

**SUMMARY REPORT
REAL ESTATE APPRAISAL**

Of
Bethel Mt Zion Holy Union Church of God



733 NW 9 St
Hallandale, FL, 33309

As of
September 17, 2014

Prepared For
Pastor Alonzo Rosier
Bethel Mt Zion Holy Union Church of God
733 NW 9 St
Hallandale, FL
33309

Prepared by
WACHTSTETTER ENTERPRISES
Thomas Wachtstetter, ASA, IFA, Cert Gen-RZ451

File Name: 1409002



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September 19, 2014

Pastor Alonzo Rosier
Bethel Mt Zion Holy Union Church of God
733 NW 9 St
Hallandale, FL 33309

Re: Summary Report, Real Estate Appraisal
Bethel Mt Zion Holy Union Church of God
733 NW 9 St
Hallandale, FL, 33309

File Name: 1409002

Dear Pastor Rosier:

At your request, I have prepared an appraisal for the above referenced property, which may be briefly described as follows:

The subject is developed with a small church and serves the local community. The property is very basic in design but functional for its use. The improvements are adequately maintained. The site is fully developed with ample onsite parking, as well as a large residential population that can walk to the subject property.

Please reference page 12 of this report for important information regarding the scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis and valuation methodology.

I certify that I have no present or contemplated future interest in the property beyond this estimate of value. The appraiser has not performed any prior services regarding the subject within the previous three years of the appraisal date.

Your attention is directed to the Limiting Conditions and Assumptions section of this report (page 10). Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, I note the following:

Mr. Rosier
Bethel Mt Zion Holy Union Church of God
September 19, 2014
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Hypothetical Conditions:

- There are no hypothetical conditions for this appraisal.

Extraordinary Assumptions:

- There are no Extraordinary Assumptions for this appraisal.

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, Extraordinary Assumptions and Hypothetical Conditions (if any), I have made the following value conclusion(s):

Current As Is Market Value:

The "As Is" market value of the Fee Simple estate of the property, as of September 17, 2014, is

\$250,000

Two Hundred Fifty Thousand Dollars

The market exposure time¹ preceding September 17, 2014 would have been 6 months and the estimated marketing period² as of September 17, 2014 is 6 months.

Respectfully submitted,
Wachtstetter Enterprises



Thomas Wachtstetter, ASA, IFA
Cert Gen-RZ451

¹ Exposure Time: see definition on page 10.

² Marketing Time: see definition on page 9.

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Summary of Important Facts and Conclusions

GENERAL

Subject:	Bethel Mt Zion Holy Union Church of God 733 NW 9 St, Hallandale, Broward County, FL, 33309
	The subject is developed with a small church and serves the local community. The property is very basic in design but functional for it's use. The improvements are adequately maintained. The site is fully developed with ample onsite parking, as well as a large residential population that can walk to the subject property.
Owner:	Mt Zion Hollywood Church of God
Legal Description:	THOMPSON & STIRRUP ADD 32-3 B LOT 19,20 BLK 1
Tax Identification:	51-42-21-34-0200
Date of Report:	September 19, 2014
Intended Use:	The intended use is for portfolio management.
Intended User(s):	The client and property owner.
Assessed Value:	\$128,510 at 100.00% Implied Market Value: \$128,510
Taxes:	\$0 *The owners are tax exempt.

Sale History: The subject has not sold in the last three years, according to public records.

Current Listing/Contract(s): The subject is not currently listed for sale, or under contract.

PROPERTY

Land Area: Total: 9,601 square feet; 0.22 acres

Usable: 9,601 square feet; 0.22 acres
The entire site is considered to be useable land. And is utilized by the current owner.

Improvements:

Building 1

Building ID: Building 1
Year Built: 1956
Condition: Average
Number of Stories: 1.00
Gross Building Area (GBA): 1,920

Property Totals:	GBA*	Units
	1,920	1

*See area definitions, page 9.

Zoning: CF

Highest and Best Use of the Site: Community Facility

Highest and Best Use as Improved: Church

VALUE INDICATIONS

Land Value: \$91,200
Cost Approach: \$254,000
Sales Comparison Approach: \$250,000
Income Approach:
Direct Capitalization NA

Reconciled Value(s):	As Is
Value Conclusion(s)	\$250,000
Effective Date(s)	September 17, 2014
Property Rights	Fee Simple

Definitions

Market Value:³

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

A Fee Simple estate is defined³ as:

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

A Leased Fee interest is defined³ as:

A freehold (ownership interest) where the possessory interest has been granted to another party by the creation of a contractual landlord-tenant relationship (i.e., a lease).

Marketing Time is defined³ as:

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

Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal.

Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.

³ Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute, 2010).

Exposure Time is defined³ as:

1. The time a property remains on the market.
2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market.

See Marketing Time, above.

Gross Building Area (GBA): Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the region.³

Rentable Area (RA): For office buildings, the tenant's pro rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring the inside finished surface of the dominant portion of the permanent building walls, excluding any major permanent penetrations of the floor. Alternatively, the amount of space on which the rent is based; calculated according to local practice.³

Gross Leasable Area (GLA): Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces.³

As Is Market Value

The estimate of the market value of the real property in its current physical condition, use and zoning as of the appraisal date.³

Stabilized Value

Stabilized value is the prospective value of a property after construction has been completed and market occupancy and cash flow have been achieved.⁴

As Complete Value

The prospective value of a property after all construction has been completed. This value reflects all expenditures for lease-up and occupancy that may be expected to have occurred at that point in time, which may or may not put the property at stabilized value.

⁴ Narrative1.com. Thomas W. Armstrong, MAI

Limiting Conditions and Assumptions

Acceptance of and/or use of this report constitutes acceptance of the following limiting conditions and assumptions; these can only be modified by written documents executed by both parties.

This appraisal is to be used only for the purpose stated herein. While distribution of this appraisal in its entirety is at the discretion of the client, individual sections shall not be distributed; this report is intended to be used in whole and not in part.

