APPRAISAL OF PROPERTY AT 507 NORTH 38TH AVENUE HATTIESBURG, MS

LIGHTSEY & ASSOCIATES

P.O. Box 15489
Hattiesburg, MS 39404
(601) 584-6260

March 7, 2018

Mr. Lamar Rutland City of Hattiesburg P.O. Box 1898 Hattiesburg, MS 39403

RE: Appraisal of property at 507 North 38th Avenue, Hattiesburg, MS

Dear Mr. Rutland:

In accordance with the your request, I have made an inspection and investigation of the property located at 507 North 38th Avenue, Hattiesburg, Mississippi, for the purpose of forming an opinion of the Market Value, in fee simple, as of March 6, 2018 the effective date of the appraisal being the date the subject property was last inspected. The value opinion is both before and after the taking of a 1,128 square foot permanent easement (.03 acre) easement for a sidewalk and bike trail by the City of Hattiesburg and noting damages to the remainder, if any.

Market Value is defined as the most probable price in cash, terms equivalent to cash, or in other precisely revealed terms, for which the property will sell in an open and 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.

NEIGHBORHOOD DESCRIPTION

The subject property is north of Hardy Street, inside the city limits of Hattiesburg and is located between Highway 49 and Interstate 59 in what is known as the Midtown area, which contains the University of Southern Mississippi. The general area contains a wide age range of properties that range from commercial/retail uses to single-family dwellings multi-family dwellings. The subject is in relative close proximity to public schools, shopping and employment centers, and medical facilities. This has been a viable area for many years and with the development of the new Midtown project underway and the continued presence of the University, the long term outlook is favorable.

SITE DESCRIPTION

The subject site is located on the easterly side of North 38th Avenue just north of its intersection with Azalea Drive. It has a frontage of 112 feet on the easterly side of North 38th Avenue and extends to a depth of 110.8 feet on the northerly side and 109.9 feet on the southerly side. The rear line extends across for 122 The site is generally rectangular in shape and contains feet. approximately 12,630 square feet. The site is at or above street grade, and appears to have adequate utility for use a residential The property does not appear to lie in a designated flood All public utilities area connected or available to the site. A survey is included in the addenda of this report in order to assist the reader in visualizing the property. There were no adverse soil or subsoil conditions observed; however, no soil tests have been made as a part of this report. The property is zoned R-1A, Single Family Residential, by the zoning authorities of the City of Hattiesburg. The City of Hattiesburg intends to take a 1,128 square foot permanent easement along the westerly side of the site for use as a sidewalk The easement will be 9.06 feet wide at the southerly and bike trail. end and will be 18.51 feet wide at the northerly end. the taking, the subject site will be effectively reduced in size to 11,502 square feet. Access and utility will remain essentially the It is the appraiser's opinion that there will be no damages to the remainder property.

IMPROVEMENTS DESCRIPTIONS

The subject property is presently improved with a single unit dwelling that is tenant occupied. It is presently 30 feet from the right of way of North 38th Avenue and after the taking of the easement, it will be located approximately 16 feet from the right of way. Traffic flow will remain at its present distance from the building. It is the appraiser's opinion that the taking will have no effect on the improvements, thus the dwelling is given no consideration in this appraisal report.

PROPERTY HISTORY

The subject property appears to have been under the ownership of Richard H. Leonard for in excess of five years. The subject property is not known to be listed for sale nor under contract.

TAXES

The total taxes for the subject property for 2017 are \$2,002.55. The total true value (tax value) of the property is \$73,480.00 with an assessed value of \$11,023.00.00. According to the Forrest County Tax Assessor, 2017 taxes have been paid in full.

HIGHEST AND BEST USE

In order to estimate the Highest and Best Use of the subject, the surrounding property uses as well as the four tests of Highest and Best Use were considered. These are 1)physically possible, 2)legally permissible, 3)financially feasible, and 4)maximally productive. After considering these factors, the Highest and Best Use of the site as vacant is estimated to be for a single unit house site. The Highest and Best Use of the property as presently improved is estimated to be for a single unit dwelling.

INTENDED USE AND SCOPE OF THE APPRAISAL

This appraisal is intended to assist the client, Mr. Lamar Rutland of the City of Hattiesburg, in forming an opinion of value of the subject property both before and after the taking of a 1,128 square foot easement by the City for a sidewalk and bike trail. In preparing this appraisal, the appraiser inspected the subject site; gathered information on comparable land sales and listings, confirmed and analyzed the data and applied the Sales Comparison Approach to value. As only the land was considered in this appraisal, this was the only approach deemed applicable to the subject's valuation.

