

**SUMMARY APPRAISAL OF A
PROPOSED CONVENIENCE STORE/GAS STATION FACILITY**

To be located along the southerly side

of

Jodeco Road

UNINCORPORATED HENRY COUNTY, GEORGIA

AS OF

May 13, 2004
"As Is" Market Value

Prepared for:

HERITAGE BANK
203 Keys Ferry Street
McDonough, Georgia 30253

Prepared by:

PEACH APPRAISAL GROUP, INC.
675 Charles Cox Drive
Canton, Georgia 30115

LIMITING CONDITIONS AND ASSUMPTIONS

This appraisal is made subject to the following:

- 1) Unless otherwise stated, it is assumed that there are no hidden or apparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.

Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraisers. The appraisers have no knowledge of the existence of such materials on or in the property. The appraisers, however, are not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

- 2) Information furnished by others is assumed to be true, correct and reliable. A reasonable effort has been made to verify such information; however, no responsibility for its accuracy is assumed by the appraisers.
- 3) If a legal description was furnished, it is assumed that the physical characteristics of the property, with regard to metes and bounds and road frontages, are essentially as depicted on the Tax Plat, Survey, and/or Legal Description contained within the report.
- 4) No responsibility is assumed for matters legal in character, nor is any opinion rendered as to title, which is assumed to be good and marketable. Normal mortgage loan encumbrances and utility easements are considered to exist.
- 5) Since the property may be considered an income producing investment property, under this condition, it is assumed to be under competent, aggressive management unless otherwise stipulated.
- 6) If this report becomes the property of any other party, other than the addressee or the person who has paid the fee connected herewith, permission must be obtained for reproduction or additional copies from the original addressee, and additional fees will be charged for any further consultation, reappraisal, testimony, or review of this property.
- 7) Any subsequent copies of this report will be furnished at an additional charge for each copy, plus typing charges, if necessary.
- 8) Disclosure of the contents of this appraisal report is governed by Georgia State Law and the By-Laws and Regulations of the Appraisal Institute. This appraisal has been prepared in accordance with the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the firm with which the appraisers are connected, nor any reference to the Appraisal Institute) shall be disseminated to the public through advertising media, public relations media, sales media, or any other public means of communication without prior written consent and approval of the undersigned.

- 9) All mortgages, liens, encumbrances, leases and servitudes have been disregarded unless so specified within the report. The property is appraised as though under responsible ownership and competent management.
- 10) It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
- 11) It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.

- 12) Since the appraisal consists of improved property, the distribution of the total valuation in this report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
- 13) With reference to the property in question, the appraisers will not be required to give testimony or appear in court because of having made this appraisal.
- 14) Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraisers, and in any event only with properly written qualification and only in its entirety.
- 15) In the event that the validity of any finding of this appraisal is questioned and unresolvable, the parties agree to binding arbitration with the following conditions: 1) each party shall select and pay for an independent state certified appraiser; 2) the independent appraisers shall select a third state certified appraiser to be paid equally by both parties; and 3) the panel of appraisers shall expeditiously resolve any and all issues raised and their findings shall be binding on all parties.
- 16) Acceptance and/or use of this appraisal report by the client and/or any third party constitutes acceptance of the stated limiting conditions and assumptions. The appraisers' and/or reviewers' responsibility and liability extends only to the stated client.

Peach Appraisal Group, Inc.

Real Estate Appraisers & Consultants

Thomas C. Carson, Ph.D.
Georgia State Certified CG000438

May 13, 2004

HERITAGE BANK
203 Keys Ferry Street
McDonough, Georgia 30253

RE: Summary Appraisal of a proposed Convenience Store/Gas Station located along the southerly side of Jodeco Road, Unincorporated Henry County, Georgia

Submitted herewith is our **summary format report (USPAP 2-2)**, which contains the pertinent data considered and the reasoning leading to our opinion of the estimated Market Value. The sixteen Limiting Conditions and Assumptions which may qualify the value estimate, as well as Certification and Qualifications of the appraisers are included within the report.

Employment of the appraiser was **not** conditional upon the appraiser producing a specific value or value within a given range. Future employment prospects are **not** dependent upon the appraiser producing a specific value. Employment of the appraiser and payment of the fee is **not** based on whether a loan application is approved or disapproved.

As requested, the site and proposed plans of development have been inspected by the undersigned and the property at the above captioned location has been appraised. The purpose of this appraisal is to estimate the "**Prospective Value**" of the Fee Simple Interest in the subject property, assuming completion of gas station in a workmanlike manner, as of January 13, 2005 (Eight Months Hence). We have also provided an "**As Is**" Market Value in accordance with USPAP 2-2, as of May 13, 2004. Please refer to the definition of Market Value and the definition of Fee Simple Interest contained in the Appraisal Assignment Section of the report.