No part of this appraisal, its value estimates or the identity of the firm or the appraiser(s) may be communicated to the public through advertising, public relations, media sales, or other media.

All files, work papers and documents developed in connection with this assignment are the property of Wachtstetter Enterprises. Information, estimates and opinions are verified where possible, but cannot be guaranteed. Plans provided are intended to assist the client in visualizing the property; no other use of these plans is intended or permitted.

No hidden or unapparent conditions of the property, subsoil or structure, which would make the property more or less valuable, were discovered by the appraiser(s) or made known to the appraiser(s). No responsibility is assumed for such conditions or engineering necessary to discover them. Unless otherwise stated, this appraisal assumes there is no existence of hazardous materials or conditions, in any form, on or near the subject property.

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, was not called to the attention of the appraiser nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances. The presence of such hazardous substances may affect the value of the property. The value opinion developed herein is predicated on the assumption that no such hazardous substances exist on or in the property or in such proximity thereto, which would cause a loss in value. No responsibility is assumed for any such hazardous substances, nor for any expertise or knowledge required to discover them.

Unless stated herein, the property is assumed to be outside of areas where flood hazard insurance is mandatory. Maps used by public and private agencies to determine these areas are limited with respect to accuracy. Due diligence has been exercised in interpreting these maps, but no responsibility is assumed for misinterpretation.

Good title, free of liens, encumbrances and special assessments is assumed. No responsibility is assumed for matters of a legal nature.

Necessary licenses, permits, consents, legislative or administrative authority from any local, state or Federal government or private entity are assumed to be in place or reasonably obtainable.

It is assumed there are no zoning violations, encroachments, easements or other restrictions which would affect the subject property, unless otherwise stated.

The appraiser(s) are not required to give testimony in Court in connection with this appraisal. If the appraisers are subpoenaed pursuant to a court order, the client agrees to pay the appraiser(s) Wachtstetter Enterprises's regular per diem rate plus expenses.

Appraisals are based on the data available at the time the assignment is completed. Amendments/modifications to appraisals based on new information made available after the appraisal was completed will be made, as soon as reasonably possible, for an additional fee.

Americans with Disabilities Act (ADA) of 1990

A civil rights act passed by Congress guaranteeing individuals with disabilities equal opportunity in public accommodations, employment, transportation, government services, and telecommunications. Statutory deadlines become effective on various dates between 1990 and 1997. Wachtstetter Enterprises has not made a determination regarding the subject's ADA compliance or non-compliance. **Non-compliance could have a negative impact on value, however this has not been considered or analyzed in this appraisal.**

Scope of Work

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s). Therefore, the appraiser must identify and consider:

- the client and intended users;
- the intended use of the report;
- the type and definition of value;
- the effective date of value;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

This appraisal is prepared for Mr. Alonzo Rosier, Bethel Mt Zion Holy Union Church of God. The problem to be solved is to estimate the 'as is' market value of the subject property. The intended use is for portfolio management. The owners are making a decision about possibly selling the subject property. This appraisal is intended for the use of client and property owner and their assigns..

SCOPE OF WORK	
Report Type:	This is a Summary Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(B). This format provides a summary of the appraisal process, subject and market data and valuation analyses.
Property Identification:	The subject has been identified by the legal description and the assessors' parcel number.
Inspection:	A complete interior and exterior inspection of the subject property has been made, and photographs taken.
Market Area and Analysis of Market Conditions:	A complete analysis of market conditions has been made. The appraiser maintains and has access to comprehensive databases for this market area and has reviewed the market for sales and listings relevant to this analysis.
Highest and Best Use Analysis:	A complete as vacant and as improved highest and best use analysis for the subject has been made. Physically possible, legally permissible and financially feasible uses were considered, and the maximally productive use was concluded.

Valuation Analyses

- Cost Approach: A cost approach was applied as there is adequate data to develop a land value and the depreciation accrued to the improvements can be reasonably measured.
- Sales Comparison Approach: A sales approach was applied as there is adequate data to develop a value estimate and this approach reflects market behavior for this property type.
- Income Approach: An income approach was not applied as while the subject could generate an income stream, the most probable buyer is an owner-occupant.
- Hypothetical Conditions:
- There are no hypothetical conditions for this appraisal.
- Extraordinary Assumptions:
- There are no Extraordinary Assumptions for this appraisal.