APPRAISAL PROCESS

good appraisal practice, three approaches to value In arrive at a value conclusion normally used to for a These approaches are the Sales Comparison Approach, the Cost Approach, and the Income Approach. The Sales Comparison based on deriving a value indication by is comparing properties that have been sold recently to the subject property and the sales price of the comparables for any The Income Approach considers the present value of the future benefits of income and ownership. To estimate the income potential of the subject, comparable rents are obtained and the subject, reconciled to then a deduction is made for The resulting net income is anticipated expenses. then capitalized into value using a rate supported by market data. The Cost Approach provides a value indicator based on the cost to reproduce the improvements less any observed depreciation. The value estimate of the land developed through the Sales Comparison is then added to the depreciated value estimate of Approach Improvements. As noted above, the appraiser has utilized the Sales Comparison Approach only as the land only is considered in this appraisal report.

LAND SALES

The following vacant land sales were utilized to arrive at opinion of value for the subject site.

LAND SALE NO. 1

Location: 3503 Arlington Loop, Hattiesburg

Date: 08/09/2016

Price: \$15,000

Size: 15,000 sq ft

Price/SF: \$1.00

Zoning: R-1A

Confirmation: MLS # 88645/ReMax Real Estate

Comments: Located just south of Hardy Street and west of South 34th Avenue. House on site

was destroyed by tornado in February of 2013.

LAND SALE NO. 2

Location: Peach Street, Hattiesburg

Date: 01/04/2017

Price: \$10,000

Size: 12,600 sq ft

Price/SF: \$0.79

Zoning: R-1B

Confirmation: MLS # 105867/University Realty

Comments: Located just south of Hardy Street and east of South 37th Avenue. House on site

was destroyed by tornado in February of 2013.

LAND SALE NO. 3

Location: North 24th Avenue, Hattiesburg

Date: 04/07/2017

Price: \$22,000

Size: 29,317 sq ft

Price/SF: \$0.75

Zoning: R-1A

Confirmation: MLS # 107417/Coldwell Banker

Comments: Located just north of Hardy Street and east of Highway 49. Vacant residential

site.

LAND SALE NO. 4

Location: 105 Southern Hills Drive, Hattiesburg

Date: 03/31/2015

Price: \$ 5,900

Size: 10,064 sq ft

Price/SF: \$0.59

Zoning: R-1A

Confirmation: MLS # 97079/ReMax Real Estate

Comments: Located just north of West 4th Street and east of North 38th Ave. Vacant residential

site.

LAND SALE NO. 5

Location: South 21st Avenue, Hattiesburg

Date: 06/30/2015

Price: \$10,000

Size: 15,000 sq ft

Price/SF: \$0.67

Zoning: R-1A

Confirmation: MLS # 101179/Realty Executives

Comments: Located just south of Hardy Street and on 21st Ave. Vacant residential

site.

The above lot sales indicate an unadjusted range in value from \$0.59 to \$1.00 per square foot. All are in the subject market segment and occurred within the past three years. The subject area is virtually fully developed and there are very few vacant sites that are available for sale. Research of the market found these sales to be the most recent and relevant to the subject's valuation. After considering time, size, location, topography, and other pertinent factors, the value opinion of the subject site is \$1.00 per square foot. Thus the value of the subject is:

BEFORE VALUE

12,630 sf @ \$1.00 = \$ 12,630.00

AFTER VALUE

11,502 sf @ \$1.00 = \$ 11,609.00

Value Before Taking \$ 12,630.00

Value After Taking 11,502.00

Damages -0-

Just Compensation Due Owner \$ 1,128.00

I appreciate the opportunity to prepare this appraisal report for you. Should you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely

Stan Lightsey

Stan Lightsey, SRA Appraisal Institute



APPRAISER'S CERTIFICATION

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

- the statements contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reporting 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 I have no personal interest with respect to the parties involved unless otherwise stated.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with 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 developing or reporting of a predetermined value or a 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.
- no one provided significant appraisal assistance to the person signing this appraisal unless otherwise noted.
- unless otherwise noted, the person signing this report has not performed an appraisal or rendered any other service regarding the subject property in the past three years.
- The Appraisal Institute conducts a voluntary re-certification process for its designated members. I am currently certified under this program.