The subject of this report is a proposed Gas Station and Convenience Store encompassing a 3,000 square foot convenience store and 2,400 built-in retail store located along the southerly side of Jodeco Road, one-half mile east of Interstate 75, in central Henry County, Georgia. The facility will be constructed in the later portion of 2004 and completed in 2005. The building will be constructed of brick/masonry, and steel, and is situated on 1.577 acres. The proposed convenience store will be 3,000 square feet and will include fuel dispensing pumps, interior retail store area, and exterior overhead canopy. Within the same building structure is a 2,400 square foot retail store. The site improvements include gasoline pump islands, 3,300 square foot overhead canopy, landscaping and property signage. The property is further identified by Henry County Tax Assessor's as being a portion of Parcels 3,4, and 5, County Map 53B, Land Lot 80, of the 6th District, Henry County, Georgia.

CERTIFICATION

The undersigned does hereby certify that, except as otherwise noted in this appraisal report:

1. We have no present or contemplated future interest in the real estate that is the subject of this appraisal report.
2. We have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved;
3. No one provided research assistance to the undersigned. Additional research information, reverified herein, may have been provided by other market participants. The analyses, conclusions, and opinions concerning real estate that are set forth in this appraisal report, which are limited only by the stated assumptions and limiting conditions, are the personal, unbiased opinion of the undersigned;
4. The undersigned hereby certifies that to the best of my knowledge and belief, the statements of fact contained within this report, upon which the analyses, opinions, and conclusions expressed herein are based, are true and correct; also, this report sets forth all the Limiting Conditions affecting the analyses, opinions and conclusions contained within this report; also, this report has been prepared in conformity with and is subject to the requirements of the Code of Ethics and Standards of Professional Conduct of the Appraisal Institute and the Uniform Standards of Professional Practice;
5. Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
6. Thomas C. Carson has made a personal inspection of the property that is the subject of this report.
7. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

RESTRICTIONS UPON DISCLOSURE AND USE

Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers or the firm with which they are connected) shall be disseminated to the public through advertising media, public regulations media, news media, sales media, or any other public means of communication without the prior written consent and approval of the undersigned.


Thomas C. Carson, Ph.D.
Georgia Certification, #CG000438


Eric Q. Carson
State Registration, #258284

EXECUTIVE SUMMARY

Location: Southerly side of Jodeco Road, one-half miles east of Interstate 75, Land Lot 80 of the 6th District, Henry County, Georgia

Property: Proposed 3,000 Sq.Ft. Convenience Store/Gas Station Facility and 2,400 Sq.Ft. of retail space

Parcel Identification: Parcels 3,4, and 5, Block 1, County Map 53B. Land Lot 80 of the 6th District, Henry County, Georgia

Land Area: 1.577 Acres (68,694 Sq.Ft.)

Interest Appraised: Fee Simple

Current Zoning: C-2 - Commercial

Highest and Best Use: If Vacant Commercial
As If Improved Commercial

Date of Inspection: May 13, 2004

Date of Report: May 13, 2004

Date of Market Value: May 13, 2004

Date of Prospective Value: January 13, 2005 (Eight Months Hence)

Market Period: Less Than 12 Months

MARKET VALUE CONCLUSION:

Cost Approach:	\$1,444,000
Income Approach:	\$1,654,000
Sales Comparison Approach:	\$1,678,000
CONCLUSION:	\$1,670,000

RECONCILIATION OF FINAL VALUE ESTIMATE

The three approaches to market value have provided value indications for the subject development as follows:

METHOD OF ANALYSIS	VALUE ESTIMATE
Cost Approach	\$1,444,000
Income Approach	\$1,654,000
Sales Comparison Approach	\$1,678,000

Both the Income and Market Approaches normally are considered highly reliable indicators of value, with both analysis techniques giving consideration to the income producing potential of a property and likely market response to its overall investment characteristics. Within the Income Approach we provided Direct Capitalization by Sales Comparison. Due to the nature of the subject improvements, it could be purchased for either investment purposes or as an owner-occupied facility.

The Cost Approach is based on the current nature of the commercial land market as well as the cost to construct the subject. This method of valuation tends to be less reliable for proposed properties of this type. Therefore, we have NOT placed an equal degree of emphasis on the Cost Approach to that of the other two approaches.

It is our opinion that the "Prospective Value" of the Fee Simple Interest in the subject facility, assuming completion of the new Convenience store/Gas Station Facility in a workmanlike manner, as of January 13, 2005 (Eight Months Hence), will be:

(**\$1,670,000**)
- ONE MILLION SIX HUNDRED SIXTY-FIVE THOUSAND DOLLARS -

Divided as follows:

Land	\$ 343,000
Building	\$ 892,000
Canopy & Pumps	\$ 320,000
F.F. & E.	\$ 115,000

Furthermore, it is our opinion that the "As Is" Market Value of the Fee Simple Interest in the 1.577 acres of land and proposed buildings, as of May 13, 2004, was:

(**\$343,000**)
- THREE HUNDRED FORTY-THREE THOUSAND DOLLARS -