Comments

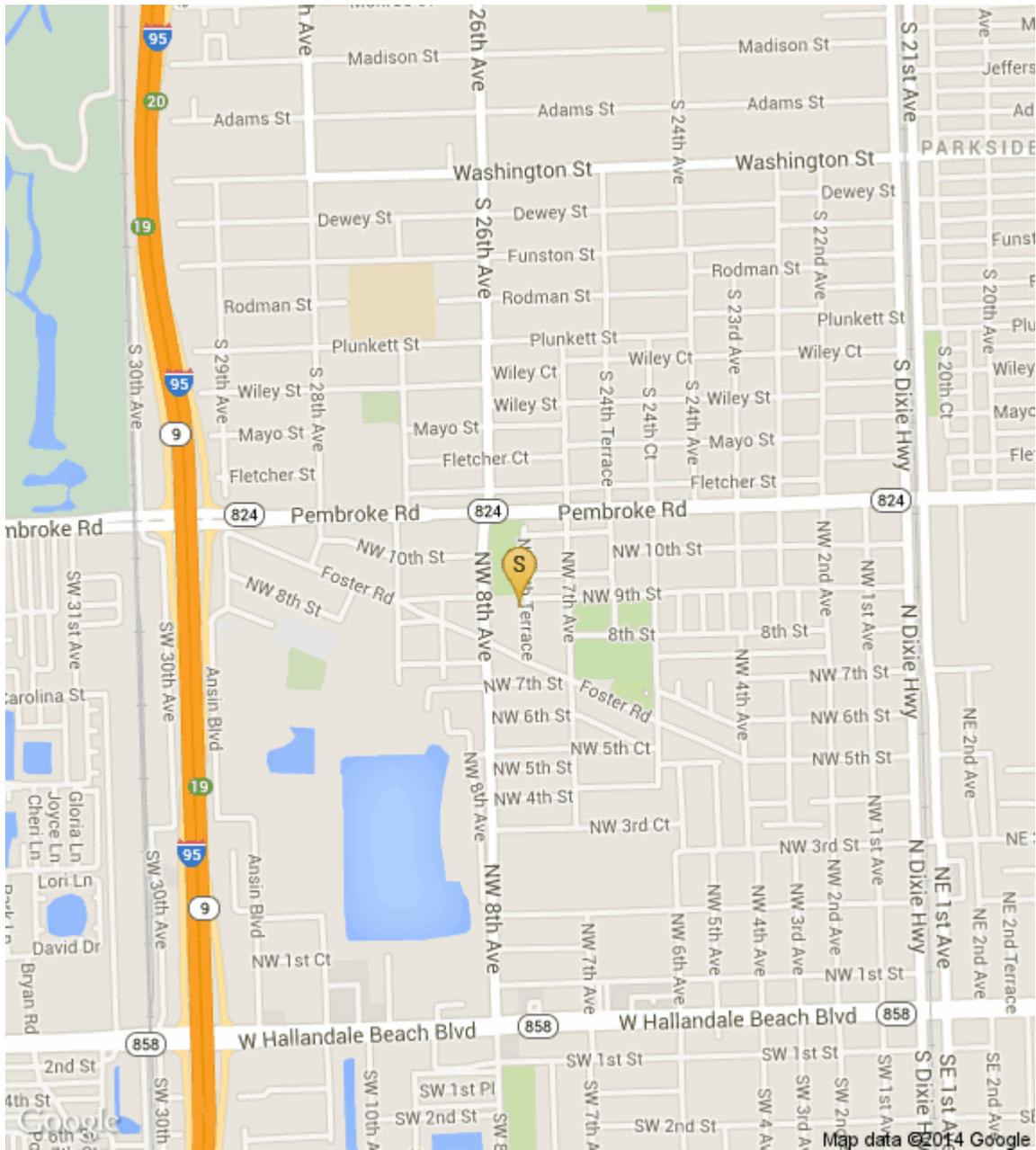
The subject property is small community church that appears to be adequately maintained. The area is a mix of residential and limited commercial uses (there are also a number of similar churches in the immediate area. The area has a large residential population in the immediate area.

Market Area Analysis

Market Area and Property Characteristics

The subject is located north of the Broward and Miami-Dade Countyline. South of Pembroke Road east of i-95 and west of Dixie hwy. The area is a mix of residential (both single and multi-family units) and some neighborhood business in the immediate area. There are city parks and ball fields in the area as well. The existing roadways provide easy access to all parts of Boward and Miami-Dade Counties.

Location Map



Property Description

The following description is based on our property inspection, assessment records, and information provided by property owner's representative Alonzo Roiser..

SITE	
Location:	The subject is located on the south side of Route, at the southwest region of the downtown commercial district.
Current Use of the Property:	Improved as Religious facility
Site Size:	Total: 0.22 acres; 9,601 square feet Usable: 0.22 acres; 9,601 square feet The entire site is considered to be useable land. And is utilized by the current owner.
Shape:	The site is roughly rectangular.
Frontage/Access:	The subject property has good access with frontage as follows: <ul style="list-style-type: none">• NW 9 St: 80 feet• NW 7 Terr: 120 feet The site has an average depth of 120 feet. It is a corner lot.
Visibility:	Average
Topography:	The subject has level topography at grade and no areas of wetlands.
Soil Conditions:	The soil conditions observed at the subject appear to be typical of the region and adequate to support development.
Utilities:	Electricity: FPL Sewer: City Sewer Water: City Water Underground Utilities: The site is serviced by underground and overhead utilities. Adequacy: The subject's utilities are typical and adequate for the market area.
Site Improvements:	<ul style="list-style-type: none">• Public Street Lights• No curbs or gutters• The landscaping consists of grass and minimal shrubs

Environmental Issues: There are no known adverse environmental conditions on the subject site. Please reference Limiting Conditions and Assumptions.

Encumbrance / Easements: There no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.

Site Comments: The subject site is fully developed and has amenities similar to other properties in the area.

Site Plan/Tax Map/Survey



IMPROVEMENTS DESCRIPTION

Development/Property Name: Bethel Mt Zion Holy Union Church of God

Property Type: Church

Overview: The subject is developed with a small church and serves the local community. The property is very basic in design but functional for its use. The improvements are adequately maintained. The site is fully developed with ample onsite parking, as well as a large residential population that can walk to the subject property.

GENERAL - BUILDING 1

Building Identification:	Building 1
Building Description:	Church
Construction:	Steel and masonry
Construction Quality:	Average
Year Built:	1956
Effective Age:	10-15 years
Remaining Useful Life:	45-50
Condition:	Average
Appeal/Appearance:	Average
Areas, Ratios & Numbers:	Number of Stories: 1.00 Gross Building Area: 1,960 Land to Building Ratio: 4.9 to 1

FOUNDATION, FRAME & EXTERIOR - BUILDING 1

Foundation:	Poured concrete slab
Exterior:	CBS
Windows:	Aluminium Awing
Roof/Cover:	Gable / Asphalt Shingles

INTERIOR - BUILDING 1

Interior Layout:	Average
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Floor Cover:	Carpet, Linoleum
Walls:	Painted drywall
Ceilings & Ceiling Height:	Wood / 12
Lighting:	A mix of fluorescent and incandescent lighting.
Restrooms:	Basic

MECHANICAL SYSTEMS - BUILDING 1

Heating:	Electric
Cooling:	Package Units
Electrical:	basic
Plumbing Condition:	Average
Sprinkler:	None

Comments, Building 1: The building is adequately maintained.