<u>Stan Lightsey</u> Stan Lightsey, SRA

UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is subject to the following limiting conditions:

The legal description furnished is assumed to be correct.

No responsibility is assumed for matters of a legal character nor does the appraiser render any opinion as to title which is assumed to be good. All existing liens and encumbrances have been disregarded unless otherwise noted and the property is appraised as though free and clear and under responsible ownership and competent management.

The appraiser believes to be accurate the information provided by others; but assumes no responsibility for its accuracy.

Possession of this report, or a copy thereof, does not carry with it the right of publication, and neither all nor ant part of the contents of this report may be disseminated to the public through media of any type nor may be used for any other purpose other than that specified in the engagement by the client without the previous written consent of the appraiser and client particularly as to the value conclusions, the identity of the appraiser or the firm with which he is employed, or to the SRA designation of The Appraisal Institute.

The appraiser will not be required to give testimony or appear in court by reason of this appraisal, with reference to the property in question, unless prior arrangements have been made.

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and improvements must not be used in conjunction with any other appraisal and are invalid if so use.

Unless otherwise stated in this report, the existence of hazardous substances, including but not limited to asbestos, poly-chlorinated biphenyls, petroleum leakage, mold, or agricultural chemicals; which may or may not be present on the property, or other environmental conditions; were not called to the attention of nor did the appraiser become aware of such during the inspection of the property. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser is not an expert in the environmental field and is not qualified to test for such substances or conditions. If the presence of hazardous substances or environmental conditions may affect the value of the property, the value opinion is predicated on the assumption that there is no such condition in or on the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for such conditions; nor for any expertise or knowledge required to discover them. The client is advised to retain an expert in the filed of environmental impact on real estate if such conditions are suspected.

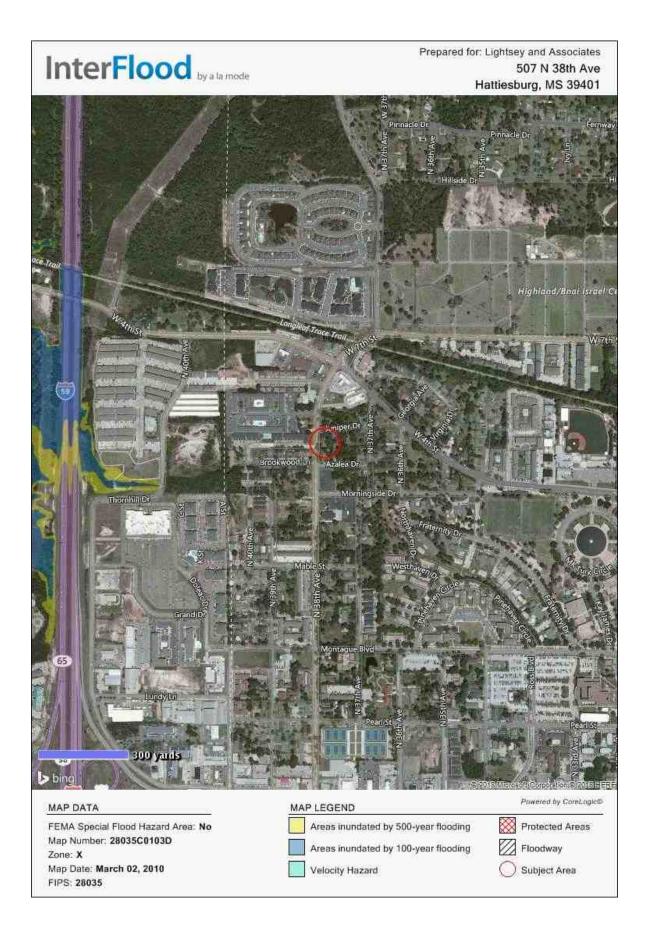
Location Map

Owner	Richard Leonard							
Property Address	507 N 38th Ave							
City	Hattiesburg	County	Forrest	State	MS	Zip Code	39401	
Client	City of Hattieshurg							



