No. 450012
Georgia License No. 269864

EXPERIENCE

January 2004 to Present

Metro Appraisals, Inc.
Associate Commercial Real Estate Appraiser

EDUCATION

Appraisal Education

Appraisal Institute

- Completed Demonstration Appraisal for MAI Designation
- Completed Experience Screening for MAI Designation
- Completed Education Requirements for MAI Designation
- Completed Comprehensive Examination for MAI
- Appraisal Principles
- Appraisal Procedures
- Uniform Standards of Professional Appraisal Practice
- Business Practices and Ethics
- Basic Income Capitalization
- General Applications
- Market Analysis and Highest & Best Use
- Report Writing and Case Studies
- Advanced Income Capitalization
- Advanced Sales Comparison and Cost Approach
- Advanced Concepts and Case Studies
- ARGUS certification

Formal Education

AA – Associates of Arts, Business Administration
BA – Bachelor of Arts, Business Administration

- Gainesville State College
- University of Mississippi
- North Georgia College and State University



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This Certifies That

Cliff M. Ward

has been admitted to membership as an

MAI Member

in the Appraisal Institute and is entitled to all the rights and privileges of membership subject only to the limiting conditions set forth from time to time in the Bylaws and Regulations of the Appraisal Institute.

In Witness Whereof, the Board of Directors of the Appraisal Institute has authorized this certificate to be signed in its behalf by the President, and the Corporate Seal to be hereunto affixed on this *7th* day of *June* 2013

Richard A. Boyce

President

This certificate is the property of the Appraisal Institute and must be returned to the Secretary upon termination of membership.

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D. SCOTT MURPHY
Chairperson

JEANMARIE HOLMES
Vice Chairperson

JEFF A. LAWSON
WILLIAM A. MURRAY
KEITH STONE

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