PARKING

Parking Type and Number of Spaces:	Type: Open parking paved and grass onsite parking Spaces: 12 paved and addition grass parking available
	Condition: Average

PROPERTY ANALYSIS

Design & Functional	The subject is developed with a small church that serves the
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Utility: local community. The property has a very basic design but is functional for its current use. The improvements are adequately maintained. The site is fully developed with ample onsite parking.

Deferred Maintenance: Some minor rotten wood is noted in the eaves but the roof appears to be relatively new and no leaks are noted inside the property.

Capital Improvements: None known.

Comments: The property is adequately maintained. No signs of deferred maintenance are noted.

Americans With Disabilities Act

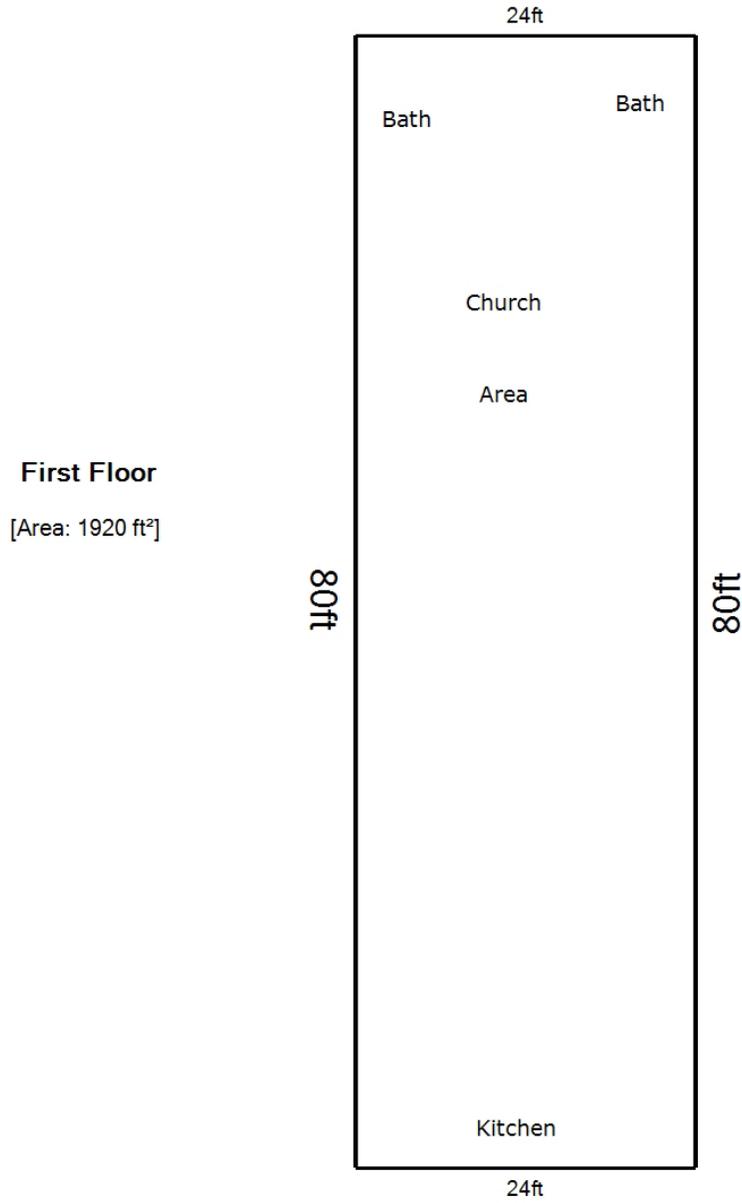
Please reference the Limiting Conditions and Assumptions section of this report on page 11.

Hazardous Substances

Please reference the Limiting Conditions and Assumptions section of this report on page 11.

Improvements Plan

Sketch



Living Area	Area Calculation				
First Floor	1920 ft ²	80ft x	24ft x	x 1.00 = 1920 ft ²	
	Δ	80ft x	24ft x	0.50 = 960 ft ²	
Total Living Area (rounded):	1920 ft²	Δ	80ft x	24ft x	0.50 = 960 ft ²

Subject Photographs



Front view



Rear View

PHOTO ADDENDUM



West side View



Grass parking Lot

PHOTO ADDENDUM



Church Area



Kitchen Area

PHOTO ADDENDUM



Main Church Area



Restroom

Assessment and Taxes

REAL ESTATE ASSESSMENT AND TAXES

Taxing Authority	Broward County
Assessment Year	2013

ASSESSED VALUES

Tax Identification Number	51-42-21-34-0200
Land Assessed Value	\$57,600
Building Assessed Value	\$70,910
Other Property Assessed Value	<u>\$0</u>
Total Assessed Value	\$128,510

Totals

Total Land Assessed Value	\$57,600
Total Building Assessed Value	\$70,910
Total Other Assessed Value	\$0
Total Assessment	\$128,510

Note: Property appraiser does not spend much time valuation properties that are tax exempt. Assessed value vary greatly.

Zoning

LAND USE CONTROLS	
Zoning Code	CF
Zoning Description	Community Facility
Current Use Legally Conforming	Current Use Legally Conforming
Zoning Comments	The current use is permitted under the existing zoning. The subject has been used for this purpose for a number of years. This use is common in the area.

Highest and Best Use

Highest and best use may be defined as

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

"The highest and best use of both land as though vacant and property as improved must meet four criteria. The highest and best use must be 1) **physically possible**, 2) **legally permissible**, 3) **financially feasible**, and 4) **maximally productive**. These criteria are usually considered sequentially; a use may be financially feasible, but this is irrelevant if it is physically impossible or legally prohibited. Only when there is a reasonable possibility that one of the prior, unacceptable conditions can be changed is it appropriate to proceed with the analysis. If, for example, current zoning does not permit a potential highest and best use, but there is a possibility that the zoning can be changed, the potential use can be considered on that basis."