Flood Map

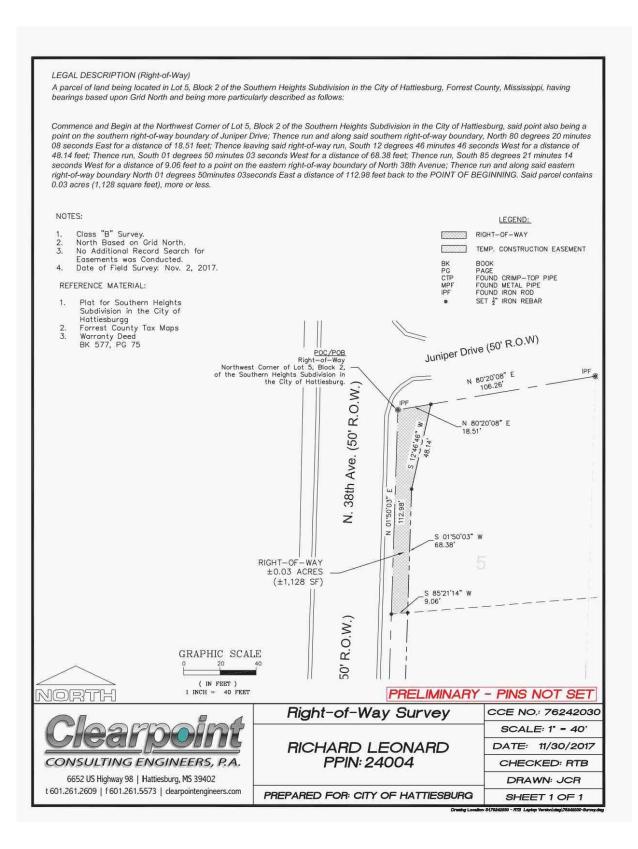
Owner	Richard Leonard							
Property Address	507 N 38th Ave							
City	Hattiesburg	County	Forrest	State	MS	Zip Code	39401	
Client	City of Hattieshurg							



Plat Map



Survey



Forrest County Mississippi



Delta Computer Systems, Inc.

Property Link FORREST COUNTY, MS

Tax Year 2017 Current Date 3/6/2018 Records Last Updated 3/ 6/2018 PROPERTY DETAIL

LEONARD RICHARD H OWNER ACRES: **NA** PO BOX 507 LAND VALUE: 17390

IMPROVEMENTS: 56090 PURVIS MS 39475 TOTAL VALUE: 73480

ASSESSED: 11023

PARCEL 2-028E-06-091.00 ADDRESS 507 N 38TH AVENUE

TAX INFORMATION TAX DUE YEAR 2017 BALANCE COUNTY 729.61 729.61 0.00 CITY 588.41 0.00 SCHOOL 684.53 684.53 0.00 2002.55 2002.55 LAST PAYMENT DATE 1 / 16 / 2018 TOTAL 0.00

MISCELLANEOUS INFORMATION

EXEMPT CODE LEGAL LT 5 BLK 2 DB577 P75 11/86 PREV#:H0832-02-004 HOMESTEAD CODE None 1110 SOUTHERN HEIGHTS SUB TAX DISTRICT PPIN 024004 SECTION

TOWNSHIP 04N RANGE 13W

TAX SALES HISTORY, FOR UNPAID TAXES
Sold To Redeemed Date/By
SFS LLC 12/4/2009 LEONARD RICHARD H Year

View Appraisal Record

Forest County Home | Chancery Court | Instrument Indexing | Online Property Tax Payments | Online Personal Property Tax Payments | Online Mobile Home Tax Payments | Online Car Tag Payments | Online Car Tag Payments | Privacy Policy | Terms of Use | Contact Us | Help

http://www.deltacomputersystems.com/cgi-lrm5/LRMCGI02?HTMCNTY=MS18&HTMB... 3/6/2018

Title Opinion - Page 1

Richard & Thomas, PLLC Attorneys at Law

132 Westover Drive Hattiesburg, MS 39402

Stephen K. Thomas

(601)602-2457 phone (601)602-2458 fax

September 25, 2017

Mr. Lamar Rutland Engineering Department City of Hattiesburg P. O. Box 1898 Hattiesburg, MS 39403-1898

RE: TITLE OPINION -PPIN # 24004

Forrest County, Mississippi.