- 1) **PHYSICALLY POSSIBLE:** Based on a physical inspection of the subject's site and the existing building improvements as well as the surrounding area the existing use is permitted on the subject site.
- 2) **LEGALLY PERMISSIBLE:** The subject property is currently zoned CF, Community Facility, by the Town of Hallandale Beach. The existing use of the subject site as a church is permitted under this zoning classification.
- 3) **FINANCIALLY FEASIBLE:** Based on an analysis of the neighborhood and the demand for religious facilities in the subject neighborhood, it is felt that this is a good location for a church facility and that subject's existing would remain the Highest and Best Use of the property.
- 4) **MAXIMALLY PRODUCTIVE:** Among financially feasible uses, the legally permissible uses that provide the highest rate of return, or value (given a constant rate of return), are the potential uses of the subject property. Under the existing zoning classification, the existing use of the subject property, as of the date of this appraisal, is considered to be maximally productive.

Highest and Best Use of the Site

The highest and best use of the site, as vacant, is for Religious Facility/Community facility.

The subject is currently zoned Community Facility, a zoning that allows religious facilities as well as other uses that are or the good of the community (city buildings, parks etc.)

Highest and Best Use as Improved

The highest and best use of the subject as improved Church.

The subject is currently set up for use as a church facility. The property has a seating capacity of approximately 200 people. The building has a small kitchen area in the rear of the building. The building has 2 restrooms.

Valuation Methodology

Three basic approaches may be used to arrive at an estimate of market value. They are:

1. The Cost Approach
2. The Income Approach
3. The Sales Comparison Approach

Cost Approach

The Cost Approach is summarized as follows:

$$\begin{array}{r} \text{Cost New} \\ - \text{Depreciation} \\ + \text{Land Value} \\ = \text{Value} \end{array}$$

Income Approach

The Income Approach converts the anticipated flow of future benefits (income) to a present value estimate through a capitalization and or a discounting process.

Sales Comparison Approach

The Sales Comparison Approach compares sales of similar properties with the subject property. Each comparable sale is adjusted for its inferior or superior characteristics. The values derived from the adjusted comparable sales form a range of value for the subject. By process of correlation and analysis, a final indicated value is derived.

Final Reconciliation

The appraisal process concludes with the Final Reconciliation of the values derived from the approaches applied for a single estimate of market value. Different properties require different means of analysis and lend themselves to one approach over the others.

Analyses Applied

A **cost analysis** was considered and was developed because there is adequate data to develop a land value and the depreciation accrued to the improvements can be reasonably measured.

A **sales comparison analysis** was considered and was developed because there is adequate data to develop a value estimate and this approach reflects market behavior for this property type.

An **income analysis** was considered and was not developed because this type of use is typically owner occupied.

Cost Approach

The Cost Approach is based on the principle of substitution - that a prudent and rational person would pay no more for a property than the cost to construct a similar and competitive property, assuming no undue delay in the process. The Cost Approach tends to set the upper limit of value before depreciation is considered. The applied process is as follows:

- Estimate the land value according to its Highest and Best Use. I have used the Sales Comparison Approach; the process is as follows:
 - Comparable sales, contracts for sale and current offerings are researched and documented.
 - Each comparable is analyzed and adjusted to equate with the subject property.
 - The value indication of each comparable is analyzed and the data reconciled for a land value indication.
- Estimate the replacement cost of the building and site improvements.
- Estimate the physical, functional and/or external depreciation accrued to the improvements.
- Sum the depreciated value of the improvements with the value of the land for an indication of value.

Land Value

The subject's land value has been developed via the sales comparison approach.

Sales Comparison Approach – Land Valuation

The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the Sales Comparison Approach.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed and the quality of the transaction is determined.

- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the subject property.
- The value indication of each comparable sale is analyzed and the data reconciled for a final indication of value via the Sales Comparison Approach.

Land Comparables

I have researched comparables land sales for this analysis. The area is nearly fully developed land sales in the area range in price from \$8.00 to 11.00/sq ft, depending on location, size and allowable use.

Analysis of land sales

The sales have been analyzed and compared with the subject property. I have considered adjustments in the areas of:

- Property Rights Sold
- Financing
- Conditions of Sale
- Market Trends
- Location
- Physical Characteristics

Sales Comparison Approach Conclusion – Land Valuation

The adjusted values of the comparable properties range from \$8.00/sq ft to \$11.00/sq ft . All of the value indications have been considered I have been given most weight in arriving at my final reconciled per square foot value of \$9.50/sq ft.

As Is Market Value	
Indicated Value per Square Foot:	\$9.50/ sq ft
Subject Size:	9,600
Indicated Value:	\$91,200
Rounded:	\$91,200
Ninety One Thousand Two Hundred Dollars	

Cost Analysis

The next step in the Cost Approach is to estimate the replacement cost of the buildings and site improvements. The replacement cost of the subject site and building improvements are based on Marshall & Swift, a nationally recognized cost service.

Depreciation Analysis

Depreciation may be defined as any loss of value from any cause. There are three general areas of depreciation: physical deterioration, functional obsolescence and external obsolescence. Depreciation may be curable or incurable, the test being that money spent to cure the depreciation be gained in value. If the depreciation costs more to fix than will be gained in value, then the depreciation is considered incurable.

Physical Deterioration

This results from deterioration from aging and use. This type of depreciation may be curable or incurable.

Functional Obsolescence

This results from a lack of utility or desirability due to design or market perception of the improvements. This type of depreciation may be curable or incurable.

External Obsolescence

This is due to circumstances outside the property itself, such as industry, demographic and economic conditions or an undesirable proximate use. This type of depreciation is rarely curable.

Sales Comparison Approach

The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the Sales Comparison Approach.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the subject property.
- The value indication of each comparable sale is analyzed and the data reconciled for a final indication of value via the Sales Comparison Approach.

Comparables

I have researched three comparables for this analysis; these are documented on the following pages followed by a location map and analysis grid. All sales have been researched through numerous sources, inspected and verified by a party to the transaction.

Improved Sale No. 1



Property Identification

Record ID 2767
Property Type Church, CHURCH
Address 2826 W Sunrise Blvd, Fort Lauderdale, Broward County, Florida 33311
Tax ID 50-42-05-05-0660
T-R-S 50-42-05
MLS A1572314

Sale Data

Grantor Prix Investment Corp
Grantee Room 2 Grow Academy Inc
Sale Date December 12, 2013
Deed Book/Page 50452-384
Property Rights Fee
Conditions of Sale Arms Length
Financing \$204000

Sale Price \$255,000

Land Data

Land Size 0.330 Acres or 14,375 SF
Zoning B-3, BUSINESS
Topography Level
Utilities Available in the area
Shape Rectangular
Land Use Commercial
Condition Fair

Indicators

Sale Price/Gross SF \$125.74
Floor Area Ratio 0.14
Land to Building Ratio 7.09:1

Legal Description

Washington Park Second Add 21-17 B Lot 19,20,21 All Less N 15 For Co Rd Blk 1

Improved Sale No. 1 (Cont.)

Remarks

The property is a small community church with frontage on Sunrise Blvd. The building appears to be in need of some repairs. The property was sold as is. The buyers appear to be in the day care/school business and apparently will use the property for that purpose. The property has a grass parking area at the time of the sale. The sale is considered an arm's length sale.

Improved Sale No. 2



Property Identification

Record ID	2768
Property Type	Church, CHURCH
Address	2212 Atlanta St, Hollywood, Broward County, Florida 33020
Tax ID	51-42-04-01-1380
T-R-S	51-42-04
MLS	A2005511

Sale Data

Grantor	Greater Saint Adorkor Missiona
Grantee	Jfr Investlents Llc
Sale Date	March 19, 2014
Deed Book/Page	50700-1070
Property Rights	Fee
Marketing Time	124 days
Conditions of Sale	Arms length
Financing	\$129,000, Seller
Sale History	None in the last 3 years

Sale Price	\$215,000
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Land Data

Land Size	0.172 Acres or 7,504 SF
Zoning	C-1, Low Intensity Commercial District
Topography	Level
Utilities	Available in the area
Shape	Rectangular
Land Use	Commercial
Condition	Average

Indicators

Sale Price/Gross SF	\$127.98
Floor Area Ratio	0.23
Land to Building Ratio	4.41:1

Legal Description

Liberia 1-34 B Lot 42 To 44 Blk 5

Improved Sale No. 2 (Cont.)

Remarks

The property was a small church at the time of the sale. Property was sold through the MLS and said the building could be used for a number of limited uses including church, day care, school, etc. The property is located in a small community and was in average condition at the time of the sale. The property has a grass parking lot. Buyers intended use is unknown. Sale price is reflective of the price paid and the sale is considered an arm's length sale. Buyers have painted the building since the time of the purchase. The church was being used as an office prior to the sale. The interior was said to have had some renovation and some of the windows and electric were updated.

Improved Sale No. 3



Property Identification

Record ID	2761
Property Type	Church, CHURCH
Address	2241 Davie Blvd, Ft. Lauderdale, Broward County, Florida 33023
Tax ID	50-42-08-07-0010
T-R-S	50-42-08
MLS	F1291175

Sale Data

Grantor	Our Lady Of Peace Chapel Inc
Grantee	Victory Baptist Church Of Fort
Sale Date	July 14, 2014
Deed Book/Page	50934-1818
Property Rights	Fee
Marketing Time	30 days
Conditions of Sale	Arms Length
Financing	239200, PMM
Sale History	117000

Sale Price	\$299,000
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Land Data

Land Size	0.240 Acres or 10,454 SF
Zoning	Cb, Commercial
Topography	Level
Utilities	Available in the area
Shape	Rectangular
Land Use	Commercial
Condition	Average

General Physical Data

Building Type	Single Tenant
Gross SF	1,560
Year Built	1955

Improved Sale No. 3 (Cont.)

Indicators

Sale Price/Gross SF	\$191.67
Floor Area Ratio	0.15
Land to Building Ratio	6.70:1

Legal Description

Hoosier Heights 26-47 B Lots 1,2 Blk 1 Together With Lot 1 W 40 Blk 6 Of Brendale Heights 32-40 B

Remarks

The property is a small church in average to fair condition. The property has frontage on Davie Blvd and has its own onsite parking. The property sold through the MLS and is considered an arm's length sale.

Improved Sale No. 4



Property Identification

Record ID 2763
Property Type Church, CHURCH
Address 1855 Mckinley St, Hollywood, Broward County, Florida 33020
Tax ID 51-42-10-25-0010
T-R-S 51-42-10
MLS F1165814

Sale Data

Grantor Florida Baptist Convention Inc
Grantee NEW LIFE ROMANIAN BAPTIST CHURCH INC
Sale Date June 07, 2013
Deed Book/Page 49893-122
Property Rights Fee
Conditions of Sale Arms Length
Financing Cash
Sale History None inn the prior 3 years

Sale Price \$880,000
Cash Equivalent \$880,000

Land Data

Land Size 0.720 Acres or 31,363 SF
Zoning Regional Activity Center, RAC-RTE
Topography Level
Utilities Available in the area
Shape Rectangular
Land Use Regional Activity Center
Condition Average

General Physical Data

Building Type Single Tenant
Gross SF 6,884 Church
Gross SF 600 Hall
Year Built 1940

Improved Sale No. 4 (Cont.)