Dear Mr. Rutland:

Pursuant to your request, I have examined all public records of Forrest County, Mississippi, properly indexed affecting title to the above-described property, covering the period for thirty-one years preceding the date and time hereof, as the same pertains to the subject realty. Based on such examination, it is my opinion that good and merchantable title to the subject realty is now vested in RICHARD H. LEONARD, subject only to the following:

- A lien for the 2017 Forrest County and State ad valorem Taxes which will not be due and payable until, on or about January 1, 2018, and will not be in default until, on or about February 2, 2018, and the lien of such taxes for subsequent years.
- This opinion does not cover the status of title to minerals in, on or under the subject property and is subject to all valid and existing oil, gas, and mineral leases, exceptions, reservations and conveyances.
- 3. Rights of parties in possession, deficiency in quantity of land, discrepancies or encroachments, boundary line disputes, roadways, unrecorded servitudes or easements, and any matters not or record, including lack of access, which would be disclosed by an accurate survey and physical inspection of the subject property.

Title Opinion - Page 2

- All existing easements, grants, or rights of way for public roads and for electric, telephone, telegraph gas, water, drainage or similar utility purposes; unrecorded mechanic's or materialmens' liens.
- 5. Matters not appearing of record which may defeat or impair title, such as forgery, fraud in the delivery of a deed, undisclosed or lost heirs, lack of mental capacity of a grantor, lack of corporate capacity to grant, or, in the alternative, lack of corporate officers, mistaken or incorrect legal interpretations made in estates, trusts, etc., improper delivery of a deed by reason of lack of consent, similar or identical names, and erroneous indexing of documents.
- 6. Taxes, special assessments, and other governmental charges not shown as existing liens by the public records; the effect, if any, of any unrecorded lease or leases.
- Security interests that may have attached to fixtures on the subject property; personal property taxes, if any.
- Compliance with any local, county, state or federal governmental law or regulations relative to zoning, subdivision, occupancy, use, construction or development of the subject property and the effect, if any, of any unrecorded restrictive covenants.
- Usury or claims of usury and liability arising out of any "consumer credit protection plan" "truth-in-lending" or similar law; and/or Mississippi Small Loan Regulatory Act
 - 10. Matters occurring prior and subsequent to the inclusive dates of examination.
- 11. This opinion assumes that all matters of record pertaining to the subject property have been properly indexed in the sectional index of the appropriate jurisdiction.
- 12. Federal judgments and proceedings filed only in the federal courts, including, but not limited to, bankruptcy and federal condemnation proceedings.
 - Subject to any unrecorded materialmen's or mechanic's liens.
- Subject to any and all zoning ordinances and/or land use restrictions of applicable governmental unit.
- 15. Subject to the lien of that certain Deed of Trust from RICHARD HAROLD LEONARD, to Trste, Inc., Trustee, WACHOVIA BANK, beneficiary, dated July 20, 2009, securing the full sum of \$50,000.00, and filed for record on September 4, 2009, and appearing of record in Land Deed of Trust Book 1711at Page 717 in the office of the Chancery Clerk of Forrest County, Mississippi.

Title Opinion - Page 3

From such examination and subject to the above mentioned exceptions, I am of the opinion that good and merchantable title is vested in RICHARD H. LEONARD, in and to the following described property lying and being situate in Forrest County, State of Mississippi, and more particularly described as follows, to-wit:

See Exhibit A:

SIGNED at Hattiesburg, Mississippi, as of the 25th day of September, A.D., 2017, at 1:00 o'clock P.M.

Form SCNLGL - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMOD

STATE OF MISSISSIPPI COUNTY OF FORREST

WARRANTY DEED

FOR AND IN CONSIDERATION Of the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable considerations not herein mentioned, the receipt and sufficiency of all of which is hereby acknowledged, DAN C. PHILIPS, JR. and wife, ANN B. PHILIPS, the Grantors herein, do hereby grant, bargain, sell, convey and warrant unto RICHARD H. LEONARD, the Grantee herein, the following described lands together with any and all improvements and appurtenances thereunto belonging, said lands being more particularly described as follows, to-wit:

Lot Five (5), Block Two (2) of the SOUTHERN HEIGHTS SUBDIVISION in the City of Hattiesburg, County of Forrest, State of Mississippi, as per the map or plat thereof on file in the office of the Chancery Clerk of Forrest County, Mississippi together with all improvements thereon and appurtenances thereunto belonging.

Subject to prior reservations of oil, gas and other minerals lying in, on and under the subject property.

Taxes for the year 1986 shall be pro-rated as of the date of this instrument.