Indicators

Sale Price/Gross SF	\$117.58
Floor Area Ratio	0.24
Land to Building Ratio	4.56:1

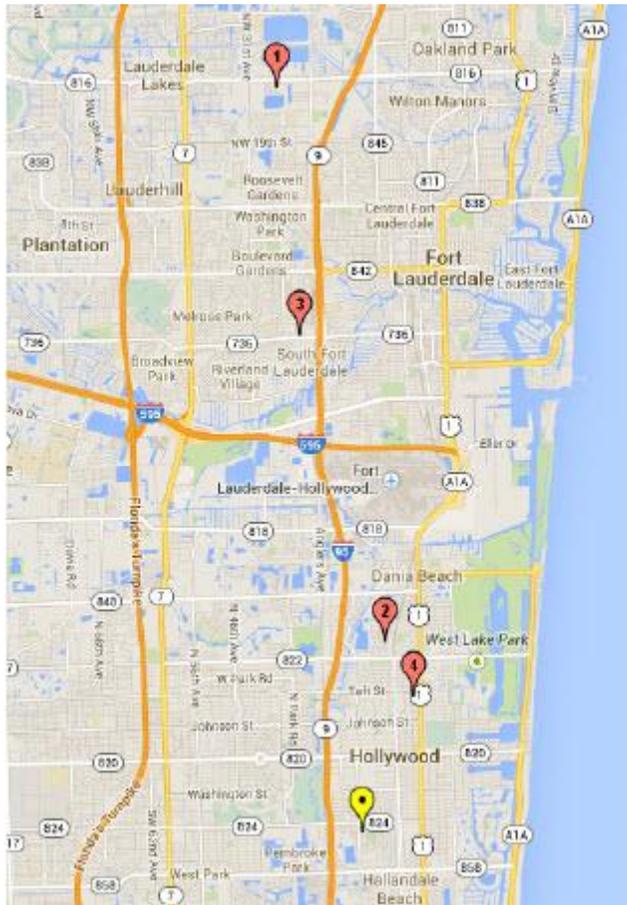
Legal Description

Frank C Dickey Sub 11-8 B Lots 1 Thru 10 Blk 1

Remarks

The property is an average quality Church building with onsite parking and a separate hall building for gatherings, with a commercial kitchen. The property is in average condition and is located in a residential area. The sale is considered an arm's length sale.

Improved Sales Comparables Map



Improved Sales Summary and Adjustment Grid					
Subject		Comparable 1	Comparable 2	Comparable 3	Comparable 4
Property Name:					
Location:	733 NW 9 ST	2826 W Sunrise	2212 Atlanta St	2241 Davie Blvd	1855 Mckinley St
Submarket:	Hallandale	Sunrise	Hollywood	Ft lauderdale	Hollywood
O.R. Book/Page:		50452-384	50700-1070	50934-1818	49893-122
Seller:		Prix Investment	Greater Saint	Our Lady Of	Florida Baptist
Buyer:		Room 2 Grow	Jfr Investlents Llc	Victory Baptist	NEW LIFE
Date of Sale:		Dec-13	Mar-14	Jul-14	Jun-13
Sale Price:		\$255,000	\$215,000	\$299,000	\$880,000
Building Size:	1920	2,028	1,680	1,560	7,484
Unadjusted Price/Sq. Ft.:		\$126	\$128	\$192	\$118
Adjustments					
Rights Transferred :	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financial Considerations:	Assumes Cash	Market	Market	Market	Market
Conditions of Sale:	Assumes Arm's Length	Arm's Length	Arm's Length	Arm's Length	Arm's Length
Market Conditions - Time:	Current	Stable	Stable	Stable	Stable
Time Adj. Cash Equiv. Price/Sq. Ft.:		\$126	\$128	\$192	\$118
Location:	Average	Average	Average	Average	Average
Lot Size (Sq. Ft.):	9,600	14,375	7,504	10,454	31,363
Land to bldg ratio	5.00	7.09 -10%	4.47	6.70 -10%	4.19
Year Built/Condition:	1956	1955	1967	1955	1940
Condition	Average	Fair 20%	Average	Average	Average
Net Adjustments:		10%	0%	-10%	0%
Adjusted Price/Sq. Ft.:		\$138	\$128	\$173	\$118

Analysis Grid

The above sales have been analyzed and compared with the subject property. I have considered adjustments in the areas of:

- Property Rights Sold
- Financing
- Conditions of Sale
- Market Trends
- Location
- Physical Characteristics

On the following page is a sales comparison grid displaying the subject property, the comparables and the adjustments applied.

Comparable Sale Adjustments

Location

All 4 sales are located in similar areas of eastern Broward County. All are relatively small community churches. No location adjustment was considered necessary.

Date of Sale

The market for this type of property has been stable over the last few years, no time adjustment was considered necessary.

Land to Bldg Ratio

Sale #2 & #4 are adjusted upward since they have larger lots. The larger lots allows for more functions to be held at the church. These sales are adjusted downward for the larger land to bldg ratio.

Condition

Sale #1 is inferior condition to the subject and sales. It is adjusted upward 20% for the inferior condition.

Sales Comparison Approach Conclusion

The adjusted values of the comparable properties range from \$118 to \$173. All of the value indications have been considered, and in the final analysis, all 4 are given weight arriving at my final reconciled per square foot value of \$130.00.

As Is Market Value	
Indicated Value per Square Foot:	\$130.00
Subject Size:	1,920
Indicated Value:	\$249,600
Rounded:	\$250,000
Two Hundred Fifty Thousand Dollars	

Income Approach

The Income Approach to value is based on the present worth of the future rights to income. This type of analysis considers the property from an investor's point of view, the basic premise being that the amount and quality of the income stream are the basis for value of the property.

Direct Capitalization Analysis

The steps involved in capitalizing the subject's net operating income are as follows:

- Develop the subject's Potential Gross Income (PGI) through analysis of the subject's actual historic income and an analysis of competitive current market income rates.
- Estimate and deduct vacancy and collection losses to develop the Effective Gross Income (EGI).
- Develop and subtract operating expenses to derive the Net Operating Income (NOI).
- Develop the appropriate capitalization rate (R_o).
- Divide the net operating income by the capitalization rate for an estimate of value through the income approach.

Final Reconciliation

The process of reconciliation involves the analysis of each approach to value. The quality of data applied, the significance of each approach as it relates to market behavior and defensibility of each approach are considered and weighed. Finally, each is considered separately and comparatively with each other.

Value Indications

Land Value:	\$ 91,200
Cost Approach:	\$254,000
Sales Comparison Approach:	\$250,000
Income Approach:	
Direct Capitalization	Not Applicable

Cost Approach

The subject is a very basic design and is adequately maintained. The effective age is relatively low as the subject has little that can wear out because of its use. It appears that the air conditioning, roof and windows have been replaced and updated as needed. The Cost Approach is reflective and supportive of the estimated value of the property.

Sales Comparison Approach

The appraiser has found 4 sales similar in design size and use to get a well supported estimate of the subject's value. The sales are similar with regard to size, features location, overall condition and require minimal adjustments to get the support for the subject's

Income Approach – Direct Capitalization

The Income Approach is not considered to provide a reliable indication of the subject property, buyers of this type of property do not look at the income that could be generated from a church when deciding on the purchase of this type of property. The Income Approach is not considered on this type of property.

Value Conclusion

Based on the data and analyses developed in this appraisal, I have reconciled to the following value conclusion(s), as of September 17, 2014, subject to the Limiting Conditions and Assumptions of this appraisal.

Reconciled Value(s): Premise: As Is
Interest: Fee Simple
Value Conclusion: \$250,000
Two Hundred Fifty Thousand Dollars

Certification Statement (2014)

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

- the statements of fact contained in this report are true and correct.
- 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.
- 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.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 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 acceptance of this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 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.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the property that is the subject of this report.
- no one provided significant real property appraisal assistance to the person signing this certification.



Thomas Wachtstetter, ASA, IFA
Cert Gen-RZ451

Addenda



THOMAS R. WACHTSTETTER ASA, IFA

State Certified General Appraiser #RZ 0000451

Licensed Real Estate Broker #0461624

(954) 791-4663



REAL ESTATE APPRAISER QUALIFICATIONS

RESIDENCY

Broward County since 1962

PROFESSIONAL MEMBERSHIP

Certified General Appraiser, State of Florida, License #RZ 451

Licensed Real Estate Broker, State of Florida, License #0461624

PROFESSIONAL DESIGNATIONS

A.S.A. Urban - Designated Senior Member, American Society of Appraisers

I.F.A. - Designated Senior Member, National Association of Independent Fee Appraisers

Realtor - South Broward Board of Realtors

EXPERIENCE

Independent Fee Appraiser, 1987 - present

President of Broward Chapter of ASA #82 2002, 2nd VP 2001, 1st VP in 2000, Sec 1999

Chief & Staff Appraiser, Farm Credit of South Florida, 1989 -1995

President of Miami Chapter of NAIFA, 1991&1992

President Broward Chapter NSFA & National Upgrading Chairman, 1990

Served as 1st Vice President for NSFA Broward Chapter & on National Board of Directors, 1989

Served as 2nd Vice President for NSFA Broward Chapter, 1988

Staff appraiser at Mason Associates, 1985 - 1986

Ran real estate management office, 1985 - 1986

COURT TESTIMONY

Have been accepted as an expert witness in Broward Circuit Court & US Bankruptcy Court

EDUCATION

University of Central Florida

B.S. Business Administration, Major: Marketing, 1985

APPRAISAL EDUCATION:

Uniform Standards of Professional Practice & Florida Law 1991-2009

CA1-R, Review of Residential Appraising Oct. 1989

Attended various Seminars dealing with Marshall & Swift Cost Services, FNMA form 1004, URAR,

Construction Methods and URAR, Appraiser as Expert Witness, Fair Lending Requirements,

Reviewing Residential Appraisals, Market Abstraction Review, Litigation Valuations.

Attended courses covering:

-Residential Appraising, Writing Narrative Reports, Income Properties, .

Attended seminar on new FNMA guidelines-

SPECIALTY EXPERIENCE:

Have Appraised:

1. Residence (1 to 4 units)
2. Condominiums and Apartments.
3. Commercial Properties.
4. Vacant Land
5. Mobile Homes
6. Special Use Buildings
7. Agricultural Properties

Clients:

1. Banks:
Regions Bank
Union
Farm Service of South Florida, ACA
Family Bank
USDA/Farm Service Agency
American Bank of Hollywood
Temecula Valley Bank
2. Mortgage Companies:
Ameriquest Mortgage
Lending Tree
ACAT Mortgage
ACE Mortgage Funding
3. Credit Unions
Hollywood Employee Credit
Eastern Credit Union
Broward Teachers Credit Union
4. Attorneys:
Thomas & Thomas
Richard T. Donato Esq

AC# 696450

STATE OF FLORIDA

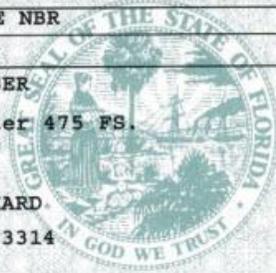
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
FLORIDA REAL ESTATE APPRAISAL BD

SEQ# L12120501145

DATE	BATCH NUMBER	LICENSE NBR
12/05/2012	128147361	RZ451

The CERTIFIED GENERAL APPRAISER
Named below IS CERTIFIED
Under the provisions of Chapter 475 FS.
Expiration date: NOV 30, 2014

WACHTSTETTER, THOMAS RICHARD
5150 SW 70TH AVENUE
DAVIE FL 33314



RICK SCOTT
GOVERNOR

DISPLAY AS REQUIRED BY LAW

KEN LAWSON
SECRETARY