Subject to those certain Protective Covenants and Building Restrictions contained in that certain Warranty deed of record in Book 203 at Pge 73 in the office of the Chancery Clerk of Forrest County, Mississippi.

WITNESS our signatures on this the <u>21st</u> day of <u>November</u> A.D., 1986.

Dan C Dhilyn J.

Bliffe of Mississippi, Grunty of Formest 11-10/1/6

| Betting that this instrument was liked for record in my office at 1-00

Betting that this instrument was liked for record in my office at 1-00

Betting that the mississippi day of 1/00, 1986 and was recorded in Betting 1986 and 198

0120036161

Photograph Addendum

Owner	Richard Leonard		
Property Address	507 N 38th Ave		
City	Hattiesburg	County Forrest State MS	Zip Code 39401
Client	City of Hattiesburg		



View of Easement Area



View of Easement Area

Photograph Addendum

Owner	Richard Leonard							
Property Address	507 N 38th Ave							
City	Hattiesburg	County	Forrest	State	MS	Zip Code	39401	
Client	City of Hattiesburg							



View of North 38th Avenue

QUALIFICATIONS OF STAN LIGHTSEY, SRA

EDUCATION COMPLETED:

University of Southern Mississippi, B.S. Degree, 1974 **Appraisl Institute:**

> The Future of Appraising, 1996 Highest and Best Use Applications, 1996 **Environmental Issues, 1996** Appraising & the Internet, 1996 Litigation Skills, 1997 Attacking & Defending an Appraisal in Litigation, 1999 Appraising Partial Interests, 2000 Appraisal of Nonconforming Properties, 2000 Subdivision Analysis, 2001

Course 430, 2001

Special Purpose Properties, 2002

The Technology Assisted Appraiser, 2003

Course 400, 2003

Complex Residential Properties, 2004

Mathematically Modeling Real Estate Data, 2004

Professional's Guide to the URAR, 2005

Residential Sales Comparison Approach, 2005

USPAP Update, 2005

Appraising Environmentally Contaminated Properties, 2006

Appraising Manufactured Housing, 2007

Convenience Stores and Retail Fuel Concessions, 2008

Declining Markets and Sales Concessions, 2008

New Residential Market Conditions Form, 2009

Business Practices and Ethics, 2009

Appraising Distressed Commercial Real Estate, 2009

Market Conditions, 2009

Analyzing the Effects of Environmental Contamination on Real Property, 2010

USPAP Update, 2011

Quality Assurance in Residential Appraisals, 2011

The Lending World in Crisis, 2012

Curriculum Overview, 2013

Business Practice and Ethics, 2014

Supervising Appraisal Trainees, 2014

USPAP Update, 2014

Data Verification-2015

Appraising Convenience Stores-2015

New Technology for Appraisers-2016

Eminent Domain & Condemnation-2017

USPAP Update-2017

Appraiser Qualifications - Page 2

MEMBERSHIPS AND APPOINTMENTS:

SRA, The Appraisal Institute
SRA Admissions Committee, The Appraisal Institute
Assistant Regional Member, Review & Counseling Division, the Appraisal Institute
Offices held in Mississippi Chapter of Appraisal Institute:
President-1994
Vice President-1993
Secretary-1992
Director-Three separate terms, last ending in 2017

EMPLOYMENT HISTORY:

Spencer Murphree 1977-1979
Jack Gieger & Associates 1979-1984
Lightsey & Associates 1984-Present

PARTIAL CLIENT LIST:

Ashland

BancorpSouth Bank The First, ANBA

Regions Bank
Hancock Bank
Priority One Bank
Citizens' Bank

Great Southern National Bank
Trustmark National Bank
Community Bank
First Southern Bank

FNMA FHLMC
City of Hattiesburg City of Petal
City of Columbia City of Lumberton

FDIC MDOT

Navy Federal Credit Union Keesler Federal Credit Union

Bankplus Georgia Pacific University of Southern Mississippi William Carey

University of Southern Mississippi

Forrest General Hospital

Prudential

Forrest County, MS

Lamar County, MS

Left Davis County, MS

Poorl Piver County MS

Jeff Davis County, MS

Pearl River County, MS

U. S. Dept. of Justice FBI

Qualified as expert witness in Special Courts of Eminent Domain, County Courts, Circuit Courts, Chancery Courts, and Federal District